

# Fiscal Impact Analysis

*Of the*

## Downtown Lancaster Specific Plan



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# 1 Executive Summary

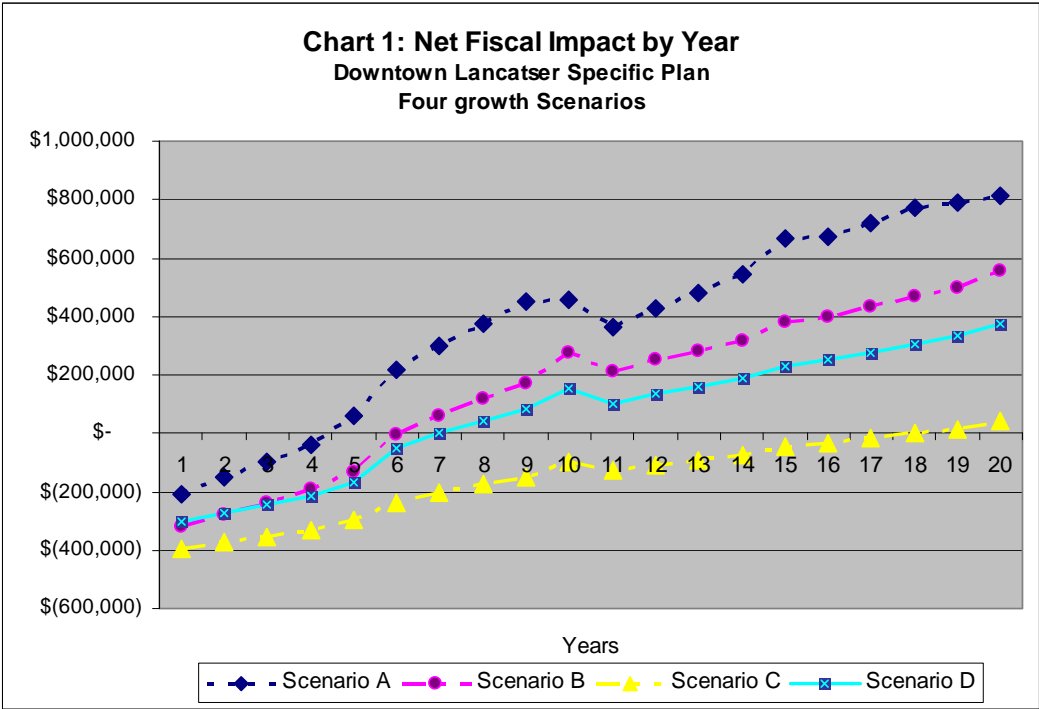
## 1.1 Purpose & Project Description

This study analyzes whether or not the build out of the proposed Downtown Specific Plan is fiscally sustainable for the City of Lancaster. It evaluates the impact of the proposed project on the City's **General Fund** and the **Redevelopment Agency Fund** during the development of the project over a 20-year timeframe.

The proposed Specific Plan includes a mix of residential, retail, and office as well as various public amenities and key infrastructure improvements to create a strong sense of place and improved identity for the City of Lancaster. As proposed, at build out the project would include: 2,569 new residential units, 265,000 square feet of new retail and restaurant space, and 230,000 square feet of additional office development. The new development would bring 6,800 new residents, 920 new office jobs, and 590 additional retail jobs to a revitalized and enlivened downtown. The analysis looks at the impact of the buildout under four possible growth scenarios, which assume different development rates based on the strength of Lancaster's economy and the effectiveness of the downtown revitalization efforts.

## 1.2 Fiscal Impact Results

The fiscal impact analysis indicates that, in the short term, growth in the downtown will not generate sufficient revenues to offset new costs to the City. However, over the longer term as retail and office development catch up with residential development, and as the entire project begins to produce sufficient funds to pay for the debt service on required capital improvement costs (for downtown parking, streetscape and roadway improvements) the project under three of the four growth scenarios will ultimately pay for itself (see Chart 1).



Scenario A, which assumes an accelerated rate of growth, would produce a net positive fiscal impact of \$7.6 million over the 20-year projection. The more moderately passed growth of Scenario B would result in a net positive fiscal impact of \$3.2 million. The very slow growth Scenario C would result in a net negative fiscal impact of -\$3 million. Finally Scenario D, which includes moderate residential and slow commercial growth, would result in a positive net fiscal impact of \$1.4 million over the 20-year projection.

### **1.3 Discussion of Results**

This analysis identifies a number of important conclusions that must be considered prior to a decision on the downtown Specific Plan.

- Commercial development, especially retail development, is one of the major revenue sources for the City of Lancaster and for this project. Reductions of commercial land uses or the inability of the downtown to draw new retail and office development potential will change the fiscal impact of this project. Specifically new retail projects that compete with the downtown project should be avoided; especially retail developments that seek to serve the same market niche through the development of a downtown-type pleasure-shopping venue.
- Rapid residential development, without corresponding retail and commercial development will result in a project with a potential for a net negative fiscal impact on the City of Lancaster. Thus while new residential development will help to revitalize and enliven the downtown and make many mixed-use projects feasible for developers, it is the commercial development that will help provide the City with revenues to pay for the services required by the residential development.
- The Specific Plan implementation will require significant City investments in streetscape, roadway, and parking facility improvements. If these investments are made by the City, and the project does not produce at least a modest rate of growth over the 20-year period, the project will result in a net negative fiscal impact on the City.
- Fiscal issues are one important tool to evaluate the value of a Specific Plan. Other important considerations such as land use goals, place-making, community identity, social and economic goals, and environmental impacts must be considered when determining the correct course of action for downtown Lancaster.

## 2 Introduction and Purpose

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### 2.1 Purpose of Study

This study analyzes the build out of the Specific Plan to determine if it is fiscally sound for the City of Lancaster. It evaluates the impact of the proposed project on the City's **General Fund** and **Redevelopment Agency** during the development of the project over a 20-year timeframe. The analysis looks at both the General Fund and the Redevelopment Agency Fund because Lancaster is a no-property tax city and the downtown is located in a redevelopment area so property tax revenues generated by the project will accrue to the City via the Redevelopment Agency rather than the General Fund.

This analysis take a conservative approach in that it assumes that the project will pay for all associated capital costs, such as a new streetscape for the downtown, significant new roadway work, and additional public parking garages. Many of these capital costs could be funded in part through State and Federal grant programs for infrastructure development. To the degree that these capital projects are funded through new infrastructure development bonds authorized by California votes, this analysis will overstate expenses. Furthermore, this analysis looks at the impact of the proposed Specific Plan buildout under four potential growth scenarios, which assume different development rates based on the strength of the economy.

This fiscal impact analysis builds upon a companion document, Downtown Specific Plan Feasibility Analysis, also prepared by MJC, which analyzed demographic, retail, real estate, and employment trends as well as specific proposed development scenarios. This previous analysis was undertaken to ensure that Specific Plan development densities, height limits, and other regulatory requirements result in financially feasible development opportunities. This fiscal study performs a similar purpose for the City of Lancaster. By comparing total cost of services due to growth enabled by the Specific Plan with total anticipated revenues generated by this development, this fiscal impact analysis answers two questions: "how much will it cost" and "will it pay for itself?"

Of course, fiscal impacts are only one dimension of a comprehensive evaluation of a new Specific Plan. Other considerations include social issues, economic goals, land use needs, and environmental issues. Decision-makers, when deciding on the future course for downtown Lancaster, must carefully evaluate all of these factors.

The proposed Specific Plan includes a mix of residential, retail, and office as well as various public amenities and key infrastructure improvements to create a strong sense of place and improved identity for the City of Lancaster. As proposed, at build out the project would include, 2,569 new residential units in low and mid-rise development, 265,000 square feet of new retail and restaurant space, and 230,000 square feet of additional office development. The new development would bring an estimated 6,834 new residents, 920 new office jobs, and 587 additional retail jobs to a revitalized and enlivened downtown.

## 2.2 Analysis Assumptions

Throughout this analysis, MJC has described the analytical methodology used to identify fiscal impacts. In brief, the methodology consists of an analysis of costs and revenues by category for all components of the General Fund that will be impacted by the Specific Plan buildout. These costs and revenues were calculated annually throughout the 20-year analysis period based on four different build-out scenarios.

The key assumptions, summarized below, that influence the scope of the analysis include:

- **Cost and revenues projections are in constant 2005 dollars.** The rate of inflation is assumed to be zero throughout the projection period (2005-2030) for both costs and revenues. This assumption avoids the difficulty of forecasting inflation rates into the future as well as interpreting results expressed in inflated dollars. Forecasting inflation rates for City expenses can be particularly dicey as salary costs and operating expenses increase at different rates.
- Only **costs and revenues that are directly attributable to new growth** are included in the analysis.
- **The cost/revenue projection analysis runs 20 years** from 2008 through 2028. Of course, projections become more speculative the further into the future and are particularly sensitive to changes in growth rate assumptions.
- **Revenue capture rates** (tax rates, development fees, etc.) **remain constant at present rates** throughout the 20-year analysis period. If Lancaster were to increase tax rates, for example by levying a local sales tax, this analysis would proportionally under-estimate the corresponding revenue generating potential of the project.
- **The current levels of service per resident** (for fire, police, library, parks, etc.) **remain constant** on a per-resident basis within the downtown throughout the 20-year analysis period. This analysis assumes the per-capita level of service of the 2005 budget. If Lancaster improves its level of service, by for example, reducing fire and police response times, this analysis will under-estimate the corresponding potential costs of the project.
- **Current levels of spending per capita to achieve this level of service will continue** throughout the 20-year analysis period, except for new incremental capital expenditures that are required to maintain this level of service (such as new vehicles).
- **Enterprise funds** (i.e., self-funded operations such as sewer and water) **are not included, as revenues generated from fees are assumed to cover the costs** to provide these services. Likewise, the costs of the Planning Department are assumed to be paid for by fees generated for planning services.

- **No entirely new capital facilities will be necessitated by the project, other than the physical improvements to the streetscape, improvements to Lancaster Boulevard, and the provision of public parking facilities.** These capital improvement projects are assumed to be funded through an infrastructure development bond paid back through General Fund revenues. However, in all likelihood these large capital improvement projects would receive some State and Federal grant funding due to Lancaster's income levels and the level of blight along Lancaster Blvd. Therefore, this assumption is conservative, especially given that the cost for these capital improvements is relatively high. The project will not require other capital facilities (such as parks, recreation centers, a fire station, or a police substation) as per discussions with City Staff.
- **Unit costs for services are assumed to rise at a constant rate per unit with the exception of capital equipment costs.** Population, dwelling unit, and employment level estimates were used to calculate unit costs. These estimates were formulated based dividing current expenditures by the city's population to identify unit costs per new resident.

## 2.3 Project Description

The proposed Specific Plan includes a mix of residential, retail, and office as well as various public amenities and key infrastructure improvements to create a strong sense of place and improved identity for the City of Lancaster. As proposed, at build out the project would include, 2,569 new residential units in low and mid-rise development, 265,000 square feet of new retail and restaurant space, and 230,000 square feet of additional office development. The new development should bring an estimated 6,834 new residents, 920 new office jobs, and 587 additional retail jobs to a revitalized and enlivened downtown.

The development will occur in six unique districts as follows:

### Gateway District

The Gateway District serves as a primary gateway to Downtown Lancaster from the west, with a roundabout at 10th Street West and Lancaster Boulevard.

### Commerce District

The Commerce District is envisioned as a mix of new and existing office buildings with heights ranging from one to three stories built to the sidewalk to reinforce Lancaster Boulevard as a pedestrian-friendly area with parking both on-street as well as in parking lots behind buildings. Uses in the Commerce District focus on banks, other financial services, professional offices, and supporting uses.

### Boulevard District

The Boulevard District is the core of Downtown Lancaster, providing a variety of entertainment and retail, along with mixed-use structures combining commercial and residential uses ranging from one to five stories in height built to the sidewalk edge of the meandering section of Lancaster Boulevard. LPAC anchors this district with new buildings envisioned on infill sites, a public parking structure and public plazas and outdoor amphitheater near LPAC. Parking would be provided on street and to the rear of the buildings in surface lots and/or parking structures.

### Cedar Avenue Arts District

The Cedar Avenue Arts District is a system of paseos and public spaces winding through a mix of existing and new buildings providing a community theater, arts classes, retail and offices with a complimentary mix of artist live/work lofts, studios, and artisan manufacturing buildings ranging in height from one to three stories.

### Transit District

The Transit District serves as a primary gateway to Downtown from the east. In an effort to connect the Downtown with the MetroLink station, a number of enhanced crosswalks and pedestrian paseos, as well as higher density development with mixed-use commercial and residential structures are envisioned. Building heights would range from one to six stories, with parking provided on street as well as in parking structures and surface lots.



### Civic Village District

The Civic Village District is a mix of existing civic/public and residential uses at a village scale that is envisioned with enhanced public plazas, parks, and new residential uses. Building heights would range from one to four stories in this district with parking provided on street and in surface lots as well as a new parking structure envisioned near the library.



### Neighborhood Office District

The Neighborhood Office District is largely composed of single-family residences and small offices that provide an opportunity for small residential conversions to commercial uses mixed with new higher density residential buildings providing a transition between this district and the neighborhood to the south. Building heights would be mostly one and two stories and parking would be provided on street or in private lots and driveways to the side or rear of buildings.

# 3 Development Scenarios & Project Data

## 3.1 Development Scenarios

The proposed Specific Plan may build out quickly or more slowly depending on overall economic trends, real estate market conditions, and the success of overall downtown revitalization. Consequently, this analysis examines the fiscal impact of Specific Plan buildout under four different scenarios:

- Scenario A: Accelerated residential, office and retail growth
- Scenario B: Moderate residential, office and retail growth
- Scenario C: Slow residential, office and retail growth
- Scenario D: Moderate residential and slow office and retail growth

### 3.1.1 Residential Development Scenarios

Each scenario is based on a different residential growth projection, based on the following rationale:

- Lancaster growth trends continue as projected by SCAG, e.g. the City as a whole grows by about 1,500 new households per year and that 21% of these new households in any given year can afford to purchase a condominium but not a single family home.<sup>1</sup>
- Growth trends result in total demand for new condominium development throughout Lancaster of between 286 and 461 condominiums per year (see Table 1).
- The Downtown will likely capture between 20 and 50 percent of projected condominium demand (57 to 231 units per year depending on the scenario and the period, see Table 1).

**Table 1: Downtown Condominium Development Projection 2005-2030**

Year	Population	Annual Growth Rate	Total Households	New Households / year	Lancaster Demand (Units/Year)	Downtown Condo Demand (Units/Year)		
						A 50%	B & D 40%	C 20%
Year 1- 5	142,043	19%	45,028	1,361	286	143	114	57
Year 6-10	168,032	18%	56,011	2,197	461	231	185	92
Year 10-15	191,912	14%	63,971	1,592	334	167	134	67
Year 15-20	215,468	12%	71,823	1,570	330	165	132	66
<b>Total</b>				<b>33,599</b>	<b>7,056</b>	<b>3,528</b>	<b>2,822</b>	<b>1,411</b>

Source: Census, 2000; MJC, 2006; SCAG, 2005; MJC, 2007

These assumptions are conservative, because:

- 1) In the future, a larger proportion (than 21%) of all households are likely to desire/be able to afford only a condominium due to demographic trends and the rapid increasing cost of housing relative to incomes.
- 2) As the only Lancaster neighborhood zoned for significant compact condominium development, the downtown will likely capture much of the condominium development.

<sup>1</sup> Downtown Specific Plan Feasibility Analysis, Page 10

### 3.1.2 Office Development Scenarios

Each scenario is also based on a set of commercial development and job growth projections, which include:

- Current job growth trends will continue creating demand for about 21,500 square feet of new office per year throughout Lancaster.
- The revitalized downtown will capture between 10 and 50 percent of this job growth, resulting in total new downtown office development of between 2,000 and 22,000 square feet per year (see Table 2).

**Table 2: Downtown Office Development Projection 2005-2030**

Year	Projected Office Jobs	Annual Growth Rate	Total New Office Jobs	New Lancaster Office Demand (SF)*	New Downtown Office Demand SF/Year		
					Scenario A (50%)**	Scenario B (20%)***	Scenario C & D (10%)
Year 1- 5	5,750	18%	417	104,348	9,391	4,174	2,087
Year 6-10	6,758	18%	1,008	252,010	22,681	10,080	5,040
Year 10+	7,942	18%	1,185	296,193	13,329	5,924	2,962
Total New Development			3,050	652,552	227,005	130,510	65,255

Notes: Office jobs are projected based on past trends in job growth in the Information; financial activities; real estate & rental & leasing; professional, scientific, & tech services; and administrative & support.

\* = 250 SF/new job

\*\* = assumes that downtown provides 35% of new downtown appropriate office space in Lancaster

\*\*\* = assumes that downtown provides 20% of new downtown appropriate office space in Lancaster

Source: EDD, 2006; MJC, 2006

These office growth estimates are conservative because:

1. Jobs may well grow at a faster rate in the future than they have in the past; and
2. Downtown Lancaster may capture more than 10 to 35 percent of new office development that results from estimated job growth.

### 3.1.3 Retail Development Scenarios

New retail development will result from capture of some existing retail leakage, new overall residential development throughout Lancaster and within the downtown, and new office growth in the downtown.

- Overall retail capture (or the reversal of retail leakage) will result in demand for an additional 266,000 SF of retail space throughout Lancaster
- New population growth will result in additional demand of 719,000 SF of new retail through the 20-year forecast period.
- Of the total new retail, the various development scenarios project that the downtown will capture between 10 and 25 percent of the potential growth, resulting in new retail development of between 3,000 and 15,000 square feet in the downtown per year depending on the scenario (see Table 3).

**Table 3: Downtown Retail Development Projection 2005-2030**

Year	Development (SF)			SF/Year		
	Retail Capture <sup>1</sup>	Population Growth <sup>2</sup>	Total Retail	Scenario A (25%) <sup>3</sup>	Scenario B (20%)	Scenario C & D (10%)
Year 1- 5	53,360	254,605	307,965	15,398	12,319	6,159
Year 6-10	53,360	233,944	287,304	14,365	11,492	5,746
Year 10+	53,360	230,770	284,130	7,103	5,683	2,841
<b>Total Development</b>	<b>266,801</b>	<b>719,319</b>	<b>986,120</b>	<b>246,530</b>	<b>197,224</b>	<b>98,612</b>

Source: *Downtown Specific Plan Feasibility Analysis, MJC 2006; MJC, 2007*

Notes:

1) Square feet based on Lancaster capturing existing retail leakage that is appropriate for a downtown. Please see *Downtown Specific Plan Feasibility Analysis, MJC 2006* Table 5, Page 6

2) Calculation of potential downtown appropriate retail based on increased retail demand due to population growth throughout Lancaster. Please see *Downtown Specific Plan Feasibility Analysis, MJC 2006* Table 6, Page 7

3) Assumes that Downtown Lancaster will capture 25 percent of Retail Development that is appropriate for the downtown

### *3.1.4 Scenario A: Accelerated Development Scenario*

This aggressive scenario assumes residential development continues at current rates in Lancaster, and that 50 percent of new condominium units will be built in the downtown each year until the residential portion of the project is complete.

Likewise, this accelerated development scenario assumes that office development continues at current rates with the downtown capturing 50 percent of new office space on an annual basis or between 9,000 and 22,000 SF per year. However, office projects typically occur in 50,000 square foot increments, so new office buildings would be developed incrementally.

Finally, the scenario projects that retail development in the downtown will command 25 percent of all downtown-appropriate retail development projected for Lancaster, thereby resulting in new retail growth in the downtown of 7,000 to 15,000 SF per year depending on the period (see Table A-2: Downtown Specific Plan Annual Development & Total Buildout, in the Appendix).

### *3.1.5 Scenario B: Moderate Development Scenario*

This scenario assumes a moderate pace to project buildout, with the downtown capturing 40 percent of all new condominium development in Lancaster, between 114 and 185 units per year. Under this scenario, the downtown would attract only 20 percent of citywide office development or 4,000 to 10,000 SF of office per year. In this moderate paced growth scenario, new retail development will grow at a more moderate pace of 5,000 to 12,000 SF per year.

### *3.1.6 Scenario C: Slow Development Scenario*

This scenario assumes a general slow down in the economy and rates of residential development. This model assumes a slower rate of residential development in Lancaster and a lower rate of residential development in Downtown Lancaster of just 50 to 90 units per year. A slower economy would have lower job growth and result in less new office development of between 2,000 and 5,000 square feet per year (one new 50,000 square foot office building every 15 years). The corresponding slower retail growth would result in 3,000 to 6,000 additional SF per year. This scenario will affect the City the most from a fiscal perspective because the capital investments in downtown (parking, roadway, and streetscape) will have to be paid for through a smaller revenue stream.

### *3.1.7 Scenario D: Moderate Residential and Slow Job and Retail Growth*

This scenario assumes the same moderate residential development pace as Scenario B and the much slower retail and office development pace of Scenario C. From a fiscal perspective, this scenario tests the most likely scenario for the City, one with moderate residential growth and slower retail and job growth.

**Please see Table 1 of the Appendix series (Tables A-1, B-1, C-1 and D-1) for a detailed project description for each scenario that outlines units developed, development of office and retail space, as well as project population, and market absorption rates over the 20-year period.**

## **3.2 Development Values**

In order to calculate property transfer taxes (Table 4 of the Appendix Series), redevelopment tax increment (Table 7 of the Appendix Series), and Property Taxes In-Lieu of Vehicle License Fee (Table 5 of the Appendix Series), the analysis must estimate development values and total project assessed value (Table 4 of the Appendix Series). This section summarizes the analysis methodology to calculate total assessed project value (Table 4 of the Appendix Series).

### *3.2.1 Residential Property Values*

While housing prices will continue to increase over the long term in Lancaster, the record housing price appreciation seen over the past five years is probably not sustainable. Like most California cities, Lancaster experienced rapid escalation in home prices in recent years. Despite signs of a cooling market (cooling sales volumes and prices), the Antelope Valley experienced an average of 20 percent gain in housing prices for each year between 2000 and 2006 (see Table). This rapid rate of housing appreciation is similar to that of other areas in LA County. However, recent rates of housing appreciation nationwide are accelerated compared to periods of housing appreciation in the past. MJC examined historical trends in housing prices over the past ten years for the greater Antelope Valley, in order to obtain a more conservative estimate of future rates of appreciation. In the greater Antelope Valley, over the past ten years housing prices have appreciated at an average rate of one percent per year. Therefore, growth in housing prices on an inflation-adjusted basis will remain on or below one percent per year.

In addition, this study includes all values in 2006 dollars for ease of comparison. In 2006, condominium prices were in the \$210,000 to \$225,000 range in downtown Lancaster.

**Table 4: Appreciation of Single Family Homes, Mobile Homes and Condominiums, Lancaster, 2000-2005**

	Units Sold	Median Price	Average Price	Annual Price Appreciation
2000	2,224	\$120,500	\$129,237	
2001	2,824	\$135,000	\$146,645	13%
2002	3,886	\$145,000	\$155,216	6%
2003	4,876	\$180,000	\$186,522	20%
2004	4,127	\$232,000	\$236,265	27%
2005	6,261	\$290,000	\$312,752	32%
Total	24,198			20%

Source: Dataquick, MJC 2006

Notes: sample size for median and average sales price data is 300 randomly selected records for each year.

The value estimates for the residential portion of this project include the development of ten percent of the units as very low and low-income units to meet Redevelopment guidelines. The value of these low-income units is reflected in the property value calculation.

Property values may increase faster than assumed in this analysis. As the downtown becomes a revitalized and vibrant place, the market value of new condominiums may increase at a faster rate than the assumed one percent real growth per year (after adjusting for inflation). However, this analysis takes a conservative approach by assuming a one percent real growth rate to housing prices.

### 3.2.2 Commercial Property Values

The market value of retail and office space will depend on lease and vacancy rates, which in turn will depend on the overall strength of the economy, how quickly the downtown “takes-off” as a great place to shop and work, and overall demographic and market trends in Antelope Valley. For this analysis, MJC assumed that commercial property values would remain largely flat after adjusting for inflation and the Proposition 13 growth cap.

**Office.** The downtown office market is too weak to support new office development at this time: lease rates averaged \$1.41/SF and sales prices averaged \$165/SF in 2006 (see Table 5). Consequently, this analysis assumes that the value of new office development would at least equal the construction costs and profit of new projects or approximately \$225/SF. For more information on the Lancaster office market please refer to the companion document *Downtown Specific Plan Feasibility Analysis* pages 12-14.

**Table 5: Downtown Lancaster Office Sales (2004-2006)**

	Median Sales Price/SF	Median Size	Median Sales Price	Total Sold (SF)	(n)
<b>Medical, Dental, Professional Buildings</b>					
2006	\$148.33	2,997	\$442,500	5,995	2
2005	\$120.98	3,429	\$447,500	6,859	2
2004	\$81.52	5,215	\$482,545	10,431	2
<b>Office</b>					
2006	NA				
2005	\$165.71	2,308	\$287,500	53,521	9
2004	\$87.55	4,041	\$377,500	25,247	4

Source: DataQuick, 2006; MJC 2006

Data from within a 1 mile radius of DT Lancaster

**Retail.** Current downtown retail lease rates average about \$1/SF. However, Lancaster retail as a whole has much higher average lease rates of \$1.75/SF. Downtown Lancaster's retail real estate market appears to be on an upswing as the for-sale market has experienced rapid recovery a far sale prices have increased by 116% to \$186/SF between 2005 and 2006 (see Table 6). This fiscal analysis assumes a value of \$186/SF for new retail in downtown. However higher values could be achieved in the long term if the downtown revitalizes. For additional detail on the Lancaster retail market please refer to the companion document *Downtown Specific Plan Feasibility Analysis* pages 4-9.

**Table 6: Downtown Lancaster Retail Real Estate Sales, 2004-2006**

	Median Sale Price	Median Sales Price / SF	Median SF	Total SF Sold	(n)
2006	\$725,000	\$186	4,200	16,894	4
2005	\$580,400	\$86	15,197	47,091	4
2004	\$380,000	\$94	4,100	29,663	7

Source: DataQuick, 2006; MJC 2006

### 3.3 Project Residents and Employees

The average household size within a one-mile radius of downtown Lancaster was 2.7 residents in 2005. Similarly, this analysis assumes that this average household size will persist throughout the downtown over the next 20 years. Over the buildout process, actual household size may be less as seniors, singles, and young couples without children will likely gravitate towards a downtown location. The 2.7 residents per unit is a more conservative assumption because tax revenues to the City are largely based on household units while expenses are accrued based on population.

- Office space will accommodate approximately one employee per 225 square feet, an industry average.

- Retail space will require approximately one employee per 350 square feet, a standard benchmark.
- These assumptions inform the calculation of daytime population and area residents.

### 3.4 Market Absorption

As mentioned in the introduction and executive summary, this analysis explores four buildout scenarios, which place different constraints on the pace and value of the residential, retail and office buildout process.

Past market absorption trends indicate more than sufficient demand to absorb all the residential units within a 20-year period or less. As indicated in Table 7 Lancaster has absorbed an average of 1,134 units per year for the past eight years. As indicated in the *Downtown Specific Plan Feasibility Analysis* the current residential market largely consists of single-family development; however, in the future singles, young families, and seniors will create demand for 8,654 condominium and apartment projects throughout Lancaster between 2007 and 2027.<sup>2</sup>

<b>Year</b>	<b>Single Family</b>	<b>Construction Cost</b>	<b>Multi-family</b>	<b>Construction Cost</b>
2005	2,799	\$506,677,940	78	\$5,090,949
2004	1,740	\$302,461,110	369	\$19,841,299
2003	972	\$152,481,320	0	\$0
2002	437	\$63,934,189	0	\$0
2001	577	\$81,627,548	194	\$3,355,358
2000	279	\$39,885,000	0	
<b>Average</b>	<b>1,134</b>		<b>128</b>	
<b>Total 2000-2005</b>	<b>6,804</b>	<b>\$1,147,067,107</b>	<b>641</b>	<b>\$28,287,606</b>
<b>% Change '00-'05</b>	<b>903%</b>	<b>1170%</b>		

Source: Census of Business, 2006; MJC 2006

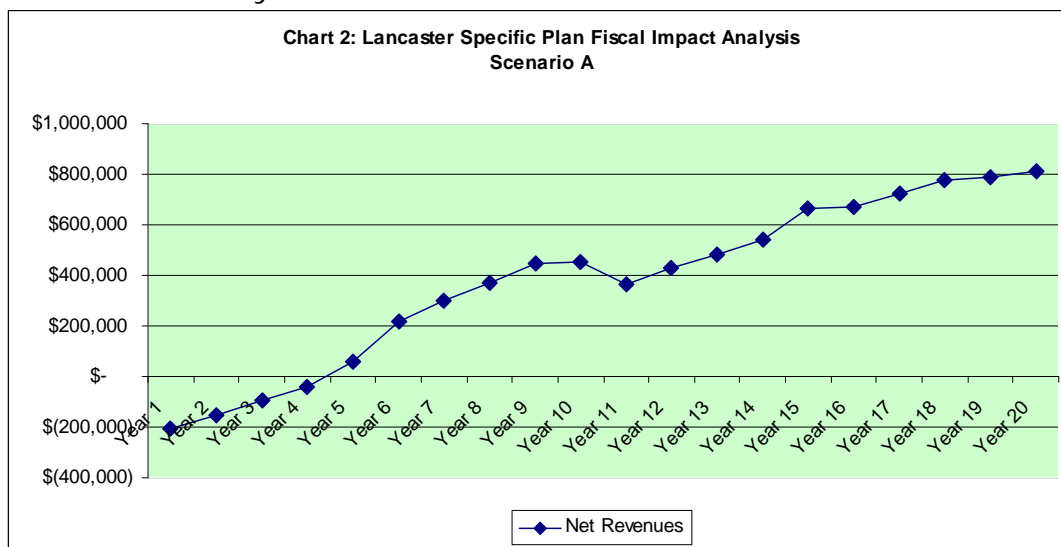
<sup>2</sup> Downtown Specific Plan Feasibility Analysis, page 10.



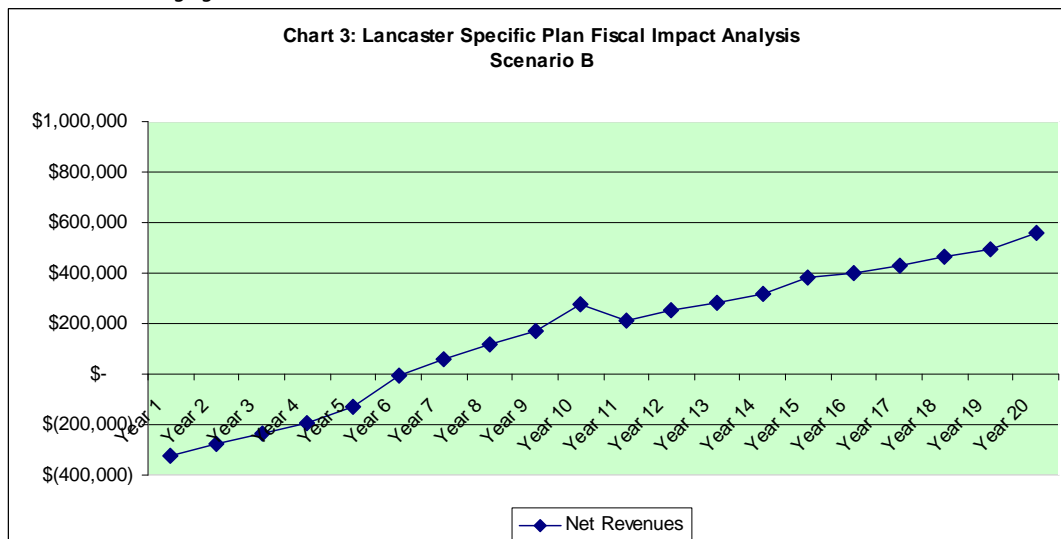
## 4 Fiscal Impact Analysis Results

Overall on an annualized basis each scenario has different implications for the City's fiscal health. However every scenario begins with a deficit largely brought about through debt service for the new parking garages, newly aligned Lancaster Blvd., and streetscape improvements. However, as the projects add residents, shops and businesses, each begins to edge into the black. The accelerated Scenario A does this in four years, while slow growth Scenario C stays in the red for 18 years.

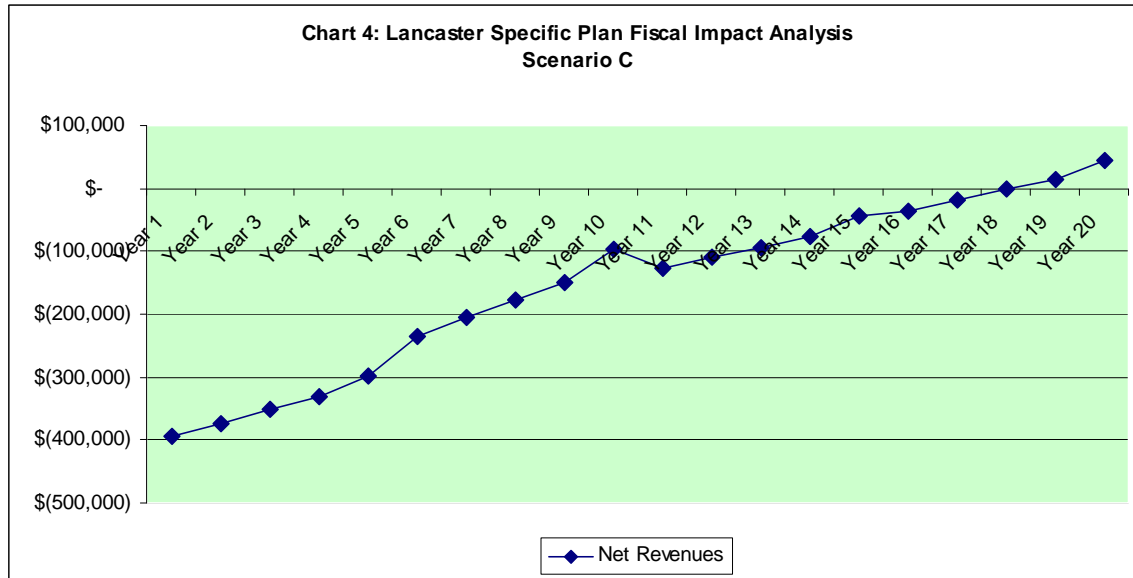
Clearly, the best outcome for the City is Scenario A, which has a net positive fiscal impact by year five and thereafter generates the greatest stream of net income to the City. Over the 20-year timeframe, Scenario A generates \$7.5 million of net income to the City.



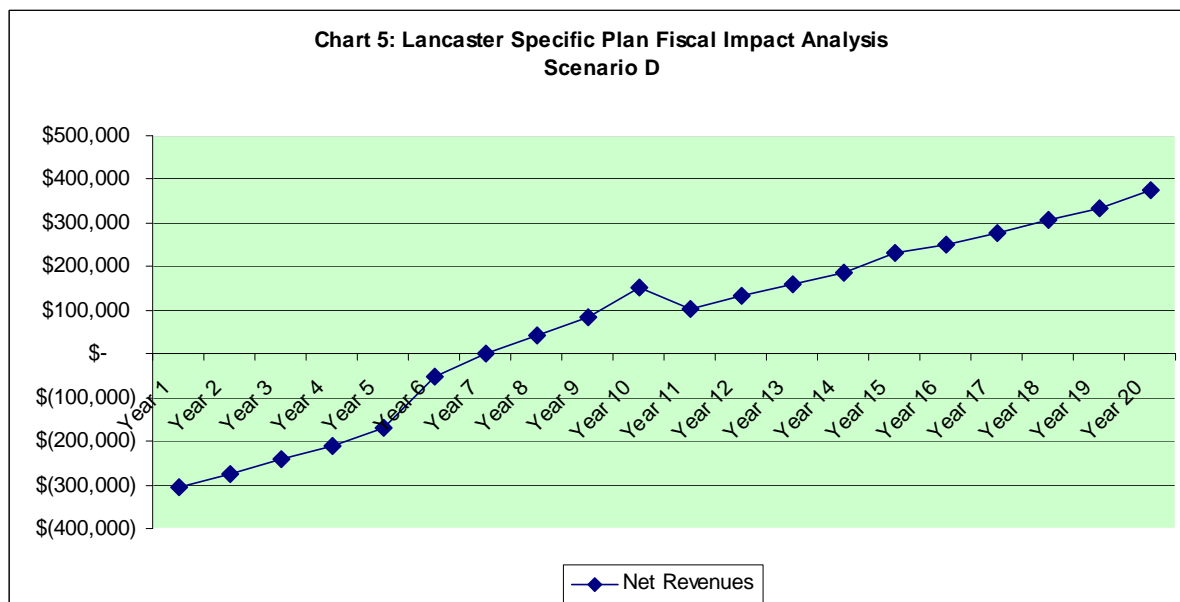
Scenario B crosses over into the black by year seven and generates a net surplus of \$3 million by year 20.



Not surprisingly, Scenario C results in the largest annual deficits for the longest period. Scenario C does not hit the black until year 18 and produces a net deficit of \$3 million, primarily because slow growth rates do not result in sufficient revenues to off-set the costs associated with bond financing of downtown improvements.



Scenario D, the most likely scenario begins to produce surpluses by year eight and results in a small net surplus for the City of \$1.3 million.



Please see Appendix series Table 1 (Table A-1, B-1, C-1, D-1) for a detailed description of all revenues and expenses by category for each scenario.

## 5 Fiscal Impact Analysis Methodology

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### 5.1 Purpose

This chapter describes the methodology and key assumptions used to estimate annual revenue and expenses accrued to the City of Lancaster's General Fund and Redevelopment Agency because of the development of Downtown Lancaster in accordance with the proposed Downtown Specific Plan. The analyses are based on interviews with key City department directors and staff, the City of Lancaster's adopted budget, a variety of data sources, and the experience of the consultant.

The analysis is built upon many assumptions, which are themselves based on the best data available. However, throughout the analysis the consultant has tried to take the most conservative approach with regard to all assumptions, so that policy decisions flow from an analysis with plenty of margin for error.

### 5.2 General Fund Revenues

City General Fund revenues come from a variety of sources including: sales tax, business taxes, property transfer taxes, grants, revenues from the State and Federal governments, revenue from money and property, and a variety of other sources. These revenue sources will be impacted in the future by economic trends, demographic trends, and new development.

However, this analysis is concerned only with revenue changes that will be directly impacted by the implementation of the Downtown Specific Plan. For this reason some revenues sources are not included in the analysis, such as revenues from grants, use of money and property, some revenues from other agencies, and special assessments. In addition, some portions of the budget are self-funded and therefore are not included on either side of this analysis; these include charges for current service (sewer and water), maintenance districts, and developer fees.

The analysis identifies and estimates revenues for the project under all three scenarios for the following revenue sources:

- Property Tax In Lieu (of Vehicle License Fee)
- Sales Tax Revenues
- Business Tax
- Fines & Forfeitures
- Property Transfer Tax
- Property Tax Increment

#### 5.2.1 Sales Tax Revenues

The largest single source of revenue for the City General Fund, sales tax represents over a third of all General Fund revenues. The eventual development of new residential and commercial space as outlined in the Specific Plan will increase sales tax revenues via four mechanisms: 1) retail expenditures by new downtown residents; 2) retail expenditures by new downtown employees; 3) sales by new and

expanded downtown retail establishments; and non-retail sales from new businesses in downtown (i.e., business-to-business sales).

1. Retail expenditures by new downtown residents. Condominium and town-home development will bring new households to downtown Lancaster. These new households will have average household incomes of roughly \$55,000/year (for those who purchase condominiums) and \$38,000/year for renters. These figures are similar to current average family incomes. Each new household will spend approximately 35 percent of their income on taxable goods within Lancaster. Based on this conservative calculation each new household will add an average of \$5,290 in retail sales to the City each year. These retail sales contribute directly to the City's General Fund through the 1 percent retail sales tax (see Table 3 series in Appendix).
2. Retail expenditures by new downtown employees. Sales tax revenues will also be generated by new employees who come (or stay in Lancaster) to work. Office workers spend on average \$3,900 per year on taxable goods near work, specifically on lunch and other retail goods. In a commuter town such as Lancaster, non-resident employee spending and resident employee spending are equally important. This analysis "counts" the retail expenditures of all new employees (both residents and non-residents) at new and expanded businesses in the downtown (see Table 3 series in Appendix).
3. Sales from New Retail Establishments. The proposed Specific Plan identifies a number of public improvements and zoning changes that will make downtown a more pedestrian-friendly retail center for Lancaster. On average, new retail stores that open because of the investments will generate \$250 in taxable sales per leasable square foot of retail space. Some of these new sales will stem directly from retail expenditures by new downtown residents and employees. In order to avoid a double-count of these sales, this analysis assumes that 30 percent of new retail sales are attributable to residents and employees of the Specific Plan area (see Table 3 series in Appendix).

This case-study approach to sales tax revenues produces lower sales tax revenue estimates than if the analysis had just assumed the current rate of sales tax revenue generated per existing resident in Lancaster. Thus the analysis takes the more conservative approach to estimating sales tax revenues from the project.

### *5.2.2 Property Transfer Tax*

Unlike most California cities, Lancaster neither levies nor collects ad valorem property taxes. The City was incorporated in 1977 as a no-property tax city. However, Property Transfer Taxes accrue to the general fund at the rate of 0.55% of sales value. The taxes generated by this project will depend on property valuation and the turnover rate for projects. This analysis assumes that the average property is held for five years and then resold (see Table 4 series in Appendix).

### *5.2.3 Property Tax in Lieu (of Vehicle License Fee)*

The State of California began reducing the Vehicle License Fee in 2005-06 (VLF) because of the State budget balancing actions of 2004-05. The State permanently swapped the loss in VLF revenues with property tax payments, with additional property tax payments based on the growth of real property assessed value in the City. The analysis identified the growth in real property taxes in downtown Lancaster (as a percent of total assessed value) to identify the estimated increase in VLF tax (see Table 5 series in Appendix).

### *5.2.4 Business Tax*

Lancaster Businesses pay a business tax based on the total number of employees as well as a processing fee. Businesses pay between \$80 and \$170 per year for the business license depending on total number of employees as well as an initial fee of \$60 and a renewal processing fee of \$22/year. The business license tax estimate is based on both on an estimate of the number of new businesses that will open in downtown Lancaster as well as the number of employees in a typical business: retail businesses are assumed to have an average of 10 employees or less, while office's are assumed to have 26 to 50 employees each (see Table 6 series in Appendix).

### *5.2.5 Transient Occupancy Tax*

This is revenue source accounts for \$1.2 million of General Fund revenues. The proposed Specific Plan does not envision a downtown hotel. However, significant investments in the downtown streetscape and new retail development could make the downtown a destination of choice for business travelers in the Antelope Valley. This potential halo effect on TOT has not been included in the revenue side of this fiscal analysis, but it may have a small positive impact on tax revenues.

### *5.2.6 Fines & Forfeitures*

This revenue stream amounts to \$1 million per year to the General Fund or about \$10.57 per resident (see Table 1 series in the Appendix).

### *5.2.7 Redevelopment Agency Property Tax Increment*

Property tax increment is the major revenue source for the Lancaster Redevelopment Agency. The downtown Specific Plan is located within the Downtown Redevelopment Area. Revenue generated by this project through the vehicle of the Tax Increment will depend on property values, property turnover rates, pass through requirements to other agencies (such as the County and School District) and the remaining life of the Redevelopment Area.

- Most of the tax increment is passed through to LA County, with only about 4.12% of the total tax increment accrued to the Lancaster Redevelopment Agency and 21.41% accruing to the affordable housing set-aside.
- The Redevelopment Area was formed June 1, 1982 and is set to expire June 1, 2022. As there is less than 20 years remaining on the life of the Downtown Redevelopment Area, the Agency cannot obligate new bonds on the remaining Tax Increment. Therefore, all tax increment revenues generated by the Project can only be used for projects within the area on a "pay-as-you-go" basis.

See the Table 7 series in the Appendix for an overview of redevelopment tax revenues for each scenario.

### 5.3 General Fund Expenditure Methodology

Infrastructure development and the provision of other City services (police and fire) should keep pace with the rate of residential and commercial development and the analysis assumes that per capita costs accrued for these service largely keeps pace with development in each scenario. However, some costs are episodic, such as the purchase of a new police vehicle to serve residents. Therefore, this fiscal impact analysis uses two methods to identify general fund expenditures: average cost estimating and case study approach.

Average Cost Estimating. MJC analyzed current budget data and interviewed City staff to identify expenditures that will increase relative to population or household growth. These expenditure items were estimated by dividing current costs for providing services on a citywide basis by the existing city population to obtain an average cost per unit (resident, employee, or residential unit) to apply to the downtown Specific Plan project. Please see Table 8 to view citywide per-unit costs for various services.

	2005-2006 Budget	Cost / Resident	Cost / Daytime Population
General Government	\$ 2,864,309	\$ 20.28	\$18.99
City Attorney	\$ 600,000	\$ 4.25	\$3.98
Clerk	\$ 476,330	\$ 3.37	\$3.16
City Manager	\$ 764,675	\$ 5.41	\$5.07
City Council	\$ 209,934	\$ 1.49	\$1.39
Human Resources	\$ 813,370	\$ 5.76	\$5.39
Finance	\$ 1,661,395	\$ 11.76	\$11.02
Law Enforcement	\$ 19,144,053	\$ 135.55	\$126.94
Parks Recreation & Arts	\$ 10,211,510	\$ 72.30	\$67.71
Public Works	\$ 5,877,065	\$ 41.61	\$38.97
Administration	\$ 4,544,280	\$ 32.18	\$30.13
Planning	\$ 1,552,290	\$ 10.99	\$10.29
Housing & Neighborhood Revitalization	\$ 1,201,870	\$ 8.51	\$7.97
Transfers	\$ 6,489,251	\$ 45.95	\$43.03
Capital Projects	\$ 7,273,725	\$ 51.50	\$48.23
<b>Total Expenditures</b>	<b>\$ 60,819,748</b>	<b>\$ 430.64</b>	<b>\$403.29</b>
<b>Total Population</b>		<b>141,230</b>	<b>150,810</b>

Source: City of Lancaster, 2007; MJC 2006, 2007

Case Study Approach. Police and Capital Costs will be significantly impacted by the downtown buildout. The police department will have both capital and labor costs that are not incremental, for example the cost of new vehicles or a new police beat that will have to be added when service loads reach a certain level. Likewise the

Capital Improvement Budget will be impacted by the cost of street and parking improvements. These costs have been calculated using a case study approach.

Again as with revenue sources, this study has not analyzed those portions of the City's budget that will not be directly impacted by this project or those sources of the budget that are essentially self funded. On the expenses side, the analysis looks at the following categories:

- General Government
- Finance
- Administration
- Housing & Neighborhood Revitalization
- Parks, Recreation, and Arts
- Law Enforcement
- Public Works
- Capital Projects

#### *5.3.1 General Government, Finance & Administration*

According to the City's 2006-2007 Adopted Budget, the City spends \$2.8 million to provide general government services, including the City Attorney, Auditor, Clerk, City Council, City Manager, and Human Resources. Likewise, the City anticipates spending \$4.5 million on administration, and \$1.6 million on finance. This analysis assumes that only 15 percent of these costs are variable and will therefore be directly impacted by new residents moving into the Downtown (see Table 8 series in the Appendix).

#### *5.3.2 Housing & Neighborhood Revitalization*

As new residents and households are added to the project area they will likely increase costs to the City at the current rate of \$8.51 per new resident (see Table 8 series in the Appendix).

#### *5.3.3 Parks, Recreation, and Arts*

This is a significant budget item in Lancaster accounting for \$10 million in general fund expenditures. This analysis was assumed that parks and recreation costs will increase based on population growth in downtown Lancaster (\$73/resident), which probably over estimates actual costs that will result from the project.

#### *5.3.4 Law Enforcement*

This analysis assumes that the Police Department will add at least one officer for every additional 1,200 residents in the downtown at an average annual salary and overhead cost of \$115,000 per officer. An additional 20% of management overhead is also assumed in the estimate for police services. The cost estimate for police services also assumes a new police car per each two new officers (two shifts/car) every eight years. Finally, the analysis also estimated costs on a per resident basis, and as this estimate is considerably higher for the project it was used in the fiscal analysis (see Table 9 series in the Appendix for each scenario).

### *5.3.5 Public Works*

The Public Works Department plans and designs public facilities. As the downtown is already served by a variety of public facilities including the Library, a new park, and the Performing Arts Center, it is not anticipated that the downtown build out will necessitate significant new public works projects. Consequently, Specific Plan buildout will add incrementally to Public Works overall costs such as road maintenance etc. For these reasons the public works cost of the project was based on current per-resident cost of \$41.61 per resident per year. (See Table 10 series in the appendix).

### *5.3.6 Capital Budget (Capital Improvement Program)*

This fiscal impact analysis take a very conservative approach as it assumes that the project will pay for all capital costs associated with the project, such as a new streetscape for the downtown, significant roadway work, and additional public parking garages. Many of these capital costs could be funded in part through state and federal funding programs for infrastructure development. To the degree that these capital projects are funded through new infrastructure development bonds authorized by California votes, this analysis will overstate expenses.

The downtown project will require three new significant capital improvement projects; namely the streetscape landscaping, roadway improvements, and two new public parking garages with 440 new spaces. These projects are significant cost centers for the project. RBF consulting estimated that the new roadway project for Lancaster Blvd will cost an estimated \$4.2 million, with another \$440,000 for streetscape improvements, and between \$3.6 and \$5.5 million for the construction of public parking garages depending on the scenario. The analysis assumes that these projects would be funded through a tax-exempt infrastructure bond with a 30-year term and a five percent interest rate (see Table series 10 in the Appendix).



Fiscal Impact Summary Table

**Appendix Tables Series for all Four Scenarios A through D**

**Summary Table 1: Fiscal Impact Analysis of Downtown Specific Plan**

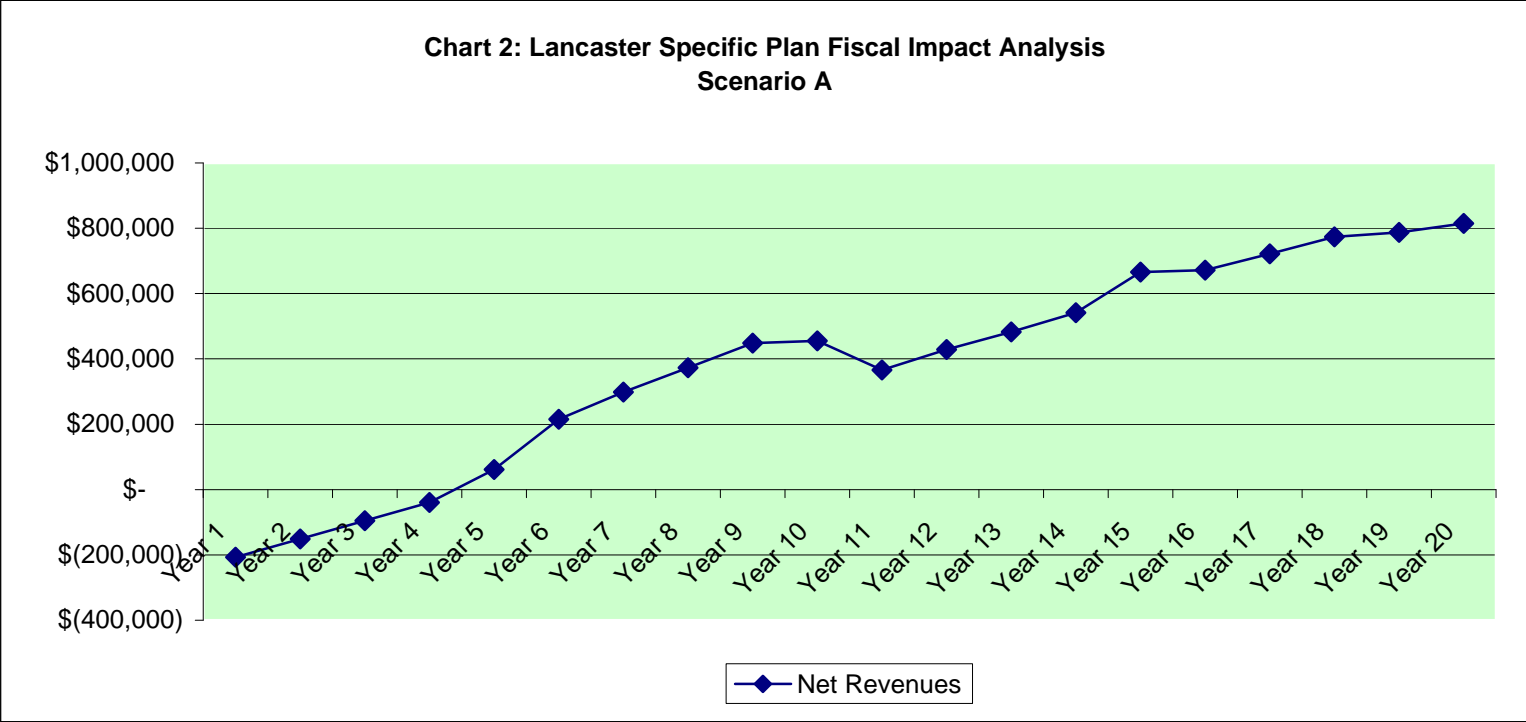
	<b>Buildout</b>	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
<b>Scenario A</b>										
Total Revenues	\$ 43,539,027	\$ 359,144	\$ 509,448	\$ 659,940	\$ 810,356	\$ 1,006,161	\$ 1,313,001	\$ 1,549,489	\$ 1,777,447	\$ 2,005,405
Total Expenditures	\$ 35,925,723	\$ 565,684	\$ 660,501	\$ 755,317	\$ 850,133	\$ 944,950	\$ 1,097,998	\$ 1,251,045	\$ 1,404,093	\$ 1,557,141
Net Revenues	\$ 7,613,304	\$ (206,540)	\$ (151,053)	\$ (95,377)	\$ (39,777)	\$ 61,211	\$ 215,003	\$ 298,444	\$ 373,354	\$ 448,265
<b>Scenario B</b>										
Total Revenues	\$ 33,494,935	\$ 283,964	\$ 402,608	\$ 521,335	\$ 640,028	\$ 778,895	\$ 1,028,333	\$ 1,213,564	\$ 1,391,970	\$ 1,570,376
Total Expenditures	\$ 30,243,208	\$ 605,617	\$ 681,470	\$ 757,323	\$ 833,176	\$ 909,029	\$ 1,031,468	\$ 1,153,906	\$ 1,276,344	\$ 1,398,782
Net Revenues	\$ 3,251,726	\$ (321,653)	\$ (278,862)	\$ (235,988)	\$ (193,148)	\$ (130,135)	\$ (3,135)	\$ 59,658	\$ 115,626	\$ 171,594
<b>Scenario C</b>										
Total Revenues	\$ 16,747,467	\$ 141,982	\$ 201,304	\$ 260,667	\$ 320,014	\$ 389,447	\$ 514,167	\$ 606,782	\$ 695,985	\$ 785,188
Total Expenditures	\$ 19,804,604	\$ 536,959	\$ 574,885	\$ 612,812	\$ 650,738	\$ 688,665	\$ 749,884	\$ 811,103	\$ 872,322	\$ 933,541
Net Revenues	\$ (3,057,137)	\$ (394,976)	\$ (373,581)	\$ (352,144)	\$ (330,724)	\$ (299,217)	\$ (235,717)	\$ (204,321)	\$ (176,337)	\$ (148,353)
<b>Scenario D</b>										
Total Revenues	\$ 30,898,138	\$ 264,688	\$ 371,451	\$ 478,255	\$ 585,043	\$ 701,918	\$ 944,107	\$ 1,116,712	\$ 1,282,492	\$ 1,448,272
Total Expenditures	\$ 29,516,488	\$ 569,281	\$ 645,134	\$ 720,987	\$ 796,840	\$ 872,693	\$ 995,132	\$ 1,117,570	\$ 1,240,008	\$ 1,362,446
Net Revenues	\$ 1,381,649	\$ (304,594)	\$ (273,684)	\$ (242,732)	\$ (211,797)	\$ (170,776)	\$ (51,025)	\$ (858)	\$ 42,484	\$ 85,826

Source: MJC, 2007

Fiscal Impact Summary Table

**Summary Table 1: Fiscal Impact Analysis of Downtown Specific Plan**

Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 2,342,981	\$ 2,364,338	\$ 2,538,204	\$ 2,702,430	\$ 2,872,827	\$ 3,107,641	\$ 3,223,173	\$ 3,382,563	\$ 3,544,311	\$ 3,666,648	\$ 3,803,519
\$ 1,887,320	\$ 1,998,246	\$ 2,109,172	\$ 2,220,097	\$ 2,331,023	\$ 2,441,949	\$ 2,551,369	\$ 2,660,790	\$ 2,770,211	\$ 2,879,631	\$ 2,989,052
\$ 455,660	\$ 366,092	\$ 429,032	\$ 482,333	\$ 541,804	\$ 665,693	\$ 671,803	\$ 721,773	\$ 774,100	\$ 787,017	\$ 814,467
\$ 1,797,501	\$ 1,823,048	\$ 1,949,774	\$ 2,068,788	\$ 2,192,739	\$ 2,345,320	\$ 2,450,701	\$ 2,571,083	\$ 2,693,351	\$ 2,811,088	\$ 2,960,468
\$ 1,521,220	\$ 1,609,961	\$ 1,698,701	\$ 1,787,442	\$ 1,876,182	\$ 1,964,923	\$ 2,052,460	\$ 2,139,996	\$ 2,227,533	\$ 2,315,069	\$ 2,402,606
\$ 276,281	\$ 213,087	\$ 251,073	\$ 281,346	\$ 316,556	\$ 380,397	\$ 398,242	\$ 431,087	\$ 465,819	\$ 496,019	\$ 557,863
\$ 898,751	\$ 911,524	\$ 974,887	\$ 1,034,394	\$ 1,096,369	\$ 1,172,660	\$ 1,225,351	\$ 1,285,541	\$ 1,346,676	\$ 1,405,544	\$ 1,480,234
\$ 994,760	\$ 1,039,130	\$ 1,083,501	\$ 1,127,871	\$ 1,172,241	\$ 1,216,611	\$ 1,260,380	\$ 1,304,148	\$ 1,347,916	\$ 1,391,685	\$ 1,435,453
\$ (96,009)	\$ (127,606)	\$ (108,614)	\$ (93,477)	\$ (75,872)	\$ (43,952)	\$ (35,029)	\$ (18,607)	\$ (1,241)	\$ 13,859	\$ 44,781
\$ 1,638,412	\$ 1,677,107	\$ 1,797,359	\$ 1,909,899	\$ 2,027,376	\$ 2,159,168	\$ 2,267,239	\$ 2,381,147	\$ 2,496,941	\$ 2,610,558	\$ 2,739,997
\$ 1,484,884	\$ 1,573,625	\$ 1,662,365	\$ 1,751,106	\$ 1,839,846	\$ 1,928,587	\$ 2,016,124	\$ 2,103,660	\$ 2,191,197	\$ 2,278,733	\$ 2,366,270
\$ 153,528	\$ 103,482	\$ 134,993	\$ 158,793	\$ 187,529	\$ 230,581	\$ 251,115	\$ 277,487	\$ 305,745	\$ 331,825	\$ 373,727



**Table A1: Summary of Fiscal Impact for Years 1 through 20 and at buildout (in constant \$)**

Item	Table	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>General Fund Revenues</b>										
Sales Tax Generated by Households	Table A3	\$ 3,906,018	\$ 15,080	\$ 30,159	\$ 45,239	\$ 60,319	\$ 75,398	\$ 99,739	\$ 124,080	\$ 148,420
Sales Tax Generated by Employees	Table A3	\$ 835,239	\$ 3,344	\$ 6,687	\$ 10,031	\$ 13,374	\$ 16,718	\$ 22,250	\$ 27,782	\$ 33,314
Sales Tax Generated by Retail Stores	Table A3	\$ 3,058,309	\$ 15,398	\$ 30,796	\$ 46,194	\$ 61,592	\$ 76,990	\$ 91,355	\$ 105,720	\$ 120,085
Real Property Transfer Tax	Table A4	\$ 15,831,322	\$ 245,608	\$ 286,542	\$ 327,477	\$ 368,412	\$ 444,212	\$ 588,410	\$ 661,634	\$ 726,328
Property Taxes - In Lieu of VLF	Table A5	\$ 15,446,143	\$ 58,799	\$ 117,597	\$ 176,396	\$ 235,195	\$ 302,340	\$ 392,816	\$ 485,742	\$ 578,668
Business Taxes	Table A6	\$ 327,353	\$ 1,542	\$ 2,933	\$ 4,513	\$ 6,017	\$ 7,521	\$ 9,328	\$ 11,135	\$ 12,942
Transient Occupancy Taxes	NA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines & Forfeitures (1)		\$ 99,190	\$ 4,017	\$ 4,017	\$ 4,017	\$ 4,017	\$ 4,017	\$ 6,485	\$ 6,485	\$ 6,485
Other Revenue	NA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal Revenues</b>		<b>\$ 39,503,574</b>	<b>\$ 343,787</b>	<b>\$ 478,733</b>	<b>\$ 613,867</b>	<b>\$ 748,925</b>	<b>\$ 927,196</b>	<b>\$ 1,210,382</b>	<b>\$ 1,422,577</b>	<b>\$ 1,626,242</b>
<b>Redevelopment Agency Revenues</b>										
Additional Tax Increment	Table A7	\$ 4,035,452	\$ 15,358	\$ 30,715	\$ 46,073	\$ 61,431	\$ 78,965	\$ 102,619	\$ 126,912	\$ 151,205
<b>Total Revenues</b>		<b>\$ 43,539,027</b>	<b>\$ 359,144</b>	<b>\$ 509,448</b>	<b>\$ 659,940</b>	<b>\$ 810,356</b>	<b>\$ 1,006,161</b>	<b>\$ 1,313,001</b>	<b>\$ 1,549,489</b>	<b>\$ 1,777,447</b>
<b>General Fund Expenditures (2)</b>										
General Government	Table A8	\$ 299,497	\$ 1,156	\$ 2,312	\$ 3,469	\$ 4,625	\$ 5,781	\$ 7,648	\$ 9,514	\$ 11,380
Finance	Table A8	\$ 231,401	\$ 671	\$ 1,788	\$ 2,683	\$ 3,577	\$ 4,471	\$ 5,914	\$ 7,358	\$ 8,801
Administration	Table A8	\$ 475,158	\$ 1,834	\$ 3,669	\$ 5,503	\$ 7,338	\$ 9,172	\$ 12,133	\$ 15,094	\$ 18,055
Housing & Neighborhood Revitalization	Table A8	\$ 837,798	\$ 3,234	\$ 6,469	\$ 9,703	\$ 12,938	\$ 16,172	\$ 21,393	\$ 26,614	\$ 31,835
Parks, Recreation and Arts	Table A8	\$ 7,118,225	\$ 27,481	\$ 54,961	\$ 82,442	\$ 109,923	\$ 137,404	\$ 181,762	\$ 226,120	\$ 270,478
Law Enforcement	Table A9	\$ 13,344,909	\$ 51,520	\$ 103,039	\$ 154,559	\$ 206,078	\$ 257,598	\$ 340,758	\$ 423,918	\$ 507,078
Capital Projects	Table A10	\$ 11,365,812	\$ 470,868	\$ 470,868	\$ 470,868	\$ 470,868	\$ 470,868	\$ 470,868	\$ 470,868	\$ 470,868
Public Works	Table A10	\$ 4,096,776	\$ 15,816	\$ 31,632	\$ 47,448	\$ 63,264	\$ 79,080	\$ 104,610	\$ 130,139	\$ 155,669
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>		<b>\$ 35,925,723</b>	<b>\$ 565,684</b>	<b>\$ 660,501</b>	<b>\$ 755,317</b>	<b>\$ 850,133</b>	<b>\$ 944,950</b>	<b>\$ 1,097,998</b>	<b>\$ 1,251,045</b>	<b>\$ 1,404,093</b>

Source: City of Lancaster Budget, 2006; MJC, 2007

**Notes:**

- 1) Fines and Forfeitures were calculated at the rate of \$10.57 per resident the 2005 rate of collections on a per capita basis.
- 2) some General fund Expenditures are assumed to be self-funding such as the planning function. Development fees and permit fees are anticipated to largely cover costs of service delivery for the project.

**Table A1: Summary of Fiscal Impact for Years 1 through 20 and at buildout (in constant \$s)**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 172,761	\$ 197,102	\$ 214,744	\$ 232,385	\$ 250,027	\$ 267,669	\$ 285,310	\$ 302,713	\$ 320,115	\$ 337,517	\$ 354,920	\$ 372,322
\$ 38,846	\$ 44,378	\$ 48,272	\$ 52,165	\$ 56,058	\$ 59,952	\$ 63,845	\$ 65,428	\$ 67,011	\$ 68,594	\$ 68,594	\$ 68,594
\$ 134,450	\$ 148,815	\$ 163,022	\$ 177,229	\$ 191,436	\$ 205,643	\$ 219,850	\$ 234,057	\$ 248,264	\$ 262,471	\$ 262,471	\$ 262,471
\$ 791,022	\$ 939,918	\$ 837,778	\$ 886,361	\$ 927,539	\$ 974,888	\$1,071,719	\$1,069,695	\$1,112,445	\$1,157,632	\$1,185,600	\$1,228,101
\$ 671,595	\$ 784,679	\$ 854,464	\$ 924,248	\$ 992,260	\$1,060,272	\$1,140,130	\$1,206,194	\$1,271,482	\$1,336,706	\$1,397,755	\$1,458,804
\$ 14,749	\$ 16,556	\$ 18,079	\$ 19,602	\$ 21,125	\$ 22,648	\$ 24,171	\$ 25,308	\$ 26,444	\$ 27,581	\$ 27,581	\$ 27,581
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 6,485	\$ 6,485	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,700	\$ 4,636	\$ 4,636	\$ 4,636	\$ 4,636	\$ 4,636
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$1,829,907	\$2,137,933	\$2,141,058	\$2,296,690	\$2,443,146	\$2,595,771	\$2,809,726	\$2,908,031	\$3,050,397	\$3,195,138	\$3,301,557	\$3,422,509
\$ 175,498	\$ 205,047	\$ 223,280	\$ 241,514	\$ 259,284	\$ 277,055	\$ 297,915	\$ 315,141	\$ 332,165	\$ 349,173	\$ 365,091	\$ 381,010
\$2,005,405	\$2,342,981	\$2,364,338	\$2,538,204	\$2,702,430	\$2,872,827	\$3,107,641	\$3,223,173	\$3,382,563	\$3,544,311	\$3,666,648	\$3,803,519
\$ 13,247	\$ 15,113	\$ 16,466	\$ 17,818	\$ 19,171	\$ 20,524	\$ 21,876	\$ 23,211	\$ 24,545	\$ 25,879	\$ 27,214	\$ 28,548
\$ 10,245	\$ 11,688	\$ 12,734	\$ 13,780	\$ 14,826	\$ 15,873	\$ 16,919	\$ 17,951	\$ 18,983	\$ 20,015	\$ 21,047	\$ 22,078
\$ 21,016	\$ 23,977	\$ 26,123	\$ 28,269	\$ 30,415	\$ 32,561	\$ 34,707	\$ 36,824	\$ 38,941	\$ 41,058	\$ 43,175	\$ 45,292
\$ 37,055	\$ 42,276	\$ 46,060	\$ 49,844	\$ 53,628	\$ 57,412	\$ 61,196	\$ 64,929	\$ 68,661	\$ 72,394	\$ 76,126	\$ 79,859
\$ 314,836	\$ 359,194	\$ 391,343	\$ 423,493	\$ 455,643	\$ 487,792	\$ 519,942	\$ 551,656	\$ 583,369	\$ 615,083	\$ 646,796	\$ 678,510
\$ 590,239	\$ 673,399	\$ 733,672	\$ 793,944	\$ 854,217	\$ 914,490	\$ 974,763	\$1,034,218	\$1,093,673	\$1,153,128	\$1,212,583	\$1,272,037
\$ 470,868	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000
\$ 181,198	\$ 206,728	\$ 225,231	\$ 243,734	\$ 262,238	\$ 280,741	\$ 299,244	\$ 317,496	\$ 335,748	\$ 354,001	\$ 372,253	\$ 390,505
\$1,557,141	\$1,887,320	\$1,998,246	\$2,109,172	\$2,220,097	\$2,331,023	\$2,441,949	\$2,551,369	\$2,660,790	\$2,770,211	\$2,879,631	\$2,989,052

**Table A2: Downtown Specific Plan Annual Development & Total Buildout**

Project Type	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
<b><i>Development (Units &amp; SF)</i></b>												
<b>Residential Units</b>	2,569	143	143	143	143	143	231	231	231	231	231	167
Low-Rise Condo	1,295	71	71	71	71	71	115	115	115	115	115	84
Mid-Rise Condo	874	57	57	57	57	57	92	92	92	92	92	67
Affordable Rental	400	14	14	14	14	14	14	23	23	23	23	23
<b>Total Cumulative Units</b>		<b>143</b>	<b>286</b>	<b>429</b>	<b>572</b>	<b>714</b>	<b>945</b>	<b>1,176</b>	<b>1,406</b>	<b>1,637</b>	<b>1,868</b>	<b>2,035</b>
<b>Retail (SF)</b>	264,000	15,398	15,398	15,398	15,398	15,398	14,365	14,365	14,365	14,365	14,365	14,207
<b>Office (SF)</b>	230,000	9,391	9,391	9,391	9,391	9,391	22,681	22,681	22,681	22,681	22,681	13,329
Downtown Office	138,000					23,478						56,702
Professional Office	92,000	4,696	4,696	4,696	4,696	4,696	11,340	11,340	11,340	11,340	11,340	6,664
<b>Total Cumulate Commercial</b>		<b>24,789</b>	<b>49,579</b>	<b>74,368</b>	<b>99,157</b>	<b>123,947</b>	<b>160,993</b>	<b>198,039</b>	<b>235,085</b>	<b>272,130</b>	<b>309,176</b>	<b>336,712</b>
<b><i>New Population</i></b>												
Population	6,834	380	380	380	380	380	613	613	613	613	613	445
<b>Total Cumulative Residents</b>		<b>380</b>	<b>760</b>	<b>1,140</b>	<b>1,520</b>	<b>1,900</b>	<b>2,514</b>	<b>3,127</b>	<b>3,741</b>	<b>4,354</b>	<b>4,968</b>	<b>5,412</b>
Workplace Employees	1,022	42	42	42	42	42	101	101	101	101	101	59
Retail Employees	750	44	44	44	44	44	41	41	41	41	41	41
Daytime Population (1)	4,711	249	249	249	249	249	406	406	406	406	406	291
<b>Total Cumulative Jobs</b>		<b>86</b>	<b>171</b>	<b>257</b>	<b>343</b>	<b>429</b>	<b>571</b>	<b>712</b>	<b>854</b>	<b>996</b>	<b>1,138</b>	<b>1,238</b>

Source: MJC, 2006

Notes: 1) the daytime population includes workplace employees, retail employees, and residents and school children who live in the downtown and do not work.

**Table A2: Downtown Specific Plan Annual Development & Total Buildout**

Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
167	167	167	167	165	165	165	165	165
84	84	84	84	82	82	82	82	82
67	67	67	67	66	66	66	66	66
23	17	17	17	17	17	16	16	16
<b>2,202</b>	<b>2,369</b>	<b>2,536</b>	<b>2,703</b>	<b>2,868</b>	<b>3,033</b>	<b>3,198</b>	<b>3,363</b>	<b>3,528</b>
14,207	14,207	14,207	14,207	14,207	14,207	14,207		
13,329	13,329	13,329	13,329					
			33,322					-
6,664	6,664	6,664	6,664	-	-	-		
<b>364,248</b>	<b>391,783</b>	<b>419,319</b>	<b>446,855</b>	<b>461,062</b>	<b>475,269</b>	<b>489,476</b>	<b>489,476</b>	<b>489,476</b>
445	445	445	445	439	439	439	439	439
<b>5,857</b>	<b>6,302</b>	<b>6,746</b>	<b>7,191</b>	<b>7,630</b>	<b>8,068</b>	<b>8,507</b>	<b>8,945</b>	<b>9,384</b>
59	59	59	59	-	-	-	-	-
41	41	41	41	41	41	41	-	-
291	291	291	291	229	229	229	189	189
<b>1,338</b>	<b>1,437</b>	<b>1,537</b>	<b>1,637</b>	<b>1,678</b>	<b>1,718</b>	<b>1,759</b>	<b>1,759</b>	<b>1,759</b>

**Table A3: Sales Tax Estimate**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Project Residential Expenditures</b>									
New Occupied Housing Units		142.884	142.884	142.884	142.884	142.884	230.636	230.636	230.636
Cumulative Occupied Housing Units		142.884	285.768	428.652	571.536	714.42	945.056	1175.692	1406.328
Total Household Income (1)	\$ 1,860,008,734	\$ 7,180,778	\$ 14,361,557	\$ 21,542,335	\$ 28,723,113	\$ 35,903,892	\$ 47,494,734	\$ 59,085,577	\$ 70,676,420
Taxable Expenditures (2)	\$ 651,003,057	\$ 2,513,272	\$ 5,026,545	\$ 7,539,817	\$ 10,053,090	\$ 12,566,362	\$ 16,623,157	\$ 20,679,952	\$ 24,736,747
Expenditures Captured by Lancaster (3)	\$ 390,601,834	\$ 1,507,963	\$ 3,015,927	\$ 4,523,890	\$ 6,031,854	\$ 7,539,817	\$ 9,973,894	\$ 12,407,971	\$ 14,842,048
Sales Tax	\$ 3,906,018	\$ 15,080	\$ 30,159	\$ 45,239	\$ 60,319	\$ 75,398	\$ 99,739	\$ 124,080	\$ 148,420
<b>Project Employee Expenditures</b>									
Cumulative Employees		86	171	257	343	429	571	712	854
Taxable Expenditures by Employees (4)	\$ 83,523,877	\$ 334,361	\$ 668,722	\$ 1,003,083	\$ 1,337,444	\$ 1,671,805	\$ 2,225,008	\$ 2,778,212	\$ 3,331,415
Sales Tax	\$ 835,239	\$ 3,344	\$ 6,687	\$ 10,031	\$ 13,374	\$ 16,718	\$ 22,250	\$ 27,782	\$ 33,314
<b>Retail Sales in Downtown Lancaster</b>									
New Retail Space		15,398	15,398	15,398	15,398	15,398	14,365	14,365	14,365
Cumulative Total Retail Space		15,398	30,796	46,194	61,592	76,990	91,355	105,720	120,085
Total Taxable Retail Sales (5)	\$ 611,661,800	\$ 3,079,600	\$ 6,159,200	\$ 9,238,800	\$ 12,318,400	\$ 15,398,000	\$ 18,271,000	\$ 21,144,000	\$ 24,017,000
Total Net New Taxable Sales (6)	\$ 305,830,900	\$ 1,539,800	\$ 3,079,600	\$ 4,619,400	\$ 6,159,200	\$ 7,699,000	\$ 9,135,500	\$ 10,572,000	\$ 12,008,500
Sales Tax	\$ 3,058,309	\$ 15,398	\$ 30,796	\$ 46,194	\$ 61,592	\$ 76,990	\$ 91,355	\$ 105,720	\$ 120,085
<b>Total Sales Tax Generated by Project</b>	<b>\$ 7,799,566</b>	<b>\$ 33,821</b>	<b>\$ 67,642</b>	<b>\$ 101,464</b>	<b>\$ 135,285</b>	<b>\$ 169,106</b>	<b>\$ 213,344</b>	<b>\$ 257,582</b>	<b>\$ 301,820</b>

Notes: 1) In the downtown current median household income is \$36,564. However new units will sell for between \$229,000 and \$250,000 which will require an average qualifying household income of \$50,256 (\$233,000 mortgage @ 6% interest for a 30 year term requires an annual payment of \$16,752 and a qualifying income of 3 times the annual payment or \$50,256)

2) Assumes that 35% of income is spent on taxable retail sales.

3) Assumes that 60% of taxable retail expenditures made by new Lancaster residents would be made within Lancaster

4) Based on the annual workday spending by office workers who commute to suburban locations for employemnt as reported in *Office Worker Retail Spending Patterns: a Downtown and Suburban Area Study*, ICSC Research. Office workers spend about \$3,900 on retail items near their place of work.

5) Assumes \$200 per square foot of retail space in sales per year.

6) Assumes that 50% of new retail sales due to businesses opening in the downtown are to wider Lancaster residents or to sales from visitors to the downtown, with only 30% of new sales in downtown to employees or residents of the downtown.



**Table A3: Sales Tax Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
230.636	230.636	167.16	167.16	167.16	167.16	167.16	164.892	164.892	164.892	164.892	164.892
1636.964	1867.6	2034.76	2201.92	2369.08	2536.24	2703.4	2868.292	3033.184	3198.076	3362.968	3527.86
\$ 82,267,263	\$ 93,858,106	\$ 102,258,899	\$ 110,659,692	\$ 119,060,484	\$ 127,461,277	\$ 135,862,070	\$ 144,148,883	\$ 152,435,695	\$ 160,722,507	\$ 169,009,320	\$ 177,296,132
\$ 28,793,542	\$ 32,850,337	\$ 35,790,614	\$ 38,730,892	\$ 41,671,170	\$ 44,611,447	\$ 47,551,725	\$ 50,452,109	\$ 53,352,493	\$ 56,252,878	\$ 59,153,262	\$ 62,053,646
\$ 17,276,125	\$ 19,710,202	\$ 21,474,369	\$ 23,238,535	\$ 25,002,702	\$ 26,766,868	\$ 28,531,035	\$ 30,271,265	\$ 32,011,496	\$ 33,751,727	\$ 35,491,957	\$ 37,232,188
\$ 172,761	\$ 197,102	\$ 214,744	\$ 232,385	\$ 250,027	\$ 267,669	\$ 285,310	\$ 302,713	\$ 320,115	\$ 337,517	\$ 354,920	\$ 372,322
996	1138	1238	1338	1437	1537	1637	1678	1718	1759	1759	1759
\$ 3,884,618	\$ 4,437,822	\$ 4,827,159	\$ 5,216,496	\$ 5,605,834	\$ 5,995,171	\$ 6,384,508	\$ 6,542,815	\$ 6,701,121	\$ 6,859,428	\$ 6,859,428	\$ 6,859,428
\$ 38,846	\$ 44,378	\$ 48,272	\$ 52,165	\$ 56,058	\$ 59,952	\$ 63,845	\$ 65,428	\$ 67,011	\$ 68,594	\$ 68,594	\$ 68,594
14,365	14,365	14,207	14,207	14,207	14,207	14,207	14,207	14,207	14,207	-	-
134,450	148,815	163,022	177,229	191,436	205,643	219,850	234,057	248,264	262,471	262,471	262,471
\$ 26,890,000	\$ 29,763,000	\$ 32,604,400	\$ 35,445,800	\$ 38,287,200	\$ 41,128,600	\$ 43,970,000	\$ 46,811,400	\$ 49,652,800	\$ 52,494,200	\$ 52,494,200	\$ 52,494,200
\$ 13,445,000	\$ 14,881,500	\$ 16,302,200	\$ 17,722,900	\$ 19,143,600	\$ 20,564,300	\$ 21,985,000	\$ 23,405,700	\$ 24,826,400	\$ 26,247,100	\$ 26,247,100	\$ 26,247,100
\$ 134,450	\$ 148,815	\$ 163,022	\$ 177,229	\$ 191,436	\$ 205,643	\$ 219,850	\$ 234,057	\$ 248,264	\$ 262,471	\$ 262,471	\$ 262,471
\$ 346,057	\$ 390,295	\$ 426,037	\$ 461,779	\$ 497,521	\$ 533,263	\$ 569,005	\$ 602,198	\$ 635,390	\$ 668,583	\$ 685,985	\$ 703,387

**Table A4: Estimate of Project Assessed Value (constant dollars)**

Land Use	Base Market Value/Unit or /SF	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Residential</b>										
Low-Rise Condominium	\$ 229,000	\$ 408,241,653	\$ 16,523,820	\$ 16,523,820	\$ 16,523,820	\$ 16,523,820	\$ 16,523,820	\$ 26,671,900	\$ 26,671,900	\$ 26,671,900
Mid-Rise Condominium	\$ 250,000	\$ 356,542,928	\$ 14,431,284	\$ 14,431,284	\$ 14,431,284	\$ 14,431,284	\$ 14,431,284	\$ 23,294,236	\$ 23,294,236	\$ 23,294,236
Affordable Housing	\$ 175,000	\$ 63,127,959	\$ 2,525,475	\$ 2,525,475	\$ 2,525,475	\$ 2,525,475	\$ 2,525,475	\$ 2,525,475	\$ 4,076,491	\$ 4,076,491
<b>Total Residential</b>		\$ 827,912,540	\$ 33,480,579	\$ 33,480,579	\$ 33,480,579	\$ 33,480,579	\$ 33,480,579	\$ 52,491,611	\$ 54,042,628	\$ 54,042,628
<b>Retail</b>	\$ 186	\$ 48,819,606	\$ 2,864,028	\$ 2,864,028	\$ 2,864,028	\$ 2,864,028	\$ 2,864,028	\$ 2,671,890	\$ 2,671,890	\$ 2,671,890
<b>Workplace</b>										
Downtown Office	\$ 225	\$ 25,538,047	\$ -	\$ -	\$ -	\$ -	\$ 5,282,630	\$ -	\$ -	\$ -
Downtown Professional Office	\$ 185	\$ 20,997,950	\$ 868,699	\$ 868,699	\$ 868,699	\$ 868,699	\$ 868,699	\$ 2,097,986	\$ 2,097,986	\$ 2,097,986
<b>Total Commercial</b>		\$ 95,355,604	\$ 3,732,727	\$ 3,732,727	\$ 3,732,727	\$ 3,732,727	\$ 9,015,357	\$ 4,769,876	\$ 4,769,876	\$ 4,769,876
<b>Total Assesed Value</b>		\$ 923,268,143	\$ 37,213,306	\$ 37,213,306	\$ 37,213,306	\$ 37,213,306	\$ 42,495,936	\$ 57,261,487	\$ 58,812,504	\$ 58,812,504
<b>Cumulative Assesed Value</b>			\$ 37,213,306	\$ 74,426,612	\$ 111,639,918	\$ 148,853,224	\$ 191,349,160	\$ 248,610,648	\$ 307,423,152	\$ 366,235,656

**Estimate of Property Transfer Tax Revenues (constant dollars)**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Initial Transfer Tax (.55% of Sales Price for New Construction)		\$ 204,673	\$ 204,673	\$ 204,673	\$ 204,673	\$ 233,728	\$ 314,938	\$ 323,469	\$ 323,469
Resold Properties Transfer Tax (20% Turnover *.55% of Total AV)		40,935	81,869	122,804	163,739	210,484	273,472	338,165	402,859
<b>Total Transfer Tax</b>	\$ 15,831,322	\$ 245,608	\$ 286,542	\$ 327,477	\$ 368,412	\$ 444,212	\$ 588,410	\$ 661,634	\$ 726,328

**Table A4: Estimate of Project Assessed Value (constant dollars)**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 26,671,900	\$ 26,671,900	\$ 19,331,218	\$ 19,331,218	\$ 19,331,218	\$ 19,331,218	\$ 19,331,218	\$ 19,331,218	\$ 19,068,935	\$ 19,068,935	\$ 19,068,935	\$ 19,068,935
\$ 23,294,236	\$ 23,294,236	\$ 16,883,160	\$ 16,883,160	\$ 16,883,160	\$ 16,883,160	\$ 16,883,160	\$ 16,883,160	\$ 16,654,092	\$ 16,654,092	\$ 16,654,092	\$ 16,654,092
\$ 4,076,491	\$ 4,076,491	\$ 4,076,491	\$ 4,076,491	\$ 2,954,553	\$ 2,954,553	\$ 2,954,553	\$ 2,954,553	\$ 2,954,553	\$ 2,914,466	\$ 2,914,466	\$ 2,914,466
\$ 54,042,628	\$ 54,042,628	\$ 40,290,870	\$ 40,290,870	\$ 39,168,931	\$ 39,168,931	\$ 39,168,931	\$ 39,168,931	\$ 38,677,580	\$ 38,637,493	\$ 38,637,493	\$ 38,637,493
\$ 2,671,890	\$ 2,671,890	\$ 2,642,502	\$ 2,642,502	\$ 2,642,502	\$ 2,642,502	\$ 2,642,502	\$ 2,642,502	\$ 2,642,502	\$ 2,642,502	\$ -	\$ -
\$ -	\$ 12,758,026	\$ -	\$ -	\$ -	\$ -	\$ 7,497,391	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,097,986	\$ 2,097,986	\$ 1,232,904	\$ 1,232,904	\$ 1,232,904	\$ 1,232,904	\$ 1,232,904	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 4,769,876	\$ 17,527,902	\$ 3,875,406	\$ 3,875,406	\$ 3,875,406	\$ 3,875,406	\$ 11,372,798	\$ 2,642,502	\$ 2,642,502	\$ 2,642,502	\$ -	\$ -
\$ 58,812,504	\$ 71,570,530	\$ 44,166,276	\$ 44,166,276	\$ 43,044,338	\$ 43,044,338	\$ 50,541,729	\$ 41,811,433	\$ 41,320,082	\$ 41,279,995	\$ 38,637,493	\$ 38,637,493
\$ 425,048,160	\$ 496,618,690	\$ 540,784,966	\$ 584,951,242	\$ 627,995,579	\$ 671,039,917	\$ 721,581,646	\$ 763,393,079	\$ 804,713,161	\$ 845,993,157	\$ 884,630,650	\$ 923,268,143
Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 323,469	\$ 393,638	\$ 242,915	\$ 242,915	\$ 236,744	\$ 236,744	\$ 277,980	\$ 229,963	\$ 227,260	\$ 227,040	\$ 212,506	\$ 212,506
467,553	546,281	594,863	643,446	690,795	738,144	793,740	839,732	885,184	930,592	973,094	1,015,595
\$ 791,022	\$ 939,918	\$ 837,778	\$ 886,361	\$ 927,539	\$ 974,888	\$ 1,071,719	\$ 1,069,695	\$ 1,112,445	\$ 1,157,632	\$ 1,185,600	\$ 1,228,101

**Table A5: Property Tax In-Lieu of Vehicle License Fee (VLF) Estimate**

<b>Item</b>	<b>Buildout</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>
Cumulative Assessed Value	\$ 923,268,143	\$ 37,213,306	\$ 74,426,612	\$ 111,639,918	\$ 148,853,224	\$ 191,349,160	\$ 248,610,648	\$ 307,423,152	\$ 366,235,656	\$ 425,048,160
% Increase in AV Above Base (1)		0.60%	1.20%	1.80%	2.40%	3.09%	4.01%	4.96%	5.90%	6.85%
Property Tax In-Lieu Above the Base (2)	\$ 15,446,143	\$ 58,799	\$ 117,597	\$ 176,396	\$ 235,195	\$ 302,340	\$ 392,816	\$ 485,742	\$ 578,668	\$ 671,595

1) 2005's city-wide assessed value is considered the base value at \$6,202,360,481

2) Represents the amount of offset by the State Budget that will be reimbursed by property tax payments. Lancaster's 2005 VLF was \$9.8 million which is the base used to calculate VLF in future years.

**Table A5: Property Tax In-Lieu of Vehicle License Fee (VLF) Estimate**

<b>Year 10</b>	<b>Year 11</b>	<b>Year 12</b>	<b>Year 13</b>	<b>Year 14</b>	<b>Year 15</b>	<b>Year 16</b>	<b>Year 17</b>	<b>Year 18</b>	<b>Year 19</b>	<b>Year 20</b>
\$ 496,618,690	\$ 540,784,966	\$ 584,951,242	\$ 627,995,579	\$ 671,039,917	\$ 721,581,646	\$ 763,393,079	\$ 804,713,161	\$ 845,993,157	\$ 884,630,650	\$ 923,268,143
8.01%	8.72%	9.43%	10.13%	10.82%	11.63%	12.31%	12.97%	13.64%	14.26%	14.89%
\$ 784,679	\$ 854,464	\$ 924,248	\$ 992,260	\$ 1,060,272	\$ 1,140,130	\$ 1,206,194	\$ 1,271,482	\$ 1,336,706	\$ 1,397,755	\$ 1,458,804

**Table A6: Business Tax Estimate**

<b>Item</b>	<b>Buildout</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>	<b>Year 11</b>	<b>Year 12</b>
<b><u>New Commercial Development (SF)</u></b>													
Retail	262,471	15,398	15,398	15,398	15,398	15,398	14,365	14,365	14,365	14,365	14,365	14,207	14,207
Office and other Workplace	227,005	9,391	9,391	9,391	9,391	9,391	22,681	22,681	22,681	22,681	22,681	13,329	13,329
<b><u>Total Cumulative Commercial Space</u></b>													
Retail		15,398	30,796	46,194	61,592	76,990	91,355	105,720	120,085	134,450	148,815	163,022	177,229
Office and other Workplace		9,391	18,783	28,174	37,565	46,957	69,638	92,319	115,000	137,680	160,361	173,690	187,019
<b><u>Number of Businesses</u></b>													
Retail		10	21	31	41	51	61	70	80	90	99	109	118
Office and other Workplace		2	4	6	8	9	14	18	23	28	32	35	37
Total		12	24	36	49	61	75	89	103	117	131	143	156
<b><u>Annual Business Tax Revenues (1)</u></b>													
Retail		\$ 1,232	\$ 2,464	\$ 3,696	\$ 4,927	\$ 6,159	\$ 7,308	\$ 8,458	\$ 9,607	\$ 10,756	\$ 11,905	\$ 13,042	\$ 14,178
Office and other Workplace		\$ 310	\$ 470	\$ 817	\$ 1,089	\$ 1,362	\$ 2,019	\$ 2,677	\$ 3,335	\$ 3,993	\$ 4,650	\$ 5,037	\$ 5,424
<b><u>Total Business Tax Revenues</u></b>		<b>\$ 1,542</b>	<b>\$ 2,933</b>	<b>\$ 4,513</b>	<b>\$ 6,017</b>	<b>\$ 7,521</b>	<b>\$ 9,328</b>	<b>\$11,135</b>	<b>\$12,942</b>	<b>\$14,749</b>	<b>\$ 16,556</b>	<b>\$ 18,079</b>	<b>\$ 19,602</b>

Source: City of Lancaster, MJC 2007

fees, 76+ employees pays \$170 in fees. Retail businesses will have on average 10 employees or less, while office's will typically have 26 to 50 employees. In addition each liscence is also charged a processing fee of \$60/new application and \$22/renewal.

**Table A6: Business Tax Estimate**

<b>Year 13</b>	<b>Year 14</b>	<b>Year 15</b>	<b>Year 16</b>	<b>Year 17</b>	<b>Year 18</b>	<b>Year 19</b>	<b>Year 20</b>
14,207	14,207	14,207	14,207	14,207	14,207	-	-
13,329	13,329	13,329	-	-	-	-	-
191,436	205,643	219,850	234,057	248,264	262,471	262,471	262,471
200,347	213,676	227,005	227,005	227,005	227,005	227,005	227,005
128	137	147	156	166	175	175	175
40	43	45	45	45	45	45	45
168	180	192	201	211	220	220	220
\$ 15,315	\$ 16,451	\$ 17,588	\$ 18,725	\$ 19,861	\$ 20,998	\$ 20,998	\$ 20,998
\$ 5,810	\$ 6,197	\$ 6,583	\$ 6,583	\$ 6,583	\$ 6,583	\$ 6,583	\$ 6,583
<b>\$ 21,125</b>	<b>\$ 22,648</b>	<b>\$ 24,171</b>	<b>\$ 25,308</b>	<b>\$ 26,444</b>	<b>\$ 27,581</b>	<b>\$ 27,581</b>	<b>\$ 27,581</b>

**Table A7 Redevelopment Agency: Property Tax Increment Estimate**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Property Tax Increment</b>									
Cumulative Assessed Value (from Table A4)	\$ 923,268,143	\$ 37,213,306	\$ 74,426,612	\$ 111,639,918	\$ 148,853,224	\$ 191,349,160	\$ 248,610,648	\$ 307,423,152	\$ 366,235,656
Total Secured Property Tax (1%)	\$ 9,232,681	\$ 372,133	\$ 744,266	\$ 1,116,399	\$ 1,488,532	\$ 1,913,492	\$ 2,486,106	\$ 3,074,232	\$ 3,662,357
Agency's Share of Secured Property Tax (4.12%)	\$ 4,027,617	\$ 15,332	\$ 30,664	\$ 45,996	\$ 61,328	\$ 78,836	\$ 102,428	\$ 126,658	\$ 150,889
<b>Unsecured Property Tax</b>									
Non-Retail Jobs from the Project (cumulative)	1,022	42	83	125	167	209	310	410	511
Total Unsecured Property Tax from the Project (\$15/Job)	\$ 190,175	\$ 626	\$ 1,252	\$ 1,878	\$ 2,504	\$ 3,130	\$ 4,643	\$ 6,155	\$ 7,667
Agency's Share of Unsecured Property Tax (4.12%)	\$ 7,835	\$ 26	\$ 52	\$ 77	\$ 103	\$ 129	\$ 191	\$ 254	\$ 316
<b>Total Tax Increment</b>	<b>\$ 4,035,452</b>	<b>\$ 15,358</b>	<b>\$ 30,715</b>	<b>\$ 46,073</b>	<b>\$ 61,431</b>	<b>\$ 78,965</b>	<b>\$ 102,619</b>	<b>\$ 126,912</b>	<b>\$ 151,205</b>

Source: City of Lancaster Redevelopment Department, 2007; MJC 2007



**Table A7 Redevelopment Agency: Property Tax Increment Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 425,048,160	\$ 496,618,690	\$ 540,784,966	\$ 584,951,242	\$ 627,995,579	\$ 671,039,917	\$ 721,581,646	\$ 763,393,079	\$ 804,713,161	\$ 845,993,157	\$ 884,630,650	\$ 923,268,143
\$ 4,250,482	\$ 4,966,187	\$ 5,407,850	\$ 5,849,512	\$ 6,279,956	\$ 6,710,399	\$ 7,215,816	\$ 7,633,931	\$ 8,047,132	\$ 8,459,932	\$ 8,846,307	\$ 9,232,681
\$ 175,120	\$ 204,607	\$ 222,803	\$ 241,000	\$ 258,734	\$ 276,468	\$ 297,292	\$ 314,518	\$ 331,542	\$ 348,549	\$ 364,468	\$ 380,386
612	713	772	831	890	950	1,009	1,009	1,009	1,009	1,009	1,009
\$ 9,179	\$ 10,691	\$ 11,579	\$ 12,468	\$ 13,356	\$ 14,245	\$ 15,134	\$ 15,134	\$ 15,134	\$ 15,134	\$ 15,134	\$ 15,134
\$ 378	\$ 440	\$ 477	\$ 514	\$ 550	\$ 587	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624	\$ 624
\$ 175,498	\$ 205,047	\$ 223,280	\$ 241,514	\$ 259,284	\$ 277,055	\$ 297,915	\$ 315,141	\$ 332,165	\$ 349,173	\$ 365,091	\$ 381,010

**Table A-9: Police Department Expenditure Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Project Housing Units (Cumulative)	37,011	142.884	285.768	428.652	571.536	714.42	945.056	1175.692	1406.328	1636.964
Project Population (Cumulative)	98,448	380	760	1140	1520	1900	2514	3127	3741	4354
Project Jobs (Cumulative)	21,416	86	171	257	343	429	571	712	854	996

**Estimated Based on Costing out Needs**

## Police Department Expenditures

New Officers Required (1)		0.5	0.6	1.0	1	2	2	3	3	4
Annual Officer Cost (2)		\$ 52,500	\$ 66,150	\$ 105,000	\$ 105,000	\$ 210,000	\$ 210,000	\$ 315,000	\$ 315,000	\$ 420,000
Associated Overhead Cost (3)		\$ 5,250	\$ 13,230	\$ 21,000	\$ 21,000	\$ 42,000	\$ 42,000	\$ 63,000	\$ 63,000	\$ 84,000
Cost of Police Vehicles (4)						25,000				
<b>Total</b>	<b>\$ 10,469,213</b>	<b>\$ 57,751</b>	<b>\$ 79,381</b>	<b>\$ 126,001</b>	<b>\$ 126,001</b>	<b>\$ 252,002</b>	<b>\$ 252,002</b>	<b>\$ 378,003</b>	<b>\$ 378,003</b>	<b>\$ 504,004</b>

**Estimation based on Current Cost/Resident**

<b>Cost/Resident (5)</b>	<b>\$ 13,344,909</b>	<b>\$ 51,520</b>	<b>\$ 103,039</b>	<b>\$ 154,559</b>	<b>\$ 206,078</b>	<b>\$ 257,598</b>	<b>\$ 340,758</b>	<b>\$ 423,918</b>	<b>\$ 507,078</b>	<b>\$ 590,239</b>
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## Notes:

- 1) Assumes that the City will hire one new officer for every 1,200 new residents.
- 2) Assumes that an average officer would cost \$115,000/year including salary, benefits, and uniform and safety equipment.
- 3) Assumes an average overhead cost equivalent to 20% percent of salary costs, as new officers would be accommodated in an existing police station.
- 4) Assumes that a new police vehicle would be required for for each two new officers, and that police vehicles would need to be replaced after 8 years at a cost of \$25,000/vehicle.
- 5) Assumes a cost per resident of \$135 based on 2005 actual costs of \$19,144,053 and total 2005 population of 141,231

**Table A-9: Police Department Expenditure Estimate**

Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
1867.6	2034.76	2201.92	2369.08	2536.24	2703.4	2868.292	3033.184	3198.076	3362.968	3527.86
4968	5412	5857	6302	6746	7191	7630	8068	8507	8945	9384
1138	1238	1338	1437	1537	1637	1678	1718	1759	1759	1759
4	5	5	5	6	6	6	7	7	7	8
\$ 420,000	\$ 525,000	\$ 525,000	\$ 525,000	\$ 630,000	\$ 630,000	\$ 630,000	\$ 735,000	\$ 735,000	\$ 735,000	\$ 840,000
\$ 84,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 126,000	\$ 126,000	\$ 126,000	\$ 147,000	\$ 147,000	\$ 147,000	\$ 168,000
	25000		25,000					\$ 25,000	50,000	
<b>\$ 504,004</b>	<b>\$ 630,005</b>	<b>\$ 630,005</b>	<b>\$ 630,005</b>	<b>\$ 756,006</b>	<b>\$ 756,006</b>	<b>\$ 756,006</b>	<b>\$ 882,007</b>	<b>\$ 882,007</b>	<b>\$ 882,007</b>	<b>\$ 1,008,008</b>
<b>\$ 673,399</b>	<b>\$ 733,672</b>	<b>\$ 793,944</b>	<b>\$ 854,217</b>	<b>\$ 914,490</b>	<b>\$ 974,763</b>	<b>\$ 1,034,218</b>	<b>\$ 1,093,673</b>	<b>\$ 1,153,128</b>	<b>\$ 1,212,583</b>	<b>\$ 1,272,037</b>

**Table A-10: Public Works and Capital Improvements Expenditure Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Project Housing Units (Cumulative)	37,011	142,884	285,768	428,652	571,536	714,42	945,056	1175,692	1406,328
Project Population (Cumulative)	98,448	380	760	1140	1520	1900	2514	3127	3741
Project Commercial Development (SF & Cumulative)	5,910,938	24,789	49,579	74,368	99,157	123,947	160,993	198,039	235,085
New Public Parking Spaces (50% of Retail)	437	26	26	26	26	26	24	24	24
<b>Capital Improvements Expenditure</b>									
Estimated Streetscape Cost (1)	\$ 220,000	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036
Estimated Roadway Costs (2)	\$ 2,141,000	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700
New Parking Structures (3)	\$ 5,491,092	\$ 177,132	\$ 177,132	\$ 177,132	\$ 177,132	\$ 177,132	\$ 177,132	\$ 177,132	\$ 177,132
<b>Total</b>	<b>\$ 11,365,812</b>	<b>\$ 470,868</b>	<b>\$ 470,868</b>	<b>\$ 470,868</b>	<b>\$ 470,868</b>	<b>\$ 470,868</b>	<b>\$ 470,868</b>	<b>\$ 470,868</b>	<b>\$ 470,868</b>
<b>Public Works (on-going maintenance and off-site public works needs) Estimation Based on Current Cost/Resident</b>									
<i>Cost/Resident (4)</i>	\$ 4,096,776	\$ 15,816	\$ 31,632	\$ 47,448	\$ 63,264	\$ 79,080	\$ 104,610	\$ 130,139	\$ 155,669
<b>Total Capital Improvement &amp; Public Works Costs</b>	<b>\$ 15,462,588</b>	<b>\$ 486,684</b>	<b>\$ 502,500</b>	<b>\$ 518,316</b>	<b>\$ 534,132</b>	<b>\$ 549,948</b>	<b>\$ 575,478</b>	<b>\$ 601,007</b>	<b>\$ 626,537</b>

Source: City of Lancaster Budget; RBF, Consulting, 2007; MJC, 2007

**Notes:**

- 1) Assumes grants to cover half the cost and bond amortization to cover half the cost over a 20 year term and assuming an tax exempt bond of 5%. Estimate based on landscaping cost of \$110/linear foot @ 4,000 linear feet. Specificall sleeving @ \$4/LF, Planting \$5/SF, Natural Concrete \$6/SF, Benches \$1,000, Tree Grates \$900, Trash Receptacles \$350, concrete pavers \$10/SF.
- 2) Assumes grants to cover half the cost and a bond to cover the remaining half cost amortized over a 20 year term and assuming an tax exempt bond of 5%. Cost based on the following cost estimates: roadway removal \$200,000; curb construction \$1,152,000, Traffic signal retrofit \$500,000, standard street lights, \$130,000.
- 3) Assumes two 220 publically financed parking garages of 220 spaces each. Construction cost based on cost of \$12,500 per space for two-story garages. One parking structure would be built in the first year and the other in year ten of the financed through a tax exempt bond with a amortized 30 year term and a rate of 5%.  
 Parking Structures include the following:  
 Structure with Arts-Based Retail on Ground Floor Behind LPAC between Fig Ave. and Fern Ave.  
 Structure behind Library between Cedar Ave. and Date Ave.  
 Structure with Adjacent Public Space on Date Ave. between Lancaster Blvd. and Kettering St.  
 Mixed Use Building with Parking Structure on Milling St. between Elm Ave. and Fig Ave.  
 Structure on Sierra Hwy. between Lancaster Blvd. and Milling St.
- 4) Assumes the current cost per resident for ongoing and new public works projects in addition to the projects required specifically for the downtown project.

**Table A-10: Public Works and Capital Improvements Expenditure Estimate**

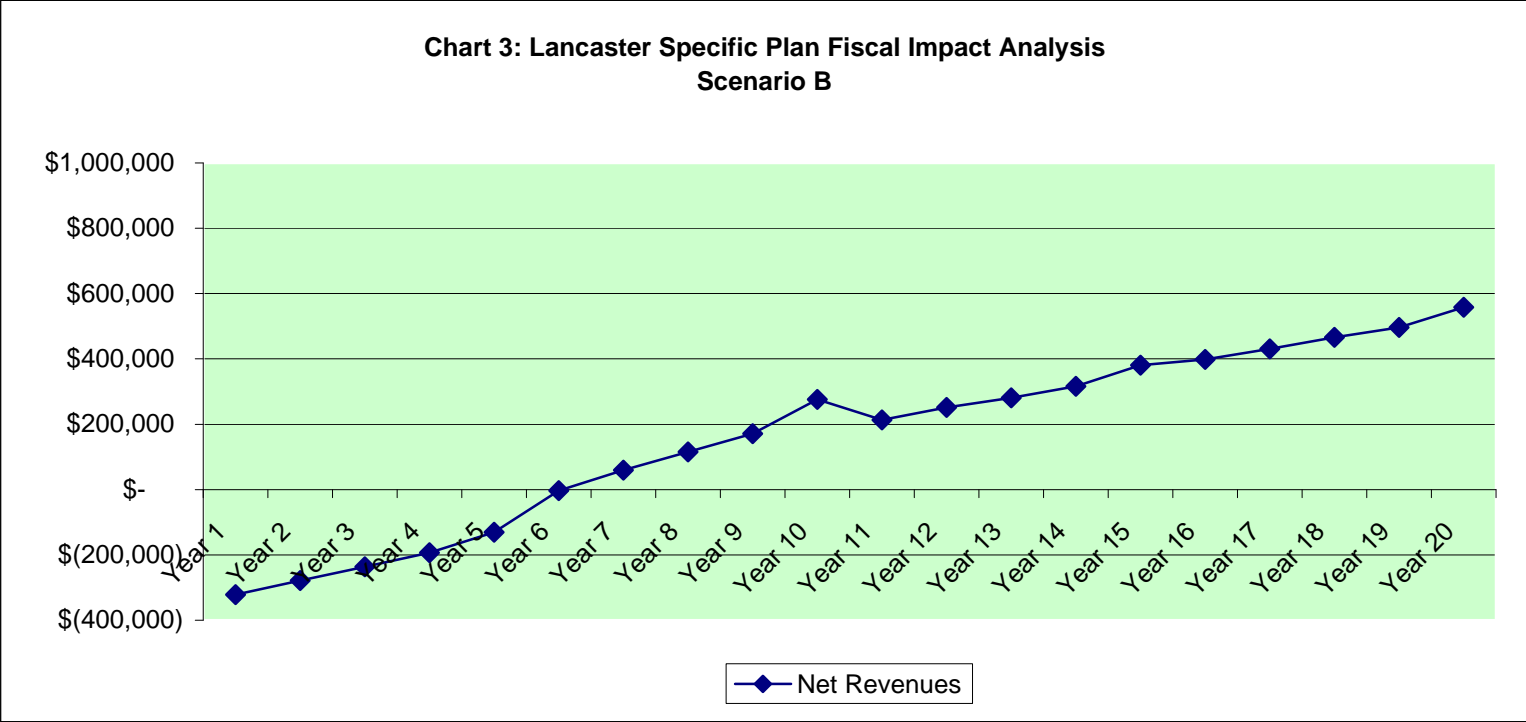
Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
1636.964	1867.6	2034.76	2201.92	2369.08	2536.24	2703.4	2868.292	3033.184	3198.076	3362.968	3527.86
4354	4968	5412	5857	6302	6746	7191	7630	8068	8507	8945	9384
272,130	309,176	336,712	364,248	391,783	419,319	446,855	461,062	475,269	489,476	489,476	489,476
24	24	24	24	24	24	24	24	24	24	-	-
\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036
\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700
\$ 177,132	\$ 354,264	\$ 354,264	\$ 354,264	\$ 354,264	\$ 354,264	\$ 354,264	\$ 354,264	\$ 354,264	\$ 354,264	\$ 354,264	\$ 354,264
\$ 470,868	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000	\$ 648,000
\$ 181,198	\$ 206,728	\$ 225,231	\$ 243,734	\$ 262,238	\$ 280,741	\$ 299,244	\$ 317,496	\$ 335,748	\$ 354,001	\$ 372,253	\$ 390,505
\$ 652,066	\$ 854,728	\$ 873,231	\$ 891,734	\$ 910,238	\$ 928,741	\$ 947,244	\$ 965,496	\$ 983,748	\$ 1,002,001	\$ 1,020,253	\$ 1,038,505

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Fiscal Analysis Scenario B



Fiscal Analysis Scenario B

**Table B1: Summary of Fiscal Impact for Years 1 through 20 and at buildout (in constant \$s)**

Item	Table	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>General Fund Revenues</b>										
Sales Tax Generated by Households	Table A3	\$ 3,124,815	\$ 12,064	\$ 24,127	\$ 36,191	\$ 48,255	\$ 60,319	\$ 79,791	\$ 99,264	\$ 118,736
Sales Tax Generated by Employees	Table A3	\$ 476,761	\$ 2,096	\$ 4,192	\$ 6,288	\$ 8,385	\$ 10,481	\$ 13,508	\$ 16,536	\$ 19,564
Sales Tax Generated by Retail Stores	Table A3	\$ 2,168,209	\$ 12,319	\$ 24,637	\$ 36,956	\$ 49,274	\$ 61,593	\$ 73,085	\$ 84,577	\$ 96,070
Real Property Transfer Tax	Table A4	\$ 12,311,730	\$ 194,448	\$ 226,856	\$ 259,264	\$ 291,672	\$ 339,576	\$ 462,040	\$ 519,799	\$ 570,734
Property Taxes - In Lieu of VLF	Table A5	\$ 11,990,903	\$ 46,551	\$ 93,102	\$ 139,653	\$ 186,204	\$ 236,464	\$ 307,666	\$ 380,829	\$ 453,991
Business Taxes	Table A6	\$ 212,784	\$ 1,123	\$ 2,180	\$ 3,320	\$ 4,426	\$ 5,533	\$ 6,744	\$ 7,956	\$ 9,168
Transient Occupancy Taxes	NA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines & Forfeitures (1)		\$ 79,352	\$ 3,214	\$ 3,214	\$ 3,214	\$ 3,214	\$ 3,214	\$ 5,188	\$ 5,188	\$ 5,188
Other Revenue	NA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal Revenues</b>		<b>\$ 30,364,553</b>	<b>\$ 271,814</b>	<b>\$ 378,308</b>	<b>\$ 484,886</b>	<b>\$ 591,430</b>	<b>\$ 717,179</b>	<b>\$ 948,023</b>	<b>\$ 1,114,149</b>	<b>\$ 1,273,450</b>
<b>Redevelopment Agency Revenues</b>										
Additional Tax Increment	Table A7	\$ 3,130,382	\$ 12,150	\$ 24,299	\$ 36,449	\$ 48,599	\$ 61,716	\$ 80,310	\$ 99,415	\$ 118,520
<b>Total Revenues</b>		<b>\$ 33,494,935</b>	<b>\$ 283,964</b>	<b>\$ 402,608</b>	<b>\$ 521,335</b>	<b>\$ 640,028</b>	<b>\$ 778,895</b>	<b>\$ 1,028,333</b>	<b>\$ 1,213,564</b>	<b>\$ 1,391,970</b>
<b>General Fund Expenditures (2)</b>										
General Government	Table A8	\$ 239,598	\$ 925	\$ 1,850	\$ 2,775	\$ 3,700	\$ 4,625	\$ 6,118	\$ 7,611	\$ 9,104
Finance	Table A8	\$ 185,121	\$ 537	\$ 1,431	\$ 2,146	\$ 2,861	\$ 3,577	\$ 4,732	\$ 5,886	\$ 7,041
Administration	Table A8	\$ 380,126	\$ 1,468	\$ 2,935	\$ 4,403	\$ 5,870	\$ 7,338	\$ 9,706	\$ 12,075	\$ 14,444
Housing & Neighborhood Revitalization	Table A8	\$ 670,238	\$ 2,588	\$ 5,175	\$ 7,763	\$ 10,350	\$ 12,938	\$ 17,114	\$ 21,291	\$ 25,468
Parks, Recreation and Arts	Table A8	\$ 5,694,580	\$ 21,985	\$ 43,969	\$ 65,954	\$ 87,938	\$ 109,923	\$ 145,409	\$ 180,896	\$ 216,382
Law Enforcement	Table A9	\$ 10,675,928	\$ 41,216	\$ 82,431	\$ 123,647	\$ 164,863	\$ 206,078	\$ 272,606	\$ 339,135	\$ 405,663
Capital Projects	Table A10	\$ 10,595,280	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764
Public Works	Table A10	\$ 3,277,421	\$ 12,653	\$ 25,306	\$ 37,959	\$ 50,611	\$ 63,264	\$ 83,688	\$ 104,112	\$ 124,535
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>		<b>\$ 30,243,208</b>	<b>\$ 605,617</b>	<b>\$ 681,470</b>	<b>\$ 757,323</b>	<b>\$ 833,176</b>	<b>\$ 909,029</b>	<b>\$ 1,031,468</b>	<b>\$ 1,153,906</b>	<b>\$ 1,276,344</b>

Source: City of Lancaster Budget, 2006; MJC, 2007

Notes:

- 1) Fines and Forfeitures were calculated at the rate of \$10.57 per resident the 2005 rate of collections on a per capita basis.
- 2) some General fund Expenditures are assumed to be self-funding such as the planning function. Development fees and permit fees are anticipated to largely cover costs of service delivery for the project.

Fiscal Analysis Scenario B

**Table B1: Summary of Fiscal Impact for Years 1 through 20 and at buildout (in constant \$s)**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 138,209	\$ 157,682	\$ 171,795	\$ 185,908	\$ 200,022	\$ 214,135	\$ 228,248	\$ 242,170	\$ 256,092	\$ 270,014	\$ 283,936	\$ 297,858
\$ 22,592	\$ 25,620	\$ 27,280	\$ 28,940	\$ 30,600	\$ 32,260	\$ 33,920	\$ 35,580	\$ 37,240	\$ 38,900	\$ 40,560	\$ 42,220
\$ 107,562	\$ 119,054	\$ 124,736	\$ 130,419	\$ 136,102	\$ 141,784	\$ 147,467	\$ 153,150	\$ 158,832	\$ 164,515	\$ 170,197	\$ 175,880
\$ 621,668	\$ 710,026	\$ 647,496	\$ 684,717	\$ 716,015	\$ 752,249	\$ 810,475	\$ 828,382	\$ 862,022	\$ 897,612	\$ 929,762	\$ 986,918
\$ 527,154	\$ 609,275	\$ 662,740	\$ 716,205	\$ 768,252	\$ 820,299	\$ 877,610	\$ 929,657	\$ 981,083	\$1,032,458	\$1,082,967	\$1,138,741
\$ 10,379	\$ 11,591	\$ 12,218	\$ 12,844	\$ 13,470	\$ 14,097	\$ 14,723	\$ 15,350	\$ 15,976	\$ 16,602	\$ 17,229	\$ 17,855
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,188	\$ 5,188	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,709	\$ 3,709	\$ 3,709	\$ 3,709	\$ 3,709
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$1,432,752	\$1,638,436	\$1,650,025	\$1,762,793	\$1,868,220	\$1,978,583	\$2,116,204	\$2,207,997	\$2,314,954	\$2,423,810	\$2,528,359	\$2,663,180
\$ 137,625	\$ 159,066	\$ 173,023	\$ 186,980	\$ 200,568	\$ 214,156	\$ 229,116	\$ 242,704	\$ 256,129	\$ 269,542	\$ 282,728	\$ 297,288
\$1,570,376	\$1,797,501	\$1,823,048	\$1,949,774	\$2,068,788	\$2,192,739	\$2,345,320	\$2,450,701	\$2,571,083	\$2,693,351	\$2,811,088	\$2,960,468
\$ 10,597	\$ 12,090	\$ 13,173	\$ 14,255	\$ 15,337	\$ 16,419	\$ 17,501	\$ 18,569	\$ 19,636	\$ 20,704	\$ 21,771	\$ 22,838
\$ 8,196	\$ 9,350	\$ 10,187	\$ 11,024	\$ 11,861	\$ 12,698	\$ 13,535	\$ 14,361	\$ 15,186	\$ 16,012	\$ 16,837	\$ 17,663
\$ 16,813	\$ 19,182	\$ 20,898	\$ 22,615	\$ 24,332	\$ 26,049	\$ 27,766	\$ 29,459	\$ 31,153	\$ 32,847	\$ 34,540	\$ 36,234
\$ 29,644	\$ 33,821	\$ 36,848	\$ 39,875	\$ 42,902	\$ 45,930	\$ 48,957	\$ 51,943	\$ 54,929	\$ 57,915	\$ 60,901	\$ 63,887
\$ 251,868	\$ 287,355	\$ 313,075	\$ 338,794	\$ 364,514	\$ 390,234	\$ 415,954	\$ 441,324	\$ 466,695	\$ 492,066	\$ 517,437	\$ 542,808
\$ 472,191	\$ 538,719	\$ 586,937	\$ 635,156	\$ 683,374	\$ 731,592	\$ 779,810	\$ 827,374	\$ 874,938	\$ 922,502	\$ 970,066	\$1,017,630
\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764
\$ 144,959	\$ 165,382	\$ 180,185	\$ 194,987	\$ 209,790	\$ 224,593	\$ 239,395	\$ 253,997	\$ 268,599	\$ 283,200	\$ 297,802	\$ 312,404
\$1,398,782	\$1,521,220	\$1,609,961	\$1,698,701	\$1,787,442	\$1,876,182	\$1,964,923	\$2,052,460	\$2,139,996	\$2,227,533	\$2,315,069	\$2,402,606



Fiscal Analysis Scenario B

**Table B2: Downtown Specific Plan Annual Development & Total Buildout**

Project Type	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
<b><u>Development (Units &amp; SF)</u></b>												
<b>Residential Units</b>	2,569	114	114	114	114	114	185	185	185	185	185	134
Low-Rise Condo	1,295	57	57	57	57	57	92	92	92	92	92	67
Mid-Rise Condo	874	46	46	46	46	46	74	74	74	74	74	53
Affordable Rental	400	11	11	11	11	11	11	18	18	18	18	18
<b>Total Cumulative Units</b>		<b>114</b>	<b>229</b>	<b>343</b>	<b>457</b>	<b>572</b>	<b>756</b>	<b>941</b>	<b>1,125</b>	<b>1,310</b>	<b>1,494</b>	<b>1,628</b>
<b>Retail (SF)</b>	264,000	12,319	12,319	12,319	12,319	12,319	11,492	11,492	11,492	11,492	11,492	5,683
<b>Office (SF)</b>	230,000	4,174	4,174	4,174	4,174	4,174	10,080	10,080	10,080	10,080	10,080	5,924
Downtown Office	138,000					10,435						25,201
Professional Office	92,000	2,087	2,087	2,087	2,087	2,087	5,040	5,040	5,040	5,040	5,040	2,962
<b>Total Cumulate Commercial</b>		<b>16,493</b>	<b>32,985</b>	<b>49,478</b>	<b>65,970</b>	<b>82,463</b>	<b>104,035</b>	<b>125,608</b>	<b>147,180</b>	<b>168,753</b>	<b>190,326</b>	<b>201,932</b>
<b><u>New Population</u></b>												
Population	6,834	304	304	304	304	304	491	491	491	491	491	356
<b>Total Cumulative Residents</b>		<b>304</b>	<b>608</b>	<b>912</b>	<b>1,216</b>	<b>1,520</b>	<b>2,011</b>	<b>2,502</b>	<b>2,993</b>	<b>3,483</b>	<b>3,974</b>	<b>4,330</b>
Workplace Employees	1,022	19	19	19	19	19	45	45	45	45	45	26
Retail Employees	503	35	35	35	35	35	33	33	33	33	33	16
Daytime Population (1)	4,463	184	184	184	184	184	289	289	289	289	289	196
<b>Total Cumulative Jobs</b>		<b>54</b>	<b>107</b>	<b>161</b>	<b>215</b>	<b>269</b>	<b>346</b>	<b>424</b>	<b>502</b>	<b>579</b>	<b>657</b>	<b>699</b>

Source: MJC, 2006

Notes: 1) the daytime population includes workplace employees, retail employees, and residents and school children who live in the downtown and do not work.

**Table B2: Downtown Specific Plan Annual Development & Total Buildout**

Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
134	134	134	134	132	132	132	132	132
67	67	67	67	66	66	66	66	66
53	53	53	53	53	53	53	53	53
18	13	13	13	13	13	13	13	13
<b>1,762</b>	<b>1,895</b>	<b>2,029</b>	<b>2,163</b>	<b>2,295</b>	<b>2,427</b>	<b>2,558</b>	<b>2,690</b>	<b>2,822</b>
5,683	5,683	5,683	5,683	5,683	5,683	5,683	5,683	5,683
5,924	5,924	5,924	5,924	5,924	5,924	5,924	5,924	5,924
			14,810					14,810
2,962	2,962	2,962	2,962	2,962	2,962	2,962		
<b>213,539</b>	<b>225,145</b>	<b>236,751</b>	<b>248,358</b>	<b>259,964</b>	<b>271,571</b>	<b>283,177</b>	<b>294,784</b>	<b>306,390</b>
356	356	356	356	351	351	351	351	351
<b>4,686</b>	<b>5,041</b>	<b>5,397</b>	<b>5,753</b>	<b>6,104</b>	<b>6,455</b>	<b>6,806</b>	<b>7,156</b>	<b>7,507</b>
26	26	26	26	26	26	26	26	26
16	16	16	16	16	16	16	16	16
196	196	196	196	193	193	193	193	193
<b>742</b>	<b>785</b>	<b>827</b>	<b>870</b>	<b>912</b>	<b>955</b>	<b>997</b>	<b>1,040</b>	<b>1,083</b>

Fiscal Analysis Scenario B

**Table B3: Sales Tax Estimate**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Project Residential Expenditures</b>									
New Occupied Housing Units		114.3072	114.3072	114.3072	114.3072	114.3072	184.5088	184.5088	184.5088
Cumulative Occupied Housing Units		114.3072	228.6144	342.9216	457.2288	571.536	756.0448	940.5536	1125.0624
Total Household Income (1)	\$ 1,488,006,987	\$ 5,744,623	\$ 11,489,245	\$ 17,233,868	\$ 22,978,491	\$ 28,723,113	\$ 37,995,787	\$ 47,268,462	\$ 56,541,136
Taxable Expenditures (2)	\$ 520,802,446	\$ 2,010,618	\$ 4,021,236	\$ 6,031,854	\$ 8,042,472	\$ 10,053,090	\$ 13,298,526	\$ 16,543,962	\$ 19,789,398
Expenditures Captured by Lancaster (3)	\$ 312,481,467	\$ 1,206,371	\$ 2,412,742	\$ 3,619,112	\$ 4,825,483	\$ 6,031,854	\$ 7,979,115	\$ 9,926,377	\$ 11,873,639
Sales Tax	\$ 3,124,815	\$ 12,064	\$ 24,127	\$ 36,191	\$ 48,255	\$ 60,319	\$ 79,791	\$ 99,264	\$ 118,736
<b>Project Employee Expenditures</b>									
Cumulative Employees		54	107	161	215	269	346	424	502
Taxable Expenditures by Employees (4)	\$ 47,676,058	\$ 209,613	\$ 419,225	\$ 628,838	\$ 838,450	\$ 1,048,063	\$ 1,350,846	\$ 1,653,629	\$ 1,956,411
Sales Tax	\$ 476,761	\$ 2,096	\$ 4,192	\$ 6,288	\$ 8,385	\$ 10,481	\$ 13,508	\$ 16,536	\$ 19,564
<b>Retail Sales in Downtown Lancaster</b>									
New Retail Space		12,319	12,319	12,319	12,319	12,319	11,492	11,492	11,492
Cumulative Total Retail Space		12,319	24,637	36,956	49,274	61,593	73,085	84,577	96,070
Total Taxable Retail Sales (5)	\$ 433,641,772	\$ 2,463,722	\$ 4,927,443	\$ 7,391,165	\$ 9,854,886	\$ 12,318,608	\$ 14,617,042	\$ 16,915,475	\$ 19,213,909
Total Net New Taxable Sales (6)	\$ 216,820,886	\$ 1,231,861	\$ 2,463,722	\$ 3,695,582	\$ 4,927,443	\$ 6,159,304	\$ 7,308,521	\$ 8,457,738	\$ 9,606,954
Sales Tax	\$ 2,168,209	\$ 12,319	\$ 24,637	\$ 36,956	\$ 49,274	\$ 61,593	\$ 73,085	\$ 84,577	\$ 96,070
<b>Total Sales Tax Generated by Project</b>	<b>\$ 5,769,784</b>	<b>\$ 26,478</b>	<b>\$ 52,957</b>	<b>\$ 79,435</b>	<b>\$ 105,914</b>	<b>\$ 132,392</b>	<b>\$ 166,385</b>	<b>\$ 200,377</b>	<b>\$ 234,370</b>

Notes: 1) In the downtown current median household income is \$36,564. However new units will sell for between \$229,000 and \$250,000 which will require an average qualifying household income of \$50,256 (\$233,000 mortgage term requires an annual payment of \$16,752 and a qualifying income of 3 times the annual payment or \$50,256)

2) Assumes that 35% of income is spent on taxable retail sales.

3) Assumes that 60% of taxable retail expenditures made by new Lancaster residents would be made within Lancaster

4) Based on the annual workday spending by office workers who commute to suburban locations for employment as reported in *Office Worker Retail Spending Patterns: a Downtown and Suburban Area Study*, ICSC Research

5) Assumes \$200 per square foot of retail space in sales per year.

6) Assumes that 50% of new retail sales due to businesses opening in the downtown are to wider Lancaster residents or to sales from visitors to the downtown, with only 30% of new sales in downtown to employees or residents

Fiscal Analysis Scenario B

**Table B3: Sales Tax Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
184.5088	184.5088	133.728	133.728	133.728	133.728	133.728	131.9136	131.9136	131.9136	131.9136	131.9136
1309.5712	1494.08	1627.808	1761.536	1895.264	2028.992	2162.72	2294.6336	2426.5472	2558.4608	2690.3744	2822.288
\$ 65,813,810	\$ 75,086,484	\$ 81,807,119	\$ 88,527,753	\$ 95,248,388	\$101,969,022	\$108,689,656	\$115,319,106	\$121,948,556	\$128,578,006	\$135,207,456	\$141,836,906
\$ 23,034,834	\$ 26,280,270	\$ 28,632,492	\$ 30,984,714	\$ 33,336,936	\$ 35,689,158	\$ 38,041,380	\$ 40,361,687	\$ 42,681,995	\$ 45,002,302	\$ 47,322,610	\$ 49,642,917
\$ 13,820,900	\$ 15,768,162	\$ 17,179,495	\$ 18,590,828	\$ 20,002,161	\$ 21,413,495	\$ 22,824,828	\$ 24,217,012	\$ 25,609,197	\$ 27,001,381	\$ 28,393,566	\$ 29,785,750
\$ 138,209	\$ 157,682	\$ 171,795	\$ 185,908	\$ 200,022	\$ 214,135	\$ 228,248	\$ 242,170	\$ 256,092	\$ 270,014	\$ 283,936	\$ 297,858
579	657	699	742	785	827	870	912	955	997	1040	1083
\$ 2,259,194	\$ 2,561,977	\$ 2,727,978	\$ 2,893,979	\$ 3,059,979	\$ 3,225,980	\$ 3,391,981	\$ 3,557,982	\$ 3,723,982	\$ 3,889,983	\$ 4,055,984	\$ 4,221,985
\$ 22,592	\$ 25,620	\$ 27,280	\$ 28,940	\$ 30,600	\$ 32,260	\$ 33,920	\$ 35,580	\$ 37,240	\$ 38,900	\$ 40,560	\$ 42,220
11,492	11,492	5,683	5,683	5,683	5,683	5,683	5,683	5,683	5,683	5,683	5,683
107,562	119,054	124,736	130,419	136,102	141,784	147,467	153,150	158,832	164,515	170,197	175,880
\$ 21,512,342	\$ 23,810,776	\$ 24,947,297	\$ 26,083,818	\$ 27,220,338	\$ 28,356,859	\$ 29,493,380	\$ 30,629,901	\$ 31,766,422	\$ 32,902,942	\$ 34,039,463	\$ 35,175,984
\$ 10,756,171	\$ 11,905,388	\$ 12,473,648	\$ 13,041,909	\$ 13,610,169	\$ 14,178,430	\$ 14,746,690	\$ 15,314,950	\$ 15,883,211	\$ 16,451,471	\$ 17,019,732	\$ 17,587,992
\$ 107,562	\$ 119,054	\$ 124,736	\$ 130,419	\$ 136,102	\$ 141,784	\$ 147,467	\$ 153,150	\$ 158,832	\$ 164,515	\$ 170,197	\$ 175,880
\$ 268,363	\$ 302,355	\$ 323,811	\$ 345,267	\$ 366,723	\$ 388,179	\$ 409,635	\$ 430,899	\$ 452,164	\$ 473,428	\$ 494,693	\$ 515,957

jage @ 6% interest for a 30 year

ch. Office workers spend about \$3,900 on retail items near their place of work.

its of the downtown.

Fiscal Analysis Scenario B

**Table B4: Estimate of Project Assessed Value (constant dollars)**

Land Use	Base Market Value/Unit or /SF	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Residential</b>										
Low-Rise Condominium	\$ 229,000	\$ 326,593,322	\$ 13,219,056	\$ 13,219,056	\$ 13,219,056	\$ 13,219,056	\$ 13,219,056	\$ 21,337,520	\$ 21,337,520	\$ 21,337,520
Mid-Rise Condominium	\$ 250,000	\$ 285,234,342	\$ 11,545,027	\$ 11,545,027	\$ 11,545,027	\$ 11,545,027	\$ 11,545,027	\$ 18,635,389	\$ 18,635,389	\$ 18,635,389
Affordable Housing	\$ 175,000	\$ 50,502,367	\$ 2,020,380	\$ 2,020,380	\$ 2,020,380	\$ 2,020,380	\$ 2,020,380	\$ 2,020,380	\$ 3,261,193	\$ 3,261,193
<b>Total Residential</b>		\$ 662,330,032	\$ 26,784,463	\$ 26,784,463	\$ 26,784,463	\$ 26,784,463	\$ 26,784,463	\$ 41,993,289	\$ 43,234,102	\$ 43,234,102
<b>Retail</b>	\$ 186	\$ 32,713,665	\$ 2,291,261	\$ 2,291,261	\$ 2,291,261	\$ 2,291,261	\$ 2,291,261	\$ 2,137,543	\$ 2,137,543	\$ 2,137,543
<b>Workplace</b>										
Downtown Office	\$ 225	\$ 14,682,417	\$ -	\$ -	\$ -	\$ -	\$ 2,347,836	\$ -	\$ -	\$ -
Downtown Professional Office	\$ 185	\$ 10,976,295	\$ 386,089	\$ 386,089	\$ 386,089	\$ 386,089	\$ 386,089	\$ 932,438	\$ 932,438	\$ 932,438
<b>Total Commercial</b>		\$ 58,372,377	\$ 2,677,350	\$ 2,677,350	\$ 2,677,350	\$ 2,677,350	\$ 5,025,185	\$ 3,069,982	\$ 3,069,982	\$ 3,069,982
<b>Total Assesed Value</b>		\$ 720,702,409	\$ 29,461,813	\$ 29,461,813	\$ 29,461,813	\$ 29,461,813	\$ 31,809,648	\$ 45,063,270	\$ 46,304,084	\$ 46,304,084
<b>Cumulative Assesed Value</b>			\$ 29,461,813	\$ 58,923,625	\$ 88,385,438	\$ 117,847,251	\$ 149,656,899	\$ 194,720,170	\$ 241,024,253	\$ 287,328,337

**Estimate of Property Transfer Tax Revenues (constant dollars)**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Initial Transfer Tax (.55% of Sales Price for New Construction)		\$ 162,040	\$ 162,040	\$ 162,040	\$ 162,040	\$ 174,953	\$ 247,848	\$ 254,672	\$ 254,672
Resold Properties Transfer Tax (20% Turnover *.55% of Total AV)		32,408	64,816	97,224	129,632	164,623	214,192	265,127	316,061
<b>Total Transfer Tax</b>	\$ 12,311,730	\$ 194,448	\$ 226,856	\$ 259,264	\$ 291,672	\$ 339,576	\$ 462,040	\$ 519,799	\$ 570,734

Fiscal Analysis Scenario B

**Table B4: Estimate of Project Assessed Value (constant dollars)**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 21,337,520	\$ 21,337,520	\$ 15,464,975	\$ 15,464,975	\$ 15,464,975	\$ 15,464,975	\$ 15,464,975	\$ 15,464,975	\$ 15,255,148	\$ 15,255,148	\$ 15,255,148	\$ 15,255,148
\$ 18,635,389	\$ 18,635,389	\$ 13,506,528	\$ 13,506,528	\$ 13,506,528	\$ 13,506,528	\$ 13,506,528	\$ 13,506,528	\$ 13,323,274	\$ 13,323,274	\$ 13,323,274	\$ 13,323,274
\$ 3,261,193	\$ 3,261,193	\$ 3,261,193	\$ 3,261,193	\$ 2,363,642	\$ 2,363,642	\$ 2,363,642	\$ 2,363,642	\$ 2,363,642	\$ 2,331,573	\$ 2,331,573	\$ 2,331,573
\$ 43,234,102	\$ 43,234,102	\$ 32,232,696	\$ 32,232,696	\$ 31,335,145	\$ 31,335,145	\$ 31,335,145	\$ 31,335,145	\$ 30,942,064	\$ 30,909,995	\$ 30,909,995	\$ 30,909,995
\$ 2,137,543	\$ 2,137,543	\$ 1,056,964	\$ 1,056,964	\$ 1,056,964	\$ 1,056,964	\$ 1,056,964	\$ 1,056,964	\$ 1,056,964	\$ 1,056,964	\$ 1,056,964	\$ 1,056,964
\$ -	\$ 5,670,234	\$ -	\$ -	\$ -	\$ -	\$ 3,332,174	\$ -	\$ -	\$ -	\$ -	\$ 3,332,174
\$ 932,438	\$ 932,438	\$ 547,957	\$ 547,957	\$ 547,957	\$ 547,957	\$ 547,957	\$ 547,957	\$ 547,957	\$ 547,957	\$ -	\$ -
\$ 3,069,982	\$ 8,740,215	\$ 1,604,922	\$ 1,604,922	\$ 1,604,922	\$ 1,604,922	\$ 4,937,096	\$ 1,604,922	\$ 1,604,922	\$ 1,604,922	\$ 1,056,964	\$ 4,389,138
\$ 46,304,084	\$ 51,974,317	\$ 33,837,617	\$ 33,837,617	\$ 32,940,067	\$ 32,940,067	\$ 36,272,241	\$ 32,940,067	\$ 32,546,986	\$ 32,514,917	\$ 31,966,959	\$ 35,299,133
\$ 333,632,421	\$ 385,606,738	\$ 419,444,356	\$ 453,281,973	\$ 486,222,040	\$ 519,162,107	\$ 555,434,347	\$ 588,374,414	\$ 620,921,400	\$ 653,436,317	\$ 685,403,276	\$ 720,702,409

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 254,672	\$ 285,859	\$ 186,107	\$ 186,107	\$ 181,170	\$ 181,170	\$ 199,497	\$ 181,170	\$ 179,008	\$ 178,832	\$ 175,818	\$ 194,145
366,996	424,167	461,389	498,610	534,844	571,078	610,978	647,212	683,014	718,780	753,944	792,773
\$ 621,668	\$ 710,026	\$ 647,496	\$ 684,717	\$ 716,015	\$ 752,249	\$ 810,475	\$ 828,382	\$ 862,022	\$ 897,612	\$ 929,762	\$ 986,918

Fiscal Analysis Scenario B

**Table B5: Property Tax In-Lieu of Vehicle License Fee (VLF) Estimate**

**Table B5: Prop**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Cumulative Assessed Value	\$ 720,702,409	\$ 29,461,813	\$ 58,923,625	\$ 88,385,438	\$ 117,847,251	\$ 149,656,899	\$ 194,720,170	\$ 241,024,253	\$ 287,328,337	\$ 333,632,421
% Increase in AV Above Base (1)		0.48%	0.95%	1.43%	1.90%	2.41%	3.14%	3.89%	4.63%	5.38%
Property Tax In-Lieu Above the Base (2)	\$ 11,990,903	\$ 46,551	\$ 93,102	\$ 139,653	\$ 186,204	\$ 236,464	\$ 307,666	\$ 380,829	\$ 453,991	\$ 527,154

1) 2005's city-wide assessed value is considered the base value at \$6,202,360,481

2) Represents the amount of offset by the State Budget that will be reimbursed by property tax payments. Lancaster's 2005 VLF was \$9.8 million which is the base used to calculate VLF in future years.

Fiscal Analysis Scenario B

**Property Tax In-Lieu of Vehicle License Fee (VLF) Estimate**

Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 385,606,738	\$ 419,444,356	\$ 453,281,973	\$ 486,222,040	\$ 519,162,107	\$ 555,434,347	\$ 588,374,414	\$ 620,921,400	\$ 653,436,317	\$ 685,403,276	\$ 720,702,409
6.22%	6.76%	7.31%	7.84%	8.37%	8.96%	9.49%	10.01%	10.54%	11.05%	11.62%
\$ 609,275	\$ 662,740	\$ 716,205	\$ 768,252	\$ 820,299	\$ 877,610	\$ 929,657	\$ 981,083	\$ 1,032,458	\$ 1,082,967	\$ 1,138,741



Fiscal Analysis Scenario B

**Table B6: Business Tax Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
<b><u>New Commercial Development (SF)</u></b>													
Retail	175,880	12,319	12,319	12,319	12,319	12,319	11,492	11,492	11,492	11,492	11,492	5,683	5,683
Office and other Workplace	130,510	4,174	4,174	4,174	4,174	4,174	10,080	10,080	10,080	10,080	10,080	5,924	5,924
<b><u>Total Cumulative Commercial Space</u></b>													
Retail		12,319	24,637	36,956	49,274	61,593	73,085	84,577	96,070	107,562	119,054	124,736	130,419
Office and other Workplace		4,174	8,348	12,522	16,696	20,870	30,950	41,030	51,111	61,191	71,272	77,196	83,119
<b><u>Number of Businesses</u></b>													
Retail		8	16	25	33	41	49	56	64	72	79	83	87
Office and other Workplace		1	2	3	3	4	6	8	10	12	14	15	17
Total		9	18	27	36	45	55	65	74	84	94	99	104
<b><u>Annual Business Tax Revenues (1)</u></b>													
Retail		\$ 985	\$ 1,971	\$ 2,956	\$ 3,942	\$ 4,927	\$ 5,847	\$ 6,766	\$ 7,686	\$ 8,605	\$ 9,524	\$ 9,979	\$ 10,434
Office and other Workplace		\$ 138	\$ 209	\$ 363	\$ 484	\$ 605	\$ 898	\$ 1,190	\$ 1,482	\$ 1,775	\$ 2,067	\$ 2,239	\$ 2,410
<b><u>Total Business Tax Revenues</u></b>		<b>\$ 1,123</b>	<b>\$ 2,180</b>	<b>\$ 3,320</b>	<b>\$ 4,426</b>	<b>\$ 5,533</b>	<b>\$ 6,744</b>	<b>\$ 7,956</b>	<b>\$ 9,168</b>	<b>\$10,379</b>	<b>\$ 11,591</b>	<b>\$ 12,218</b>	<b>\$ 12,844</b>

Source: City of Lancaster, MJC 2007

fees, 76+ employees pays \$170 in fees. Retail businesses will have on average 10 employees or less, while office's will typically have 26 to 50 employees. In addition each liscence is also charged a processing fee of \$60/new application and \$22/renewal.

**Table B6: Business Tax Estimate**

Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
5,683	5,683	5,683	5,683	5,683	5,683	5,683	5,683
5,924	5,924	5,924	5,924	5,924	5,924	5,924	5,924
136,102	141,784	147,467	153,150	158,832	164,515	170,197	175,880
89,043	94,967	100,891	106,815	112,739	118,663	124,587	130,510
91	95	98	102	106	110	113	117
18	19	20	21	23	24	25	26
109	114	118	123	128	133	138	143
\$ 10,888	\$ 11,343	\$ 11,797	\$ 12,252	\$ 12,707	\$ 13,161	\$ 13,616	\$ 14,070
\$ 2,582	\$ 2,754	\$ 2,926	\$ 3,098	\$ 3,269	\$ 3,441	\$ 3,613	\$ 3,785
<b>\$ 13,470</b>	<b>\$ 14,097</b>	<b>\$ 14,723</b>	<b>\$ 15,350</b>	<b>\$ 15,976</b>	<b>\$ 16,602</b>	<b>\$ 17,229</b>	<b>\$ 17,855</b>

Fiscal Analysis Scenario B

**Table B7: Redevelopment Agency Property Tax Increment Estimate**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Property Tax Increment</b>									
Cumulative Assessed Value (from Table A4)	\$ 720,702,409	\$ 29,461,813	\$ 58,923,625	\$ 88,385,438	\$ 117,847,251	\$ 149,656,899	\$ 194,720,170	\$ 241,024,253	\$ 287,328,337
Total Secured Property Tax (1%)	\$ 7,207,024	\$ 294,618	\$ 589,236	\$ 883,854	\$ 1,178,473	\$ 1,496,569	\$ 1,947,202	\$ 2,410,243	\$ 2,873,283
Agency's Share of Secured Property Tax (4.12%)	\$ 3,126,655	\$ 12,138	\$ 24,277	\$ 36,415	\$ 48,553	\$ 61,659	\$ 80,225	\$ 99,302	\$ 118,379
<b>Unsecured Property Tax</b>									
Non-Retail Jobs from the Project (cumulative)	1,022	19	37	56	74	93	138	182	227
Total Unsecured Property Tax from the Project (\$15/Job)	\$ 90,446	\$ 278	\$ 557	\$ 835	\$ 1,113	\$ 1,391	\$ 2,063	\$ 2,735	\$ 3,407
Agency's Share of Unsecured Property Tax (4.12%)	\$ 3,726	\$ 11	\$ 23	\$ 34	\$ 46	\$ 57	\$ 85	\$ 113	\$ 140
<b>Total Tax Increment</b>	<b>\$ 3,130,382</b>	<b>\$ 12,150</b>	<b>\$ 24,299</b>	<b>\$ 36,449</b>	<b>\$ 48,599</b>	<b>\$ 61,716</b>	<b>\$ 80,310</b>	<b>\$ 99,415</b>	<b>\$ 118,520</b>

Source: City of Lancaster Redevelopment Department, 2007; MJC 2007

Fiscal Analysis Scenario B

**Table B7: Redevelopment Agency Property Tax Increment Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 333,632,421	\$ 385,606,738	\$ 419,444,356	\$ 453,281,973	\$ 486,222,040	\$ 519,162,107	\$ 555,434,347	\$ 588,374,414	\$ 620,921,400	\$ 653,436,317	\$ 685,403,276	\$ 720,702,409
\$ 3,336,324	\$ 3,856,067	\$ 4,194,444	\$ 4,532,820	\$ 4,862,220	\$ 5,191,621	\$ 5,554,343	\$ 5,883,744	\$ 6,209,214	\$ 6,534,363	\$ 6,854,033	\$ 7,207,024
\$ 137,457	\$ 158,870	\$ 172,811	\$ 186,752	\$ 200,323	\$ 213,895	\$ 228,839	\$ 242,410	\$ 255,820	\$ 269,216	\$ 282,386	\$ 296,929
272	317	343	369	396	422	448	475	501	527	554	580
\$ 4,079	\$ 4,751	\$ 5,146	\$ 5,541	\$ 5,936	\$ 6,331	\$ 6,726	\$ 7,121	\$ 7,516	\$ 7,911	\$ 8,306	\$ 8,701
\$ 168	\$ 196	\$ 212	\$ 228	\$ 245	\$ 261	\$ 277	\$ 293	\$ 310	\$ 326	\$ 342	\$ 358
\$ 137,625	\$ 159,066	\$ 173,023	\$ 186,980	\$ 200,568	\$ 214,156	\$ 229,116	\$ 242,704	\$ 256,129	\$ 269,542	\$ 282,728	\$ 297,288

Fiscal Analysis Scenario B

**Table B9: Police Department Expenditure Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Project Housing Units (Cumulative)	29,609	114	229	343	457	572	756	941	1,125
Project Population (Cumulative)	78,759	304	608	912	1216	1520	2011	2502	2993
Project Jobs (Cumulative)	12,225	54	107	161	215	269	346	424	502
<b><u>Estimated Based on Costing out Needs</u></b>									
Police Department Expenditures									
New Officers Required (1)		0.5	0.5	0.8	1	1	2	2	2
Annual Officer Cost (2)		\$ 52,500	\$ 53,550	\$ 84,000	\$ 105,000	\$ 105,000	\$ 210,000	\$ 210,000	\$ 210,000
Associated Overhead Cost (3)		\$ 5,250	\$ 10,710	\$ 16,800	\$ 21,000	\$ 21,000	\$ 42,000	\$ 42,000	\$ 42,000
Cost of Police Vehicles (4)							\$ 25,000		
<b>Total</b>	<b>\$ 8,160,875</b>	<b>\$ 57,751</b>	<b>\$ 64,261</b>	<b>\$ 100,801</b>	<b>\$ 126,001</b>	<b>\$ 126,001</b>	<b>\$ 252,002</b>	<b>\$ 252,002</b>	<b>\$ 252,002</b>
<b><u>Estimation based on Current Cost/Resident</u></b>									
<b>Cost/Resident (5)</b>	<b>\$ 10,675,928</b>	<b>\$ 41,216</b>	<b>\$ 82,431</b>	<b>\$ 123,647</b>	<b>\$ 164,863</b>	<b>\$ 206,078</b>	<b>\$ 272,606</b>	<b>\$ 339,135</b>	<b>\$ 405,663</b>

Notes:

- 1) Assumes that the City will hire one new officer for every 1,200 new residents.
- 2) Assumes that an average officer would cost \$115,000/year including salary, benefits, and uniform and safety equipment.
- 3) Assumes an average overhead cost equivalent to 20% percent of salary costs, as new officers would be accomodated in an existing police station.
- 4) Assumes that a new police vehicle would be required for for each two new officers, and that police vehicles would need to be replaced after 8 years at a cost of \$25,000/vehicle.
- 5) Assumes a cost per resident of \$135 based on 2005 actual costs of \$19,144,053 and total 2005 population of 141,231

Fiscal Analysis Scenario B

**Table B9: Police Department Expenditure Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
1,310	1,494	1,628	1,762	1,895	2,029	2,163	2,295	2,427	2,558	2,690	2,822
3483	3974	4330	4686	5041	5397	5753	6104	6455	6806	7156	7507
579	657	699	742	785	827	870	912	955	997	1040	1083
3	3	4	4	4	4	5	5	5	6	6	6
\$ 315,000	\$ 315,000	\$ 420,000	\$ 420,000	\$ 420,000	\$ 420,000	\$ 525,000	\$ 525,000	\$ 525,000	\$ 630,000	\$ 630,000	\$ 630,000
\$ 63,000	\$ 63,000	\$ 84,000	\$ 84,000	\$ 84,000	\$ 84,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 126,000	\$ 126,000	\$ 126,000
	25000	25000			25000	25000			\$ 25,000	50,000	25000
\$ 378,003	\$ 378,003	\$ 504,004	\$ 504,004	\$ 504,004	\$ 504,004	\$ 630,005	\$ 630,005	\$ 630,005	\$ 756,006	\$ 756,006	\$ 756,006
\$ 472,191	\$ 538,719	\$ 586,937	\$ 635,156	\$ 683,374	\$ 731,592	\$ 779,810	\$ 827,374	\$ 874,938	\$ 922,502	\$ 970,066	\$ 1,017,630

Fiscal Analysis Scenario B

**Table B10: Public Works and Capital Improvements Expenditure Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Project Housing Units (Cumulative)	29,609	114,3072	228,6144	342,9216	457,2288	571,536	756,0448	940,5536	1125,0624
Project Population (Cumulative)	78,759	304	608	912	1216	1520	2011	2502	2993
Project Commercial Development (SF & Cumulative)	3,524,902	16,493	32,985	49,478	65,970	82,463	104,035	125,608	147,180
New Public Parking Spaces (50% of Retail)	293	21	21	21	21	21	19	19	19
<b>Capital Improvements Expenditure</b>									
Estimated Streetscape Cost (1)	\$ 220,000	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036
Estimated Roadway Costs (2)	\$ 2,141,000	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700
New Parking Structures (3)	\$ 4,720,560	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028
<b>Total</b>	<b>\$ 10,595,280</b>	<b>\$ 529,764</b>	<b>\$ 529,764</b>	<b>\$ 529,764</b>	<b>\$ 529,764</b>	<b>\$ 529,764</b>	<b>\$ 529,764</b>	<b>\$ 529,764</b>	<b>\$ 529,764</b>
<b>Public Works (on-going maintenance and off-site public works needs) Estimation Based on Current Cost/Resident</b>									
<i>Cost/Resident (4)</i>	\$ 3,277,421	\$ 12,653	\$ 25,306	\$ 37,959	\$ 50,611	\$ 63,264	\$ 83,688	\$ 104,112	\$ 124,535
<b>Total Capital Improvement &amp; Public Works Costs</b>	<b>\$ 13,872,701</b>	<b>\$ 542,417</b>	<b>\$ 555,070</b>	<b>\$ 567,723</b>	<b>\$ 580,375</b>	<b>\$ 593,028</b>	<b>\$ 613,452</b>	<b>\$ 633,876</b>	<b>\$ 654,299</b>

Source: City of Lancaster Budget; RBF, Consulting, 2007; MJC, 2007

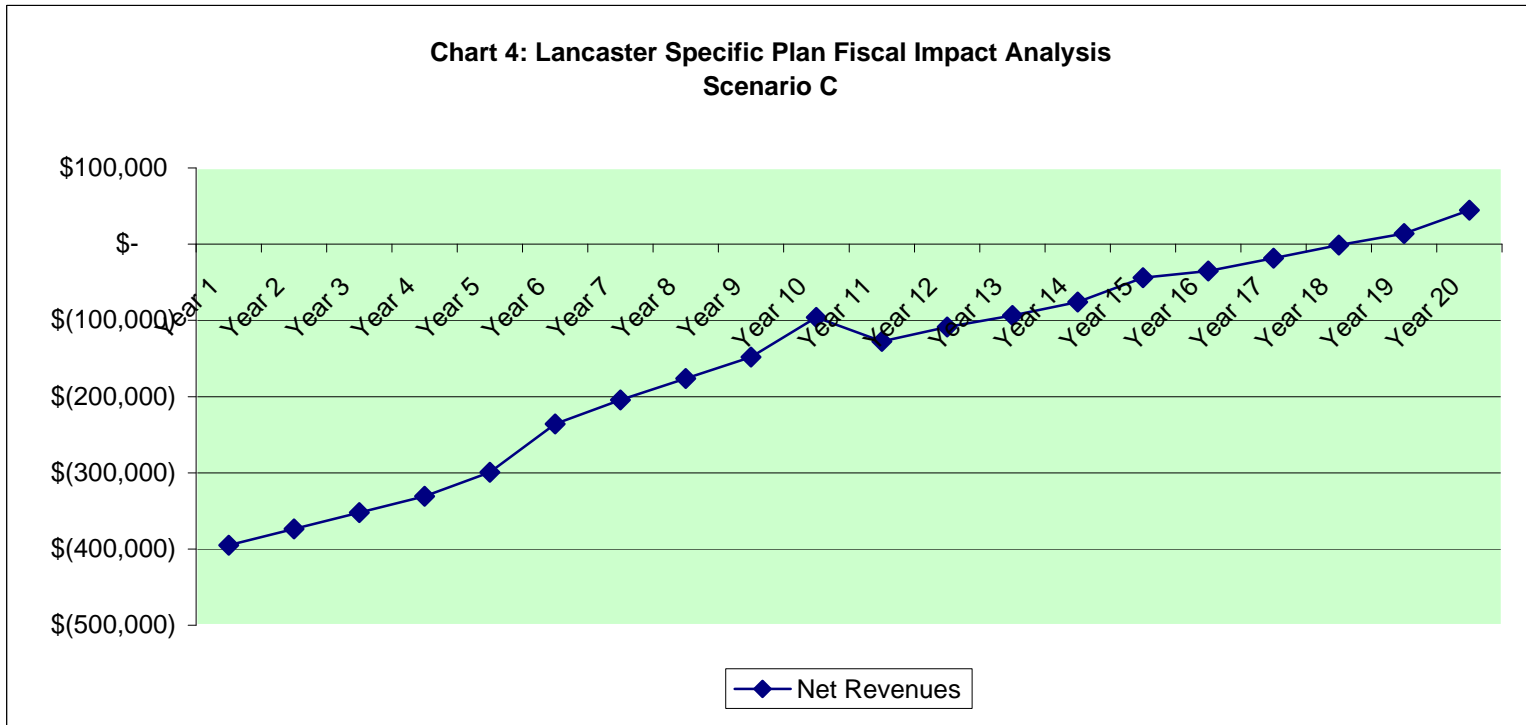
Notes:

- 1) Assumes grants to cover half the cost and bond amortization to cover half the cost over a 20 year term and assuming an tax exempt bond of 5%. Estimate based on landscaping cost of \$110/linear foot @ 4,000 linear feet. Specifically, irrigation @ \$1.50/LF, irrigation sleeving @ \$4/LF, Planting \$5/SF, Natural Concrete \$6/SF, Benches \$1,000, Tree Grates \$900, Trash Receptacles \$350, concrete pavers \$10/SF.
- 2) Assumes grants to cover half the cost and a bond to cover the remaining half cost amortized over a 20 year term and assuming an tax exempt bond of 5%. Cost based on the following cost estimates: roadway removal \$200,000; curb and gutter \$200,000, Street construction \$1,152,000, Traffic signal retrofit \$500,000, standard street lights, \$130,000.
- 3) Assumes one publically financed parking garages of 293 spaces. Construction cost based on cost of \$12,500 per space for two-story garages. One parking structure would be built in the first year and the other in year ten of the project. Assumes construction financed through a tax exempt bond with a amortized 30 year term and a rate of 5%.
- 4) Assumes the current cost per resident for ongoing and new public works projects in addition to the projects required specifically for the downtown project.

Fiscal Analysis Scenario B

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
1309.5712	1494.08	1627.808	1761.536	1895.264	2028.992	2162.72	2294.6336	2426.5472	2558.4608	2690.3744	2822.288
3483	3974	4330	4686	5041	5397	5753	6104	6455	6806	7156	7507
168,753	190,326	201,932	213,539	225,145	236,751	248,358	259,964	271,571	283,177	294,784	306,390
19	19	9	9	9	9	9	9	9	9	9	9
\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036
\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700
\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028	\$ 236,028
\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764	\$ 529,764
\$ 144,959	\$ 165,382	\$ 180,185	\$ 194,987	\$ 209,790	\$ 224,593	\$ 239,395	\$ 253,997	\$ 268,599	\$ 283,200	\$ 297,802	\$ 312,404
\$ 674,723	\$ 695,146	\$ 709,949	\$ 724,751	\$ 739,554	\$ 754,357	\$ 769,159	\$ 783,761	\$ 798,363	\$ 812,964	\$ 827,566	\$ 842,168





Fiscal Analysis Scenario c

**Table C1: Summary of Fiscal Impact for Years 1 through 20 and at buildout (in constant \$)**

Item	Table	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>General Fund Revenues</b>										
Sales Tax Generated by Households	Table A3	\$ 1,562,407	\$ 6,032	\$ 12,064	\$ 18,096	\$ 24,127	\$ 30,159	\$ 39,896	\$ 49,632	\$ 59,368
Sales Tax Generated by Employees	Table A3	\$ 238,380	\$ 1,048	\$ 2,096	\$ 3,144	\$ 4,192	\$ 5,240	\$ 6,754	\$ 8,268	\$ 9,782
Sales Tax Generated by Retail Stores	Table A3	\$ 1,084,104	\$ 6,159	\$ 12,319	\$ 18,478	\$ 24,637	\$ 30,797	\$ 36,543	\$ 42,289	\$ 48,035
Real Property Transfer Tax	Table A4	\$ 6,155,865	\$ 97,224	\$ 113,428	\$ 129,632	\$ 145,836	\$ 169,788	\$ 231,020	\$ 259,900	\$ 285,367
Property Taxes - In Lieu of VLF	Table A5	\$ 5,995,451	\$ 23,275	\$ 46,551	\$ 69,826	\$ 93,102	\$ 118,232	\$ 153,833	\$ 190,414	\$ 226,996
Business Taxes	Table A6	\$ 106,392	\$ 562	\$ 1,090	\$ 1,660	\$ 2,213	\$ 2,766	\$ 3,372	\$ 3,978	\$ 4,584
Transient Occupancy Taxes	NA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines & Forfeitures (1)		\$ 39,676	\$ 1,607	\$ 1,607	\$ 1,607	\$ 1,607	\$ 1,607	\$ 2,594	\$ 2,594	\$ 2,594
Other Revenue	NA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal Revenues</b>		<b>\$ 15,182,276</b>	<b>\$ 135,907</b>	<b>\$ 189,154</b>	<b>\$ 242,443</b>	<b>\$ 295,715</b>	<b>\$ 358,589</b>	<b>\$ 474,012</b>	<b>\$ 557,075</b>	<b>\$ 636,725</b>
<b>Redevelopment Agency Revenues</b>										
Additional Tax Increment	Table A7	\$ 1,565,191	\$ 6,075	\$ 12,150	\$ 18,225	\$ 24,299	\$ 30,858	\$ 40,155	\$ 49,707	\$ 59,260
<b>Total Revenues</b>		<b>\$ 16,747,467</b>	<b>\$ 141,982</b>	<b>\$ 201,304</b>	<b>\$ 260,667</b>	<b>\$ 320,014</b>	<b>\$ 389,447</b>	<b>\$ 514,167</b>	<b>\$ 606,782</b>	<b>\$ 695,985</b>
<b>General Fund Expenditures (2)</b>										
General Government	Table A8	\$ 119,799	\$ 462	\$ 925	\$ 1,387	\$ 1,850	\$ 2,312	\$ 3,059	\$ 3,806	\$ 4,552
Finance	Table A8	\$ 92,560	\$ 268	\$ 715	\$ 1,073	\$ 1,431	\$ 1,788	\$ 2,366	\$ 2,943	\$ 3,520
Administration	Table A8	\$ 190,063	\$ 734	\$ 1,468	\$ 2,201	\$ 2,935	\$ 3,669	\$ 4,853	\$ 6,038	\$ 7,222
Housing & Neighborhood Revitalization	Table A8	\$ 335,119	\$ 1,294	\$ 2,588	\$ 3,881	\$ 5,175	\$ 6,469	\$ 8,557	\$ 10,645	\$ 12,734
Parks, Recreation and Arts	Table A8	\$ 2,847,290	\$ 10,992	\$ 21,985	\$ 32,977	\$ 43,969	\$ 54,961	\$ 72,705	\$ 90,448	\$ 108,191
Law Enforcement	Table A9	\$ 5,337,964	\$ 20,608	\$ 41,216	\$ 61,823	\$ 82,431	\$ 103,039	\$ 136,303	\$ 169,567	\$ 202,831
Capital Projects	Table A10	\$ 9,980,640	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032
Public Works	Table A10	\$ 1,638,710	\$ 6,326	\$ 12,653	\$ 18,979	\$ 25,306	\$ 31,632	\$ 41,844	\$ 52,056	\$ 62,268
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>		<b>\$ 19,804,604</b>	<b>\$ 536,959</b>	<b>\$ 574,885</b>	<b>\$ 612,812</b>	<b>\$ 650,738</b>	<b>\$ 688,665</b>	<b>\$ 749,884</b>	<b>\$ 811,103</b>	<b>\$ 872,322</b>

Source: City of Lancaster Budget, 2006; MJC, 2007

Notes:

- 1) Fines and Forfeitures were calculated at the rate of \$10.57 per resident the 2005 rate of collections on a per capita basis.
- 2) some General fund Expenditures are assumed to be self-funding such as the planning function. Development fees and permit fees are anticipated to largely cover costs of service delivery for the project.

Fiscal Analysis Scenario c

**Table C1: Summary of Fiscal Impact for Years 1 through 20 and at buildout (in constant \$s)**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 69,105	\$ 78,841	\$ 85,897	\$ 92,954	\$ 100,011	\$ 107,067	\$ 114,124	\$ 121,085	\$ 128,046	\$ 135,007	\$ 141,968	\$ 148,929
\$ 11,296	\$ 12,810	\$ 13,640	\$ 14,470	\$ 15,300	\$ 16,130	\$ 16,960	\$ 17,790	\$ 18,620	\$ 19,450	\$ 20,280	\$ 21,110
\$ 53,781	\$ 59,527	\$ 62,368	\$ 65,210	\$ 68,051	\$ 70,892	\$ 73,733	\$ 76,575	\$ 79,416	\$ 82,257	\$ 85,099	\$ 87,940
\$ 310,834	\$ 355,013	\$ 323,748	\$ 342,359	\$ 358,007	\$ 376,124	\$ 405,238	\$ 414,191	\$ 431,011	\$ 448,806	\$ 464,881	\$ 493,459
\$ 263,577	\$ 304,638	\$ 331,370	\$ 358,103	\$ 384,126	\$ 410,149	\$ 438,805	\$ 464,829	\$ 490,541	\$ 516,229	\$ 541,484	\$ 569,371
\$ 5,190	\$ 5,796	\$ 6,109	\$ 6,422	\$ 6,735	\$ 7,048	\$ 7,362	\$ 7,675	\$ 7,988	\$ 8,301	\$ 8,614	\$ 8,928
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 2,594	\$ 2,594	\$ 1,880	\$ 1,880	\$ 1,880	\$ 1,880	\$ 1,880	\$ 1,854	\$ 1,854	\$ 1,854	\$ 1,854	\$ 1,854
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 716,376	\$ 819,218	\$ 825,012	\$ 881,397	\$ 934,110	\$ 989,292	\$ 1,058,102	\$ 1,103,999	\$ 1,157,477	\$ 1,211,905	\$ 1,264,180	\$ 1,331,590
\$ 68,812	\$ 79,533	\$ 86,512	\$ 93,490	\$ 100,284	\$ 107,078	\$ 114,558	\$ 121,352	\$ 128,065	\$ 134,771	\$ 141,364	\$ 148,644
\$ 785,188	\$ 898,751	\$ 911,524	\$ 974,887	\$ 1,034,394	\$ 1,096,369	\$ 1,172,660	\$ 1,225,351	\$ 1,285,541	\$ 1,346,676	\$ 1,405,544	\$ 1,480,234
\$ 5,299	\$ 6,045	\$ 6,586	\$ 7,127	\$ 7,668	\$ 8,209	\$ 8,751	\$ 9,284	\$ 9,818	\$ 10,352	\$ 10,886	\$ 11,419
\$ 4,098	\$ 4,675	\$ 5,094	\$ 5,512	\$ 5,931	\$ 6,349	\$ 6,767	\$ 7,180	\$ 7,593	\$ 8,006	\$ 8,419	\$ 8,831
\$ 8,406	\$ 9,591	\$ 10,449	\$ 11,308	\$ 12,166	\$ 13,025	\$ 13,883	\$ 14,730	\$ 15,576	\$ 16,423	\$ 17,270	\$ 18,117
\$ 14,822	\$ 16,910	\$ 18,424	\$ 19,938	\$ 21,451	\$ 22,965	\$ 24,478	\$ 25,971	\$ 27,464	\$ 28,957	\$ 30,451	\$ 31,944
\$ 125,934	\$ 143,677	\$ 156,537	\$ 169,397	\$ 182,257	\$ 195,117	\$ 207,977	\$ 220,662	\$ 233,348	\$ 246,033	\$ 258,718	\$ 271,404
\$ 236,095	\$ 269,360	\$ 293,469	\$ 317,578	\$ 341,687	\$ 365,796	\$ 389,905	\$ 413,687	\$ 437,469	\$ 461,251	\$ 485,033	\$ 508,815
\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032
\$ 72,479	\$ 82,691	\$ 90,092	\$ 97,494	\$ 104,895	\$ 112,296	\$ 119,698	\$ 126,998	\$ 134,299	\$ 141,600	\$ 148,901	\$ 156,202
\$ 933,541	\$ 994,760	\$ 1,039,130	\$ 1,083,501	\$ 1,127,871	\$ 1,172,241	\$ 1,216,611	\$ 1,260,380	\$ 1,304,148	\$ 1,347,916	\$ 1,391,685	\$ 1,435,453

Fiscal Analysis Scenario c

**Table C2: Downtown Specific Plan Annual Development & Total Buildout**

Project Type	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b><i>Development (Units &amp; SF)</i></b>											
<b>Residential Units</b>	1,413	57	57	57	57	57	92	92	92	92	92
Low-Rise Condo	706	29	29	29	29	29	46	46	46	46	46
Mid-Rise Condo	564	23	23	23	23	23	37	37	37	37	37
Affordable Rental	143	6	6	6	6	6	6	9	9	9	9
<b>Total Cumulative Units</b>		<b>57</b>	<b>114</b>	<b>171</b>	<b>229</b>	<b>286</b>	<b>378</b>	<b>470</b>	<b>563</b>	<b>655</b>	<b>747</b>
<b>Retail (SF)</b>	264,000	6,159	6,159	6,159	6,159	6,159	5,746	5,746	5,746	5,746	5,746
<b>Office (SF)</b>	230,000	2,087	2,087	2,087	2,087	2,087	5,040	5,040	5,040	5,040	5,040
Downtown Office	138,000					5,217					12,601
Professional Office	92,000	1,043	1,043	1,043	1,043	1,043	2,520	2,520	2,520	2,520	2,520
<b>Total Cumulate Commercial</b>		<b>8,246</b>	<b>16,493</b>	<b>24,739</b>	<b>32,985</b>	<b>41,231</b>	<b>52,018</b>	<b>62,804</b>	<b>73,590</b>	<b>84,377</b>	<b>95,163</b>
<b><i>New Population</i></b>											
Population	3,758	152	152	152	152	152	245	245	245	245	245
<b>Total Cumulative Residents</b>		<b>152</b>	<b>304</b>	<b>456</b>	<b>608</b>	<b>760</b>	<b>1,006</b>	<b>1,251</b>	<b>1,496</b>	<b>1,742</b>	<b>1,987</b>
Workplace Employees	1,022	9	9	9	9	9	22	22	22	22	22
Retail Employees	251	18	18	18	18	18	16	16	16	16	16
Daytime Population (1)	2,890	92	92	92	92	92	144	144	144	144	144
<b>Total Cumulative Jobs</b>		<b>27</b>	<b>54</b>	<b>81</b>	<b>107</b>	<b>134</b>	<b>173</b>	<b>212</b>	<b>251</b>	<b>290</b>	<b>328</b>

Source: MJC, 2006

Notes: 1) the daytime population includes workplace employees, retail employees, and residents and school children who live in the downtown and do not work.

Fiscal Analysis Scenario c

**Table C2: Downtown Specific Plan Annual Development & Total Buildout**

Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
67	67	67	67	67	66	66	66	66	66
33	33	33	33	33	33	33	33	33	33
27	27	27	27	27	26	26	26	26	26
9	9	7	7	7	7	7	7	7	7
<b>814</b>	<b>881</b>	<b>948</b>	<b>1,014</b>	<b>1,081</b>	<b>1,147</b>	<b>1,213</b>	<b>1,279</b>	<b>1,345</b>	<b>1,411</b>
2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841
2,962	2,962	2,962	2,962	2,962	2,962	2,962	2,962	2,962	2,962
				7,405					7,405
1,481	1,481	1,481	1,481	1,481	1,481	1,481	1,481		
<b>100,966</b>	<b>106,769</b>	<b>112,573</b>	<b>118,376</b>	<b>124,179</b>	<b>129,982</b>	<b>135,785</b>	<b>141,589</b>	<b>147,392</b>	<b>153,195</b>
178	178	178	178	178	175	175	175	175	175
<b>2,165</b>	<b>2,343</b>	<b>2,521</b>	<b>2,699</b>	<b>2,876</b>	<b>3,052</b>	<b>3,227</b>	<b>3,403</b>	<b>3,578</b>	<b>3,754</b>
13	13	13	13	13	13	13	13	13	13
8	8	8	8	8	8	8	8	8	8
98	98	98	98	98	97	97	97	97	97
<b>350</b>	<b>371</b>	<b>392</b>	<b>414</b>	<b>435</b>	<b>456</b>	<b>477</b>	<b>499</b>	<b>520</b>	<b>541</b>

**Table C3: Sales Tax Estimate**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
<b>Project Residential Expenditures</b>										
New Occupied Housing Units		57.1536	57.1536	57.1536	57.1536	57.1536	92.2544	92.2544	92.2544	92.2544
Cumulative Occupied Housing Units		57.1536	114.3072	171.4608	228.6144	285.768	378.0224	470.2768	562.5312	654.7856
Total Household Income (1)	\$ 744,003,494	\$ 2,872,311	\$ 5,744,623	\$ 8,616,934	\$ 11,489,245	\$ 14,361,557	\$ 18,997,894	\$ 23,634,231	\$ 28,270,568	\$ 32,906,905
Taxable Expenditures (2)	\$ 260,401,223	\$ 1,005,309	\$ 2,010,618	\$ 3,015,927	\$ 4,021,236	\$ 5,026,545	\$ 6,649,263	\$ 8,271,981	\$ 9,894,699	\$ 11,517,417
Expenditures Captured by Lancaster (3)	\$ 156,240,734	\$ 603,185	\$ 1,206,371	\$ 1,809,556	\$ 2,412,742	\$ 3,015,927	\$ 3,989,558	\$ 4,963,188	\$ 5,936,819	\$ 6,910,450
Sales Tax	\$ 1,562,407	\$ 6,032	\$ 12,064	\$ 18,096	\$ 24,127	\$ 30,159	\$ 39,896	\$ 49,632	\$ 59,368	\$ 69,105
<b>Project Employee Expenditures</b>										
Cumulative Employees		27	54	81	107	134	173	212	251	290
Taxable Expenditures by Employees (4)	\$ 23,838,029	\$ 104,806	\$ 209,613	\$ 314,419	\$ 419,225	\$ 524,032	\$ 675,423	\$ 826,814	\$ 978,206	\$ 1,129,597
Sales Tax	\$ 238,380	\$ 1,048	\$ 2,096	\$ 3,144	\$ 4,192	\$ 5,240	\$ 6,754	\$ 8,268	\$ 9,782	\$ 11,296
<b>Retail Sales in Downtown Lancaster</b>										
New Retail Space		6,159	6,159	6,159	6,159	6,159	5,746	5,746	5,746	5,746
Cumulative Total Retail Space		6,159	12,319	18,478	24,637	30,797	36,543	42,289	48,035	53,781
Total Taxable Retail Sales (5)	\$ 216,820,886	\$ 1,231,861	\$ 2,463,722	\$ 3,695,582	\$ 4,927,443	\$ 6,159,304	\$ 7,308,521	\$ 8,457,738	\$ 9,606,954	\$ 10,756,171
Total Net New Taxable Sales (6)	\$ 108,410,443	\$ 615,930	\$ 1,231,861	\$ 1,847,791	\$ 2,463,722	\$ 3,079,652	\$ 3,654,260	\$ 4,228,869	\$ 4,803,477	\$ 5,378,086
Sales Tax	\$ 1,084,104	\$ 6,159	\$ 12,319	\$ 18,478	\$ 24,637	\$ 30,797	\$ 36,543	\$ 42,289	\$ 48,035	\$ 53,781
<b>Total Sales Tax Generated by Project</b>	<b>\$ 2,884,892</b>	<b>\$ 13,239</b>	<b>\$ 26,478</b>	<b>\$ 39,718</b>	<b>\$ 52,957</b>	<b>\$ 66,196</b>	<b>\$ 83,192</b>	<b>\$ 100,189</b>	<b>\$ 117,185</b>	<b>\$ 134,181</b>

Notes: 1) In the downtown current median household income is \$36,564. However new units will sell for between \$229,000 and \$250,000 which will require an average qualifying household income of \$50,256 (\$233,000 mortgage @ 6% interest for a 30 year term requires an annual payment of \$16,752 and a qualifying income of 3 times the annual payment or \$50,256)

2) Assumes that 35% of income is spent on taxable retail sales.

3) Assumes that 60% of taxable retail expenditures made by new Lancaster residents would be made within Lancaster

4) Based on the annual workday spending by office workers who commute to suburban locations for employment as reported in *Office Worker Retail Spending Patterns: a Downtown and Suburban Area Study*, ICSC Research. Office workers spend about \$3,900 on retail items near their place of work.

5) Assumes \$200 per square foot of retail space in sales per year.

6) Assumes that 50% of new retail sales due to businesses opening in the downtown are to wider Lancaster residents or to sales from visitors to the downtown, with only 30% of new sales in downtown to employees or residents of the downtown.

Fiscal Analysis Scenario c

**Table C3: Sales Tax Estimate**

Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
92.2544	66.864	66.864	66.864	66.864	66.864	65.9568	65.9568	65.9568	65.9568	65.9568
747.04	813.904	880.768	947.632	1014.496	1081.36	1147.3168	1213.2736	1279.2304	1345.1872	1411.144
\$ 37,543,242	\$ 40,903,559	\$ 44,263,877	\$ 47,624,194	\$ 50,984,511	\$ 54,344,828	\$ 57,659,553	\$ 60,974,278	\$ 64,289,003	\$ 67,603,728	\$ 70,918,453
\$ 13,140,135	\$ 14,316,246	\$ 15,492,357	\$ 16,668,468	\$ 17,844,579	\$ 19,020,690	\$ 20,180,844	\$ 21,340,997	\$ 22,501,151	\$ 23,661,305	\$ 24,821,459
\$ 7,884,081	\$ 8,589,747	\$ 9,295,414	\$ 10,001,081	\$ 10,706,747	\$ 11,412,414	\$ 12,108,506	\$ 12,804,598	\$ 13,500,691	\$ 14,196,783	\$ 14,892,875
\$ 78,841	\$ 85,897	\$ 92,954	\$ 100,011	\$ 107,067	\$ 114,124	\$ 121,085	\$ 128,046	\$ 135,007	\$ 141,968	\$ 148,929
328	350	371	392	414	435	456	477	499	520	541
\$ 1,280,988	\$ 1,363,989	\$ 1,446,989	\$ 1,529,990	\$ 1,612,990	\$ 1,695,990	\$ 1,778,991	\$ 1,861,991	\$ 1,944,992	\$ 2,027,992	\$ 2,110,992
\$ 12,810	\$ 13,640	\$ 14,470	\$ 15,300	\$ 16,130	\$ 16,960	\$ 17,790	\$ 18,620	\$ 19,450	\$ 20,280	\$ 21,110
5,746	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841
59,527	62,368	65,210	68,051	70,892	73,733	76,575	79,416	82,257	85,099	87,940
\$ 11,905,388	\$ 12,473,648	\$ 13,041,909	\$ 13,610,169	\$ 14,178,430	\$ 14,746,690	\$ 15,314,950	\$ 15,883,211	\$ 16,451,471	\$ 17,019,732	\$ 17,587,992
\$ 5,952,694	\$ 6,236,824	\$ 6,520,954	\$ 6,805,085	\$ 7,089,215	\$ 7,373,345	\$ 7,657,475	\$ 7,941,605	\$ 8,225,736	\$ 8,509,866	\$ 8,793,996
\$ 59,527	\$ 62,368	\$ 65,210	\$ 68,051	\$ 70,892	\$ 73,733	\$ 76,575	\$ 79,416	\$ 82,257	\$ 85,099	\$ 87,940
\$ 151,178	\$ 161,906	\$ 172,634	\$ 183,362	\$ 194,090	\$ 204,817	\$ 215,450	\$ 226,082	\$ 236,714	\$ 247,346	\$ 257,979

**Table C4: Estimate of Project Assessed Value (constant dollars)**

Land Use	Base Market Value/Unit or /SF	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Residential</b>										
Low-Rise Condominium	\$ 229,000	\$ 163,296,661	\$ 6,609,528	\$ 6,609,528	\$ 6,609,528	\$ 6,609,528	\$ 6,609,528	\$ 10,668,760	\$ 10,668,760	\$ 10,668,760
Mid-Rise Condominium	\$ 250,000	\$ 142,617,171	\$ 5,772,514	\$ 5,772,514	\$ 5,772,514	\$ 5,772,514	\$ 5,772,514	\$ 9,317,694	\$ 9,317,694	\$ 9,317,694
Affordable Housing	\$ 175,000	\$ 25,251,184	\$ 1,010,190	\$ 1,010,190	\$ 1,010,190	\$ 1,010,190	\$ 1,010,190	\$ 1,010,190	\$ 1,630,597	\$ 1,630,597
<b>Total Residential</b>		\$ 331,165,016	\$ 13,392,232	\$ 13,392,232	\$ 13,392,232	\$ 13,392,232	\$ 13,392,232	\$ 20,996,644	\$ 21,617,051	\$ 21,617,051
<b>Retail</b>										
	\$ 186	\$ 16,356,833	\$ 1,145,631	\$ 1,145,631	\$ 1,145,631	\$ 1,145,631	\$ 1,145,631	\$ 1,068,772	\$ 1,068,772	\$ 1,068,772
<b>Workplace</b>										
Downtown Office	\$ 225	\$ 7,341,209	\$ -	\$ -	\$ -	\$ -	\$ 1,173,918	\$ -	\$ -	\$ -
Downtown Professional Office	\$ 185	\$ 5,488,147	\$ 193,044	\$ 193,044	\$ 193,044	\$ 193,044	\$ 193,044	\$ 466,219	\$ 466,219	\$ 466,219
<b>Total Commercial</b>		\$ 29,186,189	\$ 1,338,675	\$ 1,338,675	\$ 1,338,675	\$ 1,338,675	\$ 2,512,593	\$ 1,534,991	\$ 1,534,991	\$ 1,534,991
<b>Total Assesed Value</b>		\$ 360,351,205	\$ 14,730,906	\$ 14,730,906	\$ 14,730,906	\$ 14,730,906	\$ 15,904,824	\$ 22,531,635	\$ 23,152,042	\$ 23,152,042
<b>Cumulative Assesed Value</b>			\$ 14,730,906	\$ 29,461,813	\$ 44,192,719	\$ 58,923,625	\$ 74,828,450	\$ 97,360,085	\$ 120,512,127	\$ 143,664,169

**Estimate of Property Transfer Tax Revenues (constant dollars)**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Initial Transfer Tax (.55% of Sales Price for New Construction)		\$ 81,020	\$ 81,020	\$ 81,020	\$ 81,020	\$ 87,477	\$ 123,924	\$ 127,336	\$ 127,336
Resold Properties Transfer Tax (20% Turnover *.55% of Total AV)		16,204	32,408	48,612	64,816	82,311	107,096	132,563	158,031
<b>Total Transfer Tax</b>	\$ 6,155,865	\$ 97,224	\$ 113,428	\$ 129,632	\$ 145,836	\$ 169,788	\$ 231,020	\$ 259,900	\$ 285,367



**Table C4: Estimate of Project Assessed Value (constant dollars)**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 10,668,760	\$ 10,668,760	\$ 7,732,487	\$ 7,732,487	\$ 7,732,487	\$ 7,732,487	\$ 7,732,487	\$ 7,732,487	\$ 7,627,574	\$ 7,627,574	\$ 7,627,574	\$ 7,627,574
\$ 9,317,694	\$ 9,317,694	\$ 6,753,264	\$ 6,753,264	\$ 6,753,264	\$ 6,753,264	\$ 6,753,264	\$ 6,753,264	\$ 6,661,637	\$ 6,661,637	\$ 6,661,637	\$ 6,661,637
\$ 1,630,597	\$ 1,630,597	\$ 1,630,597	\$ 1,630,597	\$ 1,181,821	\$ 1,181,821	\$ 1,181,821	\$ 1,181,821	\$ 1,181,821	\$ 1,165,786	\$ 1,165,786	\$ 1,165,786
\$ 21,617,051	\$ 21,617,051	\$ 16,116,348	\$ 16,116,348	\$ 15,667,572	\$ 15,667,572	\$ 15,667,572	\$ 15,667,572	\$ 15,471,032	\$ 15,454,997	\$ 15,454,997	\$ 15,454,997
\$ 1,068,772	\$ 1,068,772	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482
\$ -	\$ 2,835,117	\$ -	\$ -	\$ -	\$ -	\$ 1,666,087	\$ -	\$ -	\$ -	\$ -	\$ 1,666,087
\$ 466,219	\$ 466,219	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ -	\$ -
\$ 1,534,991	\$ 4,370,108	\$ 802,461	\$ 802,461	\$ 802,461	\$ 802,461	\$ 2,468,548	\$ 802,461	\$ 802,461	\$ 802,461	\$ 528,482	\$ 2,194,569
\$ 23,152,042	\$ 25,987,159	\$ 16,918,809	\$ 16,918,809	\$ 16,470,033	\$ 16,470,033	\$ 18,136,120	\$ 16,470,033	\$ 16,273,493	\$ 16,257,458	\$ 15,983,480	\$ 17,649,567
\$ 166,816,210	\$ 192,803,369	\$ 209,722,178	\$ 226,640,987	\$ 243,111,020	\$ 259,581,053	\$ 277,717,174	\$ 294,187,207	\$ 310,460,700	\$ 326,718,158	\$ 342,701,638	\$ 360,351,205
Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 127,336	\$ 142,929	\$ 93,053	\$ 93,053	\$ 90,585	\$ 90,585	\$ 99,749	\$ 90,585	\$ 89,504	\$ 89,416	\$ 87,909	\$ 97,073
183,498	212,084	230,694	249,305	267,422	285,539	305,489	323,606	341,507	359,390	376,972	396,386
\$ 310,834	\$ 355,013	\$ 323,748	\$ 342,359	\$ 358,007	\$ 376,124	\$ 405,238	\$ 414,191	\$ 431,011	\$ 448,806	\$ 464,881	\$ 493,459

Fiscal Analysis Scenario c

**Table C5: Property Tax In-Lieu of Vehicle License Fee (VLF) Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Cumulative Assessed Value	\$ 360,351,205	\$ 14,730,906	\$ 29,461,813	\$ 44,192,719	\$ 58,923,625	\$ 74,828,450	\$ 97,360,085	\$ 120,512,127	\$ 143,664,169
% Increase in AV Above Base (1)		0.24%	0.48%	0.71%	0.95%	1.21%	1.57%	1.94%	2.32%
Property Tax In-Lieu Above the Base (2)	\$ 5,995,451	\$ 23,275	\$ 46,551	\$ 69,826	\$ 93,102	\$ 118,232	\$ 153,833	\$ 190,414	\$ 226,996

1) 2005's city-wide assessed value is considered the base value at \$6,202,360,481

2) Represents the amount of offset by the State Budget that will be reimbursed by property tax payments. Lanacster's 2005 VLF was \$9.8 million which is the base used to calculate VLF in future years.

**Table C5: Property Tax In-Lieu of Vehicle License Fee (VLF) Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 166,816,210	\$ 192,803,369	\$ 209,722,178	\$ 226,640,987	\$ 243,111,020	\$ 259,581,053	\$ 277,717,174	\$ 294,187,207	\$ 310,460,700	\$ 326,718,158	\$ 342,701,638	\$ 360,351,205
2.69%	3.11%	3.38%	3.65%	3.92%	4.19%	4.48%	4.74%	5.01%	5.27%	5.53%	5.81%
\$ 263,577	\$ 304,638	\$ 331,370	\$ 358,103	\$ 384,126	\$ 410,149	\$ 438,805	\$ 464,829	\$ 490,541	\$ 516,229	\$ 541,484	\$ 569,371

Fiscal Analysis Scenario c

**Table C6: Business Tax Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
<b><u>New Commercial Development (SF)</u></b>													
Retail	87,940	6,159	6,159	6,159	6,159	6,159	5,746	5,746	5,746	5,746	5,746	2,841	2,841
Office and other Workplace	65,255	2,087	2,087	2,087	2,087	2,087	5,040	5,040	5,040	5,040	5,040	2,962	2,962
<b><u>Total Cumulative Commercial Space</u></b>													
Retail		6,159	12,319	18,478	24,637	30,797	36,543	42,289	48,035	53,781	59,527	62,368	65,210
Office and other Workplace		2,087	4,174	6,261	8,348	10,435	15,475	20,515	25,555	30,596	35,636	38,598	41,560
<b><u>Number of Businesses</u></b>													
Retail		4	8	12	16	21	24	28	32	36	40	42	43
Office and other Workplace		0	1	1	2	2	3	4	5	6	7	8	8
Total		5	9	14	18	23	27	32	37	42	47	49	52
<b><u>Annual Business Tax Revenues (1)</u></b>													
Retail		\$ 493	\$ 985	\$ 1,478	\$ 1,971	\$ 2,464	\$ 2,923	\$ 3,383	\$ 3,843	\$ 4,302	\$ 4,762	\$ 4,989	\$ 5,217
Office and other Workplace		\$ 69	\$ 104	\$ 182	\$ 242	\$ 303	\$ 449	\$ 595	\$ 741	\$ 887	\$ 1,033	\$ 1,119	\$ 1,205
<b><u>Total Business Tax Revenues</u></b>		<b>\$ 562</b>	<b>\$ 1,090</b>	<b>\$ 1,660</b>	<b>\$ 2,213</b>	<b>\$ 2,766</b>	<b>\$ 3,372</b>	<b>\$ 3,978</b>	<b>\$ 4,584</b>	<b>\$ 5,190</b>	<b>\$ 5,796</b>	<b>\$ 6,109</b>	<b>\$ 6,422</b>

Source: City of Lancaster, MJC 2007

fees, 76+ employees pays \$170 in fees. Retail businesses will have on average 10 employees or less, while office's will typically have 26 to 50 employees. In addition each liscence is also charged a processing fee of \$60/new application and \$22/renewal.

**Table C6: Business Tax Estimate**

Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841
2,962	2,962	2,962	2,962	2,962	2,962	2,962	2,962
68,051	70,892	73,733	76,575	79,416	82,257	85,099	87,940
44,522	47,484	50,446	53,407	56,369	59,331	62,293	65,255
45	47	49	51	53	55	57	59
9	9	10	11	11	12	12	13
54	57	59	62	64	67	69	72
\$ 5,444	\$ 5,671	\$ 5,899	\$ 6,126	\$ 6,353	\$ 6,581	\$ 6,808	\$ 7,035
\$ 1,291	\$ 1,377	\$ 1,463	\$ 1,549	\$ 1,635	\$ 1,721	\$ 1,807	\$ 1,892
<b>\$ 6,735</b>	<b>\$ 7,048</b>	<b>\$ 7,362</b>	<b>\$ 7,675</b>	<b>\$ 7,988</b>	<b>\$ 8,301</b>	<b>\$ 8,614</b>	<b>\$ 8,928</b>

**Table C7: Redevelopment Agency Property Tax Increment Estimate**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Property Tax Increment</b>									
Cumulative Assessed Value (from Table A4)	\$ 360,351,205	\$ 14,730,906	\$ 29,461,813	\$ 44,192,719	\$ 58,923,625	\$ 74,828,450	\$ 97,360,085	\$ 120,512,127	\$ 143,664,169
Total Secured Property Tax (1%)	\$ 3,603,512	\$ 147,309	\$ 294,618	\$ 441,927	\$ 589,236	\$ 748,284	\$ 973,601	\$ 1,205,121	\$ 1,436,642
Agency's Share of Secured Property Tax (4.12%)	\$ 1,563,328	\$ 6,069	\$ 12,138	\$ 18,207	\$ 24,277	\$ 30,829	\$ 40,112	\$ 49,651	\$ 59,190
<b>Unsecured Property Tax</b>									
Non-Retail Jobs from the Project (cumulative)	1,022	9	19	28	37	46	69	91	114
Total Unsecured Property Tax from the Project (\$15/Job)	\$ 45,223	\$ 139	\$ 278	\$ 417	\$ 557	\$ 696	\$ 1,032	\$ 1,368	\$ 1,704
Agency's Share of Unsecured Property Tax (4.12%)	\$ 1,863	\$ 6	\$ 11	\$ 17	\$ 23	\$ 29	\$ 43	\$ 56	\$ 70
<b>Total Tax Increment</b>	<b>\$ 1,565,191</b>	<b>\$ 6,075</b>	<b>\$ 12,150</b>	<b>\$ 18,225</b>	<b>\$ 24,299</b>	<b>\$ 30,858</b>	<b>\$ 40,155</b>	<b>\$ 49,707</b>	<b>\$ 59,260</b>

Source: City of Lancaster Redevelopment Department, 2007; MJC 2007

Fiscal Analysis Scenario c

**Table C7: Redevelopment Agency Property Tax Increment Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 166,816,210	\$ 192,803,369	\$ 209,722,178	\$ 226,640,987	\$ 243,111,020	\$ 259,581,053	\$ 277,717,174	\$ 294,187,207	\$ 310,460,700	\$ 326,718,158	\$ 342,701,638	\$ 360,351,205
\$ 1,668,162	\$ 1,928,034	\$ 2,097,222	\$ 2,266,410	\$ 2,431,110	\$ 2,595,811	\$ 2,777,172	\$ 2,941,872	\$ 3,104,607	\$ 3,267,182	\$ 3,427,016	\$ 3,603,512
\$ 68,728	\$ 79,435	\$ 86,406	\$ 93,376	\$ 100,162	\$ 106,947	\$ 114,419	\$ 121,205	\$ 127,910	\$ 134,608	\$ 141,193	\$ 148,465
136	158	172	185	198	211	224	237	251	264	277	290
\$ 2,040	\$ 2,376	\$ 2,573	\$ 2,771	\$ 2,968	\$ 3,166	\$ 3,363	\$ 3,560	\$ 3,758	\$ 3,955	\$ 4,153	\$ 4,350
\$ 84	\$ 98	\$ 106	\$ 114	\$ 122	\$ 130	\$ 139	\$ 147	\$ 155	\$ 163	\$ 171	\$ 179
\$ 68,812	\$ 79,533	\$ 86,512	\$ 93,490	\$ 100,284	\$ 107,078	\$ 114,558	\$ 121,352	\$ 128,065	\$ 134,771	\$ 141,364	\$ 148,644

Fiscal Analysis Scenario c

**Table C9: Police Department Expenditure Estimate**

<b>Item</b>	<b>Buildout</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>
Project Housing Units (Cumulative)	14,804	57	114	171	229	286	378	470	563
Project Population (Cumulative)	39,379	152	304	456	608	760	1006	1251	1496
Project Jobs (Cumulative)	6,112	27	54	81	107	134	173	212	251
<b><u>Estimated Based on Costing out Needs</u></b>									
Police Department Expenditures									
New Officers Required (1)		0.5	0.3	0.4	1	1	1	1	1
Annual Officer Cost (2)		\$ 52,500	\$ 26,250	\$ 42,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 105,000
Associated Overhead Cost (3)		\$ 5,250	\$ 5,250	\$ 8,400	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000	\$ 21,000
Cost of Police Vehicles (4)									
<b>Total</b>	<b>\$ 4,297,684</b>	<b>\$ 57,751</b>	<b>\$ 31,500</b>	<b>\$ 50,400</b>	<b>\$ 126,001</b>	<b>\$ 126,001</b>	<b>\$ 126,001</b>	<b>\$ 126,001</b>	<b>\$ 126,001</b>
<b><u>Estimation based on Current Cost/Resident</u></b>									
<b>Cost/Resident (5)</b>	<b>\$ 5,337,964</b>	<b>\$ 20,608</b>	<b>\$ 41,216</b>	<b>\$ 61,823</b>	<b>\$ 82,431</b>	<b>\$ 103,039</b>	<b>\$ 136,303</b>	<b>\$ 169,567</b>	<b>\$ 202,831</b>

Notes:

- 1) Assumes that the City will hire one new officer for every 1,200 new residents.
- 2) Assumes that an average officer would cost \$115,000/year including salary, benefits, and uniform and safety equipment.
- 3) Assumes an average overhead cost equivalent to 20% percent of salary costs, as new officers would be accomodated in an existing police station.
- 4) Assumes that a new police vehicle would be required for for each two new officers, and that police vehicles would need to be replaced after 8 years at a cost of \$25,000/vehicle.
- 5) Assumes a cost per resident of \$135 based on 2005 actual costs of \$19,144,053 and total 2005 population of 141,231



Fiscal Analysis Scenario c

**Table C9: Police Department Expenditure Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
655	747	814	881	948	1,014	1,081	1,147	1,213	1,279	1,345	1,411
1742	1987	2165	2343	2521	2699	2876	3052	3227	3403	3578	3754
290	328	350	371	392	414	435	456	477	499	520	541
1	2	2	2	2	2	2	3	3	3	3	3
\$ 105,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 210,000	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000
\$ 21,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 42,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000	\$ 63,000
	\$ 25,000								\$ 25,000		
\$ 126,001	\$ 252,002	\$ 252,002	\$ 252,002	\$ 252,002	\$ 252,002	\$ 252,002	\$ 378,003	\$ 378,003	\$ 378,003	\$ 378,003	\$ 378,003
\$ 236,095	\$ 269,360	\$ 293,469	\$ 317,578	\$ 341,687	\$ 365,796	\$ 389,905	\$ 413,687	\$ 437,469	\$ 461,251	\$ 485,033	\$ 508,815

**Table C10: Public Works and Capital Improvements Expenditure Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Project Housing Units (Cumulative)	14,804	57,1536	114,3072	171,4608	228,6144	285,768	378,0224	470,2768	562,5312
Project Population (Cumulative)	39,379	152	304	456	608	760	1006	1251	1496
Project Commercial Development (SF & Cumulative)	1,762,451	8,246	16,493	24,739	32,985	41,231	52,018	62,804	73,590
New Public Parking Spaces (50% of Retail)	147	10	10	10	10	10	10	10	10
<b>Capital Improvements Expenditure</b>									
Estimated Streetscape Cost (1)	\$ 220,000	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036
Estimated Roadway Costs (2)	\$ 2,141,000	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700
New Parking Structures (3)	\$ 4,105,920	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296
<b>Total</b>	<b>\$ 9,980,640</b>	<b>\$ 499,032</b>	<b>\$ 499,032</b>	<b>\$ 499,032</b>	<b>\$ 499,032</b>	<b>\$ 499,032</b>	<b>\$ 499,032</b>	<b>\$ 499,032</b>	<b>\$ 499,032</b>
<b>Public Works (on-going maintenance and off-site public works needs) Estimation Based on Current Cost/Resident</b>									
<i>Cost/Resident (4)</i>	\$ 1,638,710	\$ 6,326	\$ 12,653	\$ 18,979	\$ 25,306	\$ 31,632	\$ 41,844	\$ 52,056	\$ 62,268
<b>Total Capital Improvement &amp; Public Works Costs</b>	<b>\$ 11,619,350</b>	<b>\$ 505,358</b>	<b>\$ 511,685</b>	<b>\$ 518,011</b>	<b>\$ 524,338</b>	<b>\$ 530,664</b>	<b>\$ 540,876</b>	<b>\$ 551,088</b>	<b>\$ 561,300</b>

Source: City of Lancaster Budget; RBF, Consulting, 2007; MJC, 2007

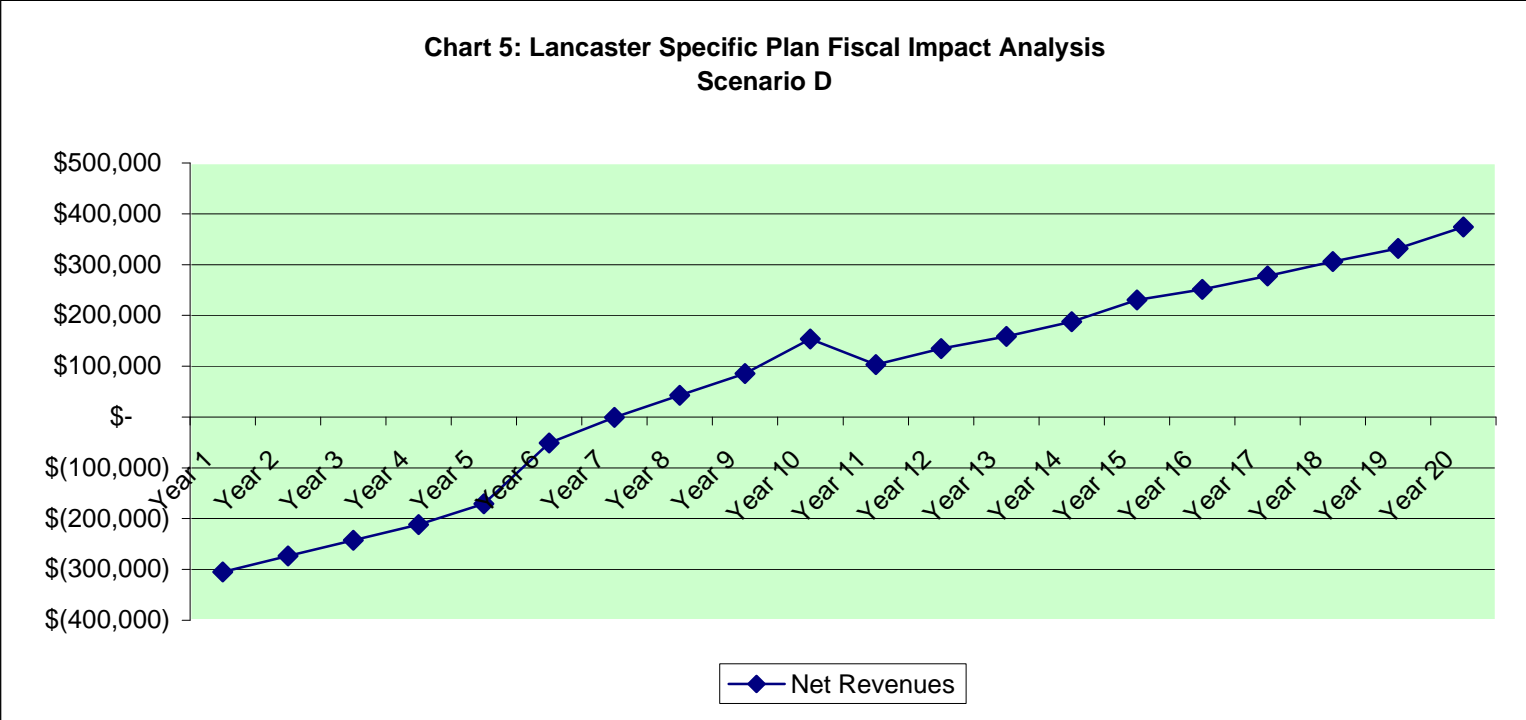
Notes:

- 1) Assumes grants to cover half the cost and bond amortization to cover half the cost over a 20 year term and assuming an tax exempt bond of 5%. Estimate based on landscaping cost of \$110/linear foot @ 4,000 linear feet. Specifically, irrigation @ \$1.50/LF, irrigation sleeving @ \$4/LF, Planting \$5/SF, Natural Concrete \$6/SF, Benches \$1,000, Tree Grates \$900, Trash Receptacles \$350, concrete pavers \$10/SF.
- 2) Assumes grants to cover half the cost and a bond to cover the remaining half cost amortized over a 20 year term and assuming an tax exempt bond of 5%. Cost based on the following cost estimates: roadway removal \$200,000; curb and gutter \$200,000, Street construction \$1,152,000, Traffic signal retrofit \$500,000, standard street lights, \$130,000.
- 3) Assumes one publically financed parking garages of 147 spaces. Construction cost based on cost of \$12,500 per space for two-story garages. One parking structure would be built in the first year and the other in year ten of the project. Assumes construction financed through a tax exempt bond with a amortized 30 year term and a rate of 5%.
- 4) Assumes the current cost per resident for ongoing and new public works projects in addition to the projects required specifically for the downtown project.

Fiscal Analysis Scenario c

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
654.7856	747.04	813.904	880.768	947.632	1014.496	1081.36	1147.3168	1213.2736	1279.2304	1345.1872	1411.144
1742	1987	2165	2343	2521	2699	2876	3052	3227	3403	3578	3754
84,377	95,163	100,966	106,769	112,573	118,376	124,179	129,982	135,785	141,589	147,392	153,195
10	10	5	5	5	5	5	5	5	5	5	5
\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036
\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700
\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296	\$ 205,296
\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032	\$ 499,032
\$ 72,479	\$ 82,691	\$ 90,092	\$ 97,494	\$ 104,895	\$ 112,296	\$ 119,698	\$ 126,998	\$ 134,299	\$ 141,600	\$ 148,901	\$ 156,202
\$ 571,511	\$ 581,723	\$ 589,124	\$ 596,526	\$ 603,927	\$ 611,328	\$ 618,730	\$ 626,030	\$ 633,331	\$ 640,632	\$ 647,933	\$ 655,234

Fiscal Analysis Scenario D



Fiscal Analysis Scenario D

**Table D1: Summary of Fiscal Impact for Years 1 through 20 and at buildout (in constant \$s)**

Item	Table	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>General Fund Revenues</b>										
Sales Tax Generated by Households	Table A3	\$ 3,124,815	\$ 12,064	\$ 24,127	\$ 36,191	\$ 48,255	\$ 60,319	\$ 79,791	\$ 99,264	\$ 118,736
Sales Tax Generated by Employees	Table A3	\$ 238,380	\$ 1,048	\$ 2,096	\$ 3,144	\$ 4,192	\$ 5,240	\$ 6,754	\$ 8,268	\$ 9,782
Sales Tax Generated by Retail Stores	Table A3	\$ 1,084,104	\$ 6,159	\$ 12,319	\$ 18,478	\$ 24,637	\$ 30,797	\$ 36,543	\$ 42,289	\$ 48,035
Real Property Transfer Tax	Table A4	\$ 11,793,486	\$ 185,613	\$ 216,548	\$ 247,484	\$ 278,419	\$ 317,102	\$ 443,255	\$ 499,326	\$ 548,572
Property Taxes - In Lieu of VLF	Table A5	\$ 11,477,072	\$ 44,436	\$ 88,872	\$ 133,307	\$ 177,743	\$ 224,034	\$ 292,810	\$ 363,547	\$ 434,285
Business Taxes	Table A6	\$ 106,392	\$ 562	\$ 1,090	\$ 1,660	\$ 2,213	\$ 2,766	\$ 3,372	\$ 3,978	\$ 4,584
Transient Occupancy Taxes	NA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fines & Forfeitures (1)		\$ 79,352	\$ 3,214	\$ 3,214	\$ 3,214	\$ 3,214	\$ 3,214	\$ 5,188	\$ 5,188	\$ 5,188
Other Revenue	NA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal Revenues</b>		<b>\$ 27,903,602</b>	<b>\$ 253,095</b>	<b>\$ 348,266</b>	<b>\$ 443,478</b>	<b>\$ 538,673</b>	<b>\$ 643,472</b>	<b>\$ 867,713</b>	<b>\$ 1,021,859</b>	<b>\$ 1,169,181</b>
<b>Redevelopment Agency Revenues</b>										
Additional Tax Increment	Table A7	\$ 2,994,536	\$ 11,592	\$ 23,185	\$ 34,777	\$ 46,370	\$ 58,446	\$ 76,393	\$ 94,852	\$ 113,311
<b>Total Revenues</b>		<b>\$ 30,898,138</b>	<b>\$ 264,688</b>	<b>\$ 371,451</b>	<b>\$ 478,255</b>	<b>\$ 585,043</b>	<b>\$ 701,918</b>	<b>\$ 944,107</b>	<b>\$ 1,116,712</b>	<b>\$ 1,282,492</b>
<b>General Fund Expenditures (2)</b>										
General Government	Table A8	\$ 239,598	\$ 925	\$ 1,850	\$ 2,775	\$ 3,700	\$ 4,625	\$ 6,118	\$ 7,611	\$ 9,104
Finance	Table A8	\$ 185,121	\$ 537	\$ 1,431	\$ 2,146	\$ 2,861	\$ 3,577	\$ 4,732	\$ 5,886	\$ 7,041
Administration	Table A8	\$ 380,126	\$ 1,468	\$ 2,935	\$ 4,403	\$ 5,870	\$ 7,338	\$ 9,706	\$ 12,075	\$ 14,444
Housing & Neighborhood Revitalization	Table A8	\$ 670,238	\$ 2,588	\$ 5,175	\$ 7,763	\$ 10,350	\$ 12,938	\$ 17,114	\$ 21,291	\$ 25,468
Parks, Recreation and Arts	Table A8	\$ 5,694,580	\$ 21,985	\$ 43,969	\$ 65,954	\$ 87,938	\$ 109,923	\$ 145,409	\$ 180,896	\$ 216,382
Law Enforcement	Table A9	\$ 10,675,928	\$ 41,216	\$ 82,431	\$ 123,647	\$ 164,863	\$ 206,078	\$ 272,606	\$ 339,135	\$ 405,663
Capital Projects	Table A10	\$ 9,868,560	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428
Public Works	Table A10	\$ 3,277,421	\$ 12,653	\$ 25,306	\$ 37,959	\$ 50,611	\$ 63,264	\$ 83,688	\$ 104,112	\$ 124,535
		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>		<b>\$ 29,516,488</b>	<b>\$ 569,281</b>	<b>\$ 645,134</b>	<b>\$ 720,987</b>	<b>\$ 796,840</b>	<b>\$ 872,693</b>	<b>\$ 995,132</b>	<b>\$ 1,117,570</b>	<b>\$ 1,240,008</b>

Source: City of Lancaster Budget, 2006; MJC, 2007

Notes:

- 1) Fines and Forfeitures were calculated at the rate of \$10.57 per resident the 2005 rate of collections on a per capita basis.
- 2) some General fund Expenditures are assumed to be self-funding such as the planning function. Development fees and permit fees are anticipated to largely cover costs of service delivery for the project.

Fiscal Analysis Scenario D

**Table D1: Summary of Fiscal Impact for Years 1 through 20 and at buildout (in constant \$s)**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 138,209	\$ 157,682	\$ 171,795	\$ 185,908	\$ 200,022	\$ 214,135	\$ 228,248	\$ 242,170	\$ 256,092	\$ 270,014	\$ 283,936	\$ 297,858
\$ 11,296	\$ 12,810	\$ 13,640	\$ 14,470	\$ 15,300	\$ 16,130	\$ 16,960	\$ 17,790	\$ 18,620	\$ 19,450	\$ 20,280	\$ 21,110
\$ 53,781	\$ 59,527	\$ 62,368	\$ 65,210	\$ 68,051	\$ 70,892	\$ 73,733	\$ 76,575	\$ 79,416	\$ 82,257	\$ 85,099	\$ 87,940
\$ 597,818	\$ 665,775	\$ 621,984	\$ 658,323	\$ 688,738	\$ 724,089	\$ 770,437	\$ 796,625	\$ 829,382	\$ 864,089	\$ 897,164	\$ 942,743
\$ 505,022	\$ 580,238	\$ 632,435	\$ 684,632	\$ 735,411	\$ 786,190	\$ 839,601	\$ 890,380	\$ 940,538	\$ 990,645	\$ 1,040,319	\$ 1,092,626
\$ 5,190	\$ 5,796	\$ 6,109	\$ 6,422	\$ 6,735	\$ 7,048	\$ 7,362	\$ 7,675	\$ 7,988	\$ 8,301	\$ 8,614	\$ 8,928
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 5,188	\$ 5,188	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,760	\$ 3,709	\$ 3,709	\$ 3,709	\$ 3,709	\$ 3,709
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$1,316,503	\$1,487,016	\$1,512,092	\$1,618,725	\$1,718,017	\$1,822,245	\$1,940,101	\$2,034,923	\$2,135,744	\$2,238,465	\$2,339,121	\$2,454,913
\$ 131,770	\$ 151,396	\$ 165,015	\$ 178,634	\$ 191,882	\$ 205,131	\$ 219,067	\$ 232,315	\$ 245,402	\$ 258,476	\$ 271,437	\$ 285,084
\$1,448,272	\$1,638,412	\$1,677,107	\$1,797,359	\$1,909,899	\$2,027,376	\$2,159,168	\$2,267,239	\$2,381,147	\$2,496,941	\$2,610,558	\$2,739,997
\$ 10,597	\$ 12,090	\$ 13,173	\$ 14,255	\$ 15,337	\$ 16,419	\$ 17,501	\$ 18,569	\$ 19,636	\$ 20,704	\$ 21,771	\$ 22,838
\$ 8,196	\$ 9,350	\$ 10,187	\$ 11,024	\$ 11,861	\$ 12,698	\$ 13,535	\$ 14,361	\$ 15,186	\$ 16,012	\$ 16,837	\$ 17,663
\$ 16,813	\$ 19,182	\$ 20,898	\$ 22,615	\$ 24,332	\$ 26,049	\$ 27,766	\$ 29,459	\$ 31,153	\$ 32,847	\$ 34,540	\$ 36,234
\$ 29,644	\$ 33,821	\$ 36,848	\$ 39,875	\$ 42,902	\$ 45,930	\$ 48,957	\$ 51,943	\$ 54,929	\$ 57,915	\$ 60,901	\$ 63,887
\$ 251,868	\$ 287,355	\$ 313,075	\$ 338,794	\$ 364,514	\$ 390,234	\$ 415,954	\$ 441,324	\$ 466,695	\$ 492,066	\$ 517,437	\$ 542,808
\$ 472,191	\$ 538,719	\$ 586,937	\$ 635,156	\$ 683,374	\$ 731,592	\$ 779,810	\$ 827,374	\$ 874,938	\$ 922,502	\$ 970,066	\$ 1,017,630
\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428
\$ 144,959	\$ 165,382	\$ 180,185	\$ 194,987	\$ 209,790	\$ 224,593	\$ 239,395	\$ 253,997	\$ 268,599	\$ 283,200	\$ 297,802	\$ 312,404
\$1,362,446	\$1,484,884	\$1,573,625	\$1,662,365	\$1,751,106	\$1,839,846	\$1,928,587	\$2,016,124	\$2,103,660	\$2,191,197	\$2,278,733	\$2,366,270

Fiscal Analysis Scenario D

**Table D-2: Downtown Specific Plan Annual Development & Total Buildout**

Project Type	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
<b><i>Development (Units &amp; SF)</i></b>												
<b>Residential Units</b>	2,569	114	114	114	114	114	185	185	185	185	185	134
Low-Rise Condo	1,295	57	57	57	57	57	92	92	92	92	92	67
Mid-Rise Condo	874	46	46	46	46	46	74	74	74	74	74	53
Affordable Rental	400	11	11	11	11	11	11	18	18	18	18	18
<b>Total Cumulative Units</b>		<b>114</b>	<b>229</b>	<b>343</b>	<b>457</b>	<b>572</b>	<b>756</b>	<b>941</b>	<b>1,125</b>	<b>1,310</b>	<b>1,494</b>	<b>1,628</b>
<b>Retail (SF)</b>	264,000	6,159	6,159	6,159	6,159	6,159	5,746	5,746	5,746	5,746	5,746	2,841
<b>Office (SF)</b>	230,000	2,087	2,087	2,087	2,087	2,087	5,040	5,040	5,040	5,040	5,040	2,962
Downtown Office	138,000					5,217						12,601
Professional Office	92,000	1,043	1,043	1,043	1,043	1,043	2,520	2,520	2,520	2,520	2,520	1,481
<b>Total Cumulate Commercial</b>		<b>8,246</b>	<b>16,493</b>	<b>24,739</b>	<b>32,985</b>	<b>41,231</b>	<b>52,018</b>	<b>62,804</b>	<b>73,590</b>	<b>84,377</b>	<b>95,163</b>	<b>100,966</b>
<b><i>New Population</i></b>												
Population	6,834	304	304	304	304	304	491	491	491	491	491	356
<b>Total Cumulative Residents</b>		<b>304</b>	<b>608</b>	<b>912</b>	<b>1,216</b>	<b>1,520</b>	<b>2,011</b>	<b>2,502</b>	<b>2,993</b>	<b>3,483</b>	<b>3,974</b>	<b>4,330</b>
Workplace Employees	1,022	9	9	9	9	9	22	22	22	22	22	13
Retail Employees	251	18	18	18	18	18	16	16	16	16	16	8
Daytime Population (1)	4,212	158	158	158	158	158	250	250	250	250	250	174
<b>Total Cumulative Jobs</b>		<b>27</b>	<b>54</b>	<b>81</b>	<b>107</b>	<b>134</b>	<b>173</b>	<b>212</b>	<b>251</b>	<b>290</b>	<b>328</b>	<b>350</b>

Source: MJC, 2006

Notes: 1) the daytime population includes workplace employees, retail employees, and residents and school children who live in the downtown and do not work.

**Table D-2: Downtown Specific Plan Annual Development & Total Buildout**

Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
134	134	134	134	132	132	132	132	132
67	67	67	67	66	66	66	66	66
53	53	53	53	53	53	53	53	53
18	13	13	13	13	13	13	13	13
<u>1,762</u>	<u>1,895</u>	<u>2,029</u>	<u>2,163</u>	<u>2,295</u>	<u>2,427</u>	<u>2,558</u>	<u>2,690</u>	<u>2,822</u>
2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841
2,962	2,962	2,962	2,962	2,962	2,962	2,962	2,962	2,962
			7,405					7,405
1,481	1,481	1,481	1,481	1,481	1,481	1,481		
<u>106,769</u>	<u>112,573</u>	<u>118,376</u>	<u>124,179</u>	<u>129,982</u>	<u>135,785</u>	<u>141,589</u>	<u>147,392</u>	<u>153,195</u>
356	356	356	356	351	351	351	351	351
<u>4,686</u>	<u>5,041</u>	<u>5,397</u>	<u>5,753</u>	<u>6,104</u>	<u>6,455</u>	<u>6,806</u>	<u>7,156</u>	<u>7,507</u>
13	13	13	13	13	13	13	13	13
8	8	8	8	8	8	8	8	8
174	174	174	174	172	172	172	172	172
<u>371</u>	<u>392</u>	<u>414</u>	<u>435</u>	<u>456</u>	<u>477</u>	<u>499</u>	<u>520</u>	<u>541</u>



Fiscal Analysis Scenario D

**Table D-3: Sales Tax Estimate**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Project Residential Expenditures</b>									
New Occupied Housing Units		114,3072	114,3072	114,3072	114,3072	114,3072	184,5088	184,5088	184,5088
Cumulative Occupied Housing Units		114,3072	228,6144	342,9216	457,2288	571,536	756,0448	940,5536	1125,0624
Total Household Income (1)	\$ 1,488,006,987	\$ 5,744,623	\$ 11,489,245	\$ 17,233,868	\$ 22,978,491	\$ 28,723,113	\$ 37,995,787	\$ 47,268,462	\$ 56,541,136
Taxable Expenditures (2)	\$ 520,802,446	\$ 2,010,618	\$ 4,021,236	\$ 6,031,854	\$ 8,042,472	\$ 10,053,090	\$ 13,298,526	\$ 16,543,962	\$ 19,789,398
Expenditures Captured by Lancaster (3)	\$ 312,481,467	\$ 1,206,371	\$ 2,412,742	\$ 3,619,112	\$ 4,825,483	\$ 6,031,854	\$ 7,979,115	\$ 9,926,377	\$ 11,873,639
Sales Tax	\$ 3,124,815	\$ 12,064	\$ 24,127	\$ 36,191	\$ 48,255	\$ 60,319	\$ 79,791	\$ 99,264	\$ 118,736
<b>Project Employee Expenditures</b>									
Cumulative Employees		27	54	81	107	134	173	212	251
Taxable Expenditures by Employees (4)	\$ 23,838,029	\$ 104,806	\$ 209,613	\$ 314,419	\$ 419,225	\$ 524,032	\$ 675,423	\$ 826,814	\$ 978,206
Sales Tax	\$ 238,380	\$ 1,048	\$ 2,096	\$ 3,144	\$ 4,192	\$ 5,240	\$ 6,754	\$ 8,268	\$ 9,782
<b>Retail Sales in Downtown Lancaster</b>									
New Retail Space		6,159	6,159	6,159	6,159	6,159	5,746	5,746	5,746
Cumulative Total Retail Space		6,159	12,319	18,478	24,637	30,797	36,543	42,289	48,035
Total Taxable Retail Sales (5)	\$ 216,820,886	\$ 1,231,861	\$ 2,463,722	\$ 3,695,582	\$ 4,927,443	\$ 6,159,304	\$ 7,308,521	\$ 8,457,738	\$ 9,606,954
Total Net New Taxable Sales (6)	\$ 108,410,443	\$ 615,930	\$ 1,231,861	\$ 1,847,791	\$ 2,463,722	\$ 3,079,652	\$ 3,654,260	\$ 4,228,869	\$ 4,803,477
Sales Tax	\$ 1,084,104	\$ 6,159	\$ 12,319	\$ 18,478	\$ 24,637	\$ 30,797	\$ 36,543	\$ 42,289	\$ 48,035
<b>Total Sales Tax Generated by Project</b>	<b>\$ 4,447,299</b>	<b>\$ 19,271</b>	<b>\$ 38,542</b>	<b>\$ 57,813</b>	<b>\$ 77,084</b>	<b>\$ 96,355</b>	<b>\$ 123,088</b>	<b>\$ 149,821</b>	<b>\$ 176,553</b>

- Notes: 1) In the downtown current median household income is \$36,564. However new units will sell for between \$229,000 and \$250,000 which will require an average qualifying household income of \$50,256 (\$233,000 mortgage @ 6% interest for a 30 year term requires an annual payment of \$16,752 and a qualifying income of 3 times the annual payment or \$50,256)
- 2) Assumes that 35% of income is spent on taxable retail sales.
- 3) Assumes that 60% of taxable retail expenditures made by new Lancaster residents would be made within Lancaster
- 4) Based on the annual workday spending by office workers who commute to suburban locations for employment as reported in *Office Worker Retail Spending Patterns: a Downtown and Suburban Area Study*, ICSC Research. Office workers spend about \$3,900 on retail items near their place of work.
- 5) Assumes \$200 per square foot of retail space in sales per year.
- 6) Assumes that 50% of new retail sales due to businesses opening in the downtown are to wider Lancaster residents or to sales from visitors to the downtown, with only 30% of new sales in downtown to employees or residents of the downtown.

Fiscal Analysis Scenario D

**Table D-3: Sales Tax Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
184.5088	184.5088	133.728	133.728	133.728	133.728	133.728	131.9136	131.9136	131.9136	131.9136	131.9136
1309.5712	1494.08	1627.808	1761.536	1895.264	2028.992	2162.72	2294.6336	2426.5472	2558.4608	2690.3744	2822.288
\$ 65,813,810	\$ 75,086,484	\$ 81,807,119	\$ 88,527,753	\$ 95,248,388	\$101,969,022	\$108,689,656	\$115,319,106	\$121,948,556	\$128,578,006	\$135,207,456	\$141,836,906
\$ 23,034,834	\$ 26,280,270	\$ 28,632,492	\$ 30,984,714	\$ 33,336,936	\$ 35,689,158	\$ 38,041,380	\$ 40,361,687	\$ 42,681,995	\$ 45,002,302	\$ 47,322,610	\$ 49,642,917
\$ 13,820,900	\$ 15,768,162	\$ 17,179,495	\$ 18,590,828	\$ 20,002,161	\$ 21,413,495	\$ 22,824,828	\$ 24,217,012	\$ 25,609,197	\$ 27,001,381	\$ 28,393,566	\$ 29,785,750
\$ 138,209	\$ 157,682	\$ 171,795	\$ 185,908	\$ 200,022	\$ 214,135	\$ 228,248	\$ 242,170	\$ 256,092	\$ 270,014	\$ 283,936	\$ 297,858
290	328	350	371	392	414	435	456	477	499	520	541
\$ 1,129,597	\$ 1,280,988	\$ 1,363,989	\$ 1,446,989	\$ 1,529,990	\$ 1,612,990	\$ 1,695,990	\$ 1,778,991	\$ 1,861,991	\$ 1,944,992	\$ 2,027,992	\$ 2,110,992
\$ 11,296	\$ 12,810	\$ 13,640	\$ 14,470	\$ 15,300	\$ 16,130	\$ 16,960	\$ 17,790	\$ 18,620	\$ 19,450	\$ 20,280	\$ 21,110
5,746	5,746	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841
53,781	59,527	62,368	65,210	68,051	70,892	73,733	76,575	79,416	82,257	85,099	87,940
\$ 10,756,171	\$ 11,905,388	\$ 12,473,648	\$ 13,041,909	\$ 13,610,169	\$ 14,178,430	\$ 14,746,690	\$ 15,314,950	\$ 15,883,211	\$ 16,451,471	\$ 17,019,732	\$ 17,587,992
\$ 5,378,086	\$ 5,952,694	\$ 6,236,824	\$ 6,520,954	\$ 6,805,085	\$ 7,089,215	\$ 7,373,345	\$ 7,657,475	\$ 7,941,605	\$ 8,225,736	\$ 8,509,866	\$ 8,793,996
\$ 53,781	\$ 59,527	\$ 62,368	\$ 65,210	\$ 68,051	\$ 70,892	\$ 73,733	\$ 76,575	\$ 79,416	\$ 82,257	\$ 85,099	\$ 87,940
\$ 203,286	\$ 230,018	\$ 247,803	\$ 265,588	\$ 283,372	\$ 301,157	\$ 318,942	\$ 336,535	\$ 354,128	\$ 371,721	\$ 389,314	\$ 406,907

Fiscal Analysis Scenario D

**Table D-4: Estimate of Project Assessed Value (constant dollars)**

Land Use	Base Market Value/Unit or /SF	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Residential</b>										
Low-Rise Condominium	\$ 229,000	\$ 326,593,322	\$ 13,219,056	\$ 13,219,056	\$ 13,219,056	\$ 13,219,056	\$ 13,219,056	\$ 21,337,520	\$ 21,337,520	\$ 21,337,520
Mid-Rise Condominium	\$ 250,000	\$ 285,234,342	\$ 11,545,027	\$ 11,545,027	\$ 11,545,027	\$ 11,545,027	\$ 11,545,027	\$ 18,635,389	\$ 18,635,389	\$ 18,635,389
Affordable Housing	\$ 175,000	\$ 50,502,367	\$ 2,020,380	\$ 2,020,380	\$ 2,020,380	\$ 2,020,380	\$ 2,020,380	\$ 2,020,380	\$ 3,261,193	\$ 3,261,193
<b>Total Residential</b>		\$ 662,330,032	\$ 26,784,463	\$ 26,784,463	\$ 26,784,463	\$ 26,784,463	\$ 26,784,463	\$ 41,993,289	\$ 43,234,102	\$ 43,234,102
<b>Retail</b>	\$ 186	\$ 16,356,833	\$ 1,145,631	\$ 1,145,631	\$ 1,145,631	\$ 1,145,631	\$ 1,145,631	\$ 1,068,772	\$ 1,068,772	\$ 1,068,772
<b>Workplace</b>										
Downtown Office	\$ 225	\$ 7,341,209	\$ -	\$ -	\$ -	\$ -	\$ 1,173,918	\$ -	\$ -	\$ -
Downtown Professional Office	\$ 185	\$ 5,488,147	\$ 193,044	\$ 193,044	\$ 193,044	\$ 193,044	\$ 193,044	\$ 466,219	\$ 466,219	\$ 466,219
<b>Total Commercial</b>		\$ 29,186,189	\$ 1,338,675	\$ 1,338,675	\$ 1,338,675	\$ 1,338,675	\$ 2,512,593	\$ 1,534,991	\$ 1,534,991	\$ 1,534,991
<b>Total Assesed Value</b>		\$ 691,516,220	\$ 28,123,138	\$ 28,123,138	\$ 28,123,138	\$ 28,123,138	\$ 29,297,056	\$ 43,528,280	\$ 44,769,093	\$ 44,769,093
<b>Cumulative Assesed Value</b>			\$ 28,123,138	\$ 56,246,276	\$ 84,369,414	\$ 112,492,552	\$ 141,789,607	\$ 185,317,887	\$ 230,086,980	\$ 274,856,073

**Estimate of Property Transfer Tax Revenues (constant dollars)**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Initial Transfer Tax (.55% of Sales Price for New Construction)		\$ 154,677	\$ 154,677	\$ 154,677	\$ 154,677	\$ 161,134	\$ 239,406	\$ 246,230	\$ 246,230
Resold Properties Transfer Tax (20% Turnover *.55% of Total AV)		30,935	61,871	92,806	123,742	155,969	203,850	253,096	302,342
<b>Total Transfer Tax</b>	\$ 11,793,486	\$ 185,613	\$ 216,548	\$ 247,484	\$ 278,419	\$ 317,102	\$ 443,255	\$ 499,326	\$ 548,572

Fiscal Analysis Scenario D

**Table D-4: Estimate of Project Assessed Value (constant dollars)**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 21,337,520	\$ 21,337,520	\$ 15,464,975	\$ 15,464,975	\$ 15,464,975	\$ 15,464,975	\$ 15,464,975	\$ 15,464,975	\$ 15,255,148	\$ 15,255,148	\$ 15,255,148	\$ 15,255,148
\$ 18,635,389	\$ 18,635,389	\$ 13,506,528	\$ 13,506,528	\$ 13,506,528	\$ 13,506,528	\$ 13,506,528	\$ 13,506,528	\$ 13,323,274	\$ 13,323,274	\$ 13,323,274	\$ 13,323,274
\$ 3,261,193	\$ 3,261,193	\$ 3,261,193	\$ 3,261,193	\$ 2,363,642	\$ 2,363,642	\$ 2,363,642	\$ 2,363,642	\$ 2,363,642	\$ 2,331,573	\$ 2,331,573	\$ 2,331,573
\$ 43,234,102	\$ 43,234,102	\$ 32,232,696	\$ 32,232,696	\$ 31,335,145	\$ 31,335,145	\$ 31,335,145	\$ 31,335,145	\$ 30,942,064	\$ 30,909,995	\$ 30,909,995	\$ 30,909,995
\$ 1,068,772	\$ 1,068,772	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482	\$ 528,482
\$ -	\$ 2,835,117	\$ -	\$ -	\$ -	\$ -	\$ 1,666,087	\$ -	\$ -	\$ -	\$ -	\$ 1,666,087
\$ 466,219	\$ 466,219	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ 273,979	\$ -	\$ -
\$ 1,534,991	\$ 4,370,108	\$ 802,461	\$ 802,461	\$ 802,461	\$ 802,461	\$ 2,468,548	\$ 802,461	\$ 802,461	\$ 802,461	\$ 528,482	\$ 2,194,569
\$ 44,769,093	\$ 47,604,210	\$ 33,035,157	\$ 33,035,157	\$ 32,137,606	\$ 32,137,606	\$ 33,803,693	\$ 32,137,606	\$ 31,744,525	\$ 31,712,456	\$ 31,438,477	\$ 33,104,564
\$ 319,625,166	\$ 367,229,375	\$ 400,264,532	\$ 433,299,688	\$ 465,437,294	\$ 497,574,900	\$ 531,378,593	\$ 563,516,199	\$ 595,260,724	\$ 626,973,180	\$ 658,411,657	\$ 691,516,220
Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 246,230	\$ 261,823	\$ 181,693	\$ 181,693	\$ 176,757	\$ 176,757	\$ 185,920	\$ 176,757	\$ 174,595	\$ 174,419	\$ 172,912	\$ 182,075
351,588	403,952	440,291	476,630	511,981	547,332	584,516	619,868	654,787	689,670	724,253	760,668
\$ 597,818	\$ 665,775	\$ 621,984	\$ 658,323	\$ 688,738	\$ 724,089	\$ 770,437	\$ 796,625	\$ 829,382	\$ 864,089	\$ 897,164	\$ 942,743

Fiscal Analysis Scenario D

**Table D-5: Property Tax In-Lieu of Vehicle License Fee (VLF) Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Cumulative Assessed Value	\$ 691,516,220	\$ 28,123,138	\$ 56,246,276	\$ 84,369,414	\$ 112,492,552	\$ 141,789,607	\$ 185,317,887	\$ 230,086,980	\$ 274,856,073	\$ 319,625,166
% Increase in AV Above Base (1)		0.45%	0.91%	1.36%	1.81%	2.29%	2.99%	3.71%	4.43%	5.15%
Property Tax In-Lieu Above the Base (2)	\$ 11,477,072	\$ 44,436	\$ 88,872	\$ 133,307	\$ 177,743	\$ 224,034	\$ 292,810	\$ 363,547	\$ 434,285	\$ 505,022

1) 2005's city-wide assessed value is considered the base value at \$6,202,360,481

2) Represents the amount of offset by the State Budget that will be reimbursed by property tax payments. Lancaster's 2005 VLF was \$9.8 million which is the base used to calculate VLF in future years.

**Table D-5: Property Tax In-Lieu of Vehicle License Fee (VLF) Estimate**

Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 367,229,375	\$ 400,264,532	\$ 433,299,688	\$ 465,437,294	\$ 497,574,900	\$ 531,378,593	\$ 563,516,199	\$ 595,260,724	\$ 626,973,180	\$ 658,411,657	\$ 691,516,220
5.92%	6.45%	6.99%	7.50%	8.02%	8.57%	9.09%	9.60%	10.11%	10.62%	11.15%
\$ 580,238	\$ 632,435	\$ 684,632	\$ 735,411	\$ 786,190	\$ 839,601	\$ 890,380	\$ 940,538	\$ 990,645	\$ 1,040,319	\$ 1,092,626

Fiscal Analysis Scenario D

**Table D-6: Business Tax Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
<b><u>New Commercial Development (SF)</u></b>													
Retail	87,940	6,159	6,159	6,159	6,159	6,159	5,746	5,746	5,746	5,746	5,746	2,841	2,841
Office and other Workplace	65,255	2,087	2,087	2,087	2,087	2,087	5,040	5,040	5,040	5,040	5,040	2,962	2,962
<b><u>Total Cumulative Commercial Space</u></b>													
Retail		6,159	12,319	18,478	24,637	30,797	36,543	42,289	48,035	53,781	59,527	62,368	65,210
Office and other Workplace		2,087	4,174	6,261	8,348	10,435	15,475	20,515	25,555	30,596	35,636	38,598	41,560
<b><u>Number of Businesses</u></b>													
Retail		4	8	12	16	21	24	28	32	36	40	42	43
Office and other Workplace		0	1	1	2	2	3	4	5	6	7	8	8
Total		5	9	14	18	23	27	32	37	42	47	49	52
<b><u>Annual Business Tax Revenues (1)</u></b>													
Retail		\$ 493	\$ 985	\$ 1,478	\$ 1,971	\$ 2,464	\$ 2,923	\$ 3,383	\$ 3,843	\$ 4,302	\$ 4,762	\$ 4,989	\$ 5,217
Office and other Workplace		\$ 69	\$ 104	\$ 182	\$ 242	\$ 303	\$ 449	\$ 595	\$ 741	\$ 887	\$ 1,033	\$ 1,119	\$ 1,205
<b><u>Total Business Tax Revenues</u></b>		<b>\$ 562</b>	<b>\$ 1,090</b>	<b>\$ 1,660</b>	<b>\$ 2,213</b>	<b>\$ 2,766</b>	<b>\$ 3,372</b>	<b>\$ 3,978</b>	<b>\$ 4,584</b>	<b>\$ 5,190</b>	<b>\$ 5,796</b>	<b>\$ 6,109</b>	<b>\$ 6,422</b>

Source: City of Lancaster, MJC 2007

fees, 76+ employees pays \$170 in fees. Retail businesses will have on average 10 employees or less, while office's will typically have 26 to 50 employees. In addition each liscence is also charged a processing fee of \$60/new application and \$22/renewal.

**Table D-6: Business Tax Estimate**

Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
2,841	2,841	2,841	2,841	2,841	2,841	2,841	2,841
2,962	2,962	2,962	2,962	2,962	2,962	2,962	2,962
68,051	70,892	73,733	76,575	79,416	82,257	85,099	87,940
44,522	47,484	50,446	53,407	56,369	59,331	62,293	65,255
45	47	49	51	53	55	57	59
9	9	10	11	11	12	12	13
54	57	59	62	64	67	69	72
\$ 5,444	\$ 5,671	\$ 5,899	\$ 6,126	\$ 6,353	\$ 6,581	\$ 6,808	\$ 7,035
\$ 1,291	\$ 1,377	\$ 1,463	\$ 1,549	\$ 1,635	\$ 1,721	\$ 1,807	\$ 1,892
<b>\$ 6,735</b>	<b>\$ 7,048</b>	<b>\$ 7,362</b>	<b>\$ 7,675</b>	<b>\$ 7,988</b>	<b>\$ 8,301</b>	<b>\$ 8,614</b>	<b>\$ 8,928</b>



Fiscal Analysis Scenario D

**Table D-7 Redevelopment Agency: Property Tax Increment Estimate**

Land Use	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
<b>Property Tax Increment</b>									
Cumulative Assessed Value (from Table A4)	\$ 691,516,220	\$ 28,123,138	\$ 56,246,276	\$ 84,369,414	\$ 112,492,552	\$ 141,789,607	\$ 185,317,887	\$ 230,086,980	\$ 274,856,073
Total Secured Property Tax (1%)	\$ 6,915,162	\$ 281,231	\$ 562,463	\$ 843,694	\$ 1,124,926	\$ 1,417,896	\$ 1,853,179	\$ 2,300,870	\$ 2,748,561
Agency's Share of Secured Property Tax (4.12%)	\$ 2,992,673	\$ 11,587	\$ 23,173	\$ 34,760	\$ 46,347	\$ 58,417	\$ 76,351	\$ 94,796	\$ 113,241
<b>Unsecured Property Tax</b>									
Non-Retail Jobs from the Project (cumulative)	1,022	9	19	28	37	46	69	91	114
Total Unsecured Property Tax from the Project (\$15/Job)	\$ 45,223	\$ 139	\$ 278	\$ 417	\$ 557	\$ 696	\$ 1,032	\$ 1,368	\$ 1,704
Agency's Share of Unsecured Property Tax (4.12%)	\$ 1,863	\$ 6	\$ 11	\$ 17	\$ 23	\$ 29	\$ 43	\$ 56	\$ 70
<b>Total Tax Increment</b>	<b>\$ 2,994,536</b>	<b>\$ 11,592</b>	<b>\$ 23,185</b>	<b>\$ 34,777</b>	<b>\$ 46,370</b>	<b>\$ 58,446</b>	<b>\$ 76,393</b>	<b>\$ 94,852</b>	<b>\$ 113,311</b>

Source: City of Lancaster Redevelopment Department, 2007; MJC 2007

Fiscal Analysis Scenario D

**Table D-7 Redevelopment Agency: Property Tax Increment Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
\$ 319,625,166	\$ 367,229,375	\$ 400,264,532	\$ 433,299,688	\$ 465,437,294	\$ 497,574,900	\$ 531,378,593	\$ 563,516,199	\$ 595,260,724	\$ 626,973,180	\$ 658,411,657	\$ 691,516,220
\$ 3,196,252	\$ 3,672,294	\$ 4,002,645	\$ 4,332,997	\$ 4,654,373	\$ 4,975,749	\$ 5,313,786	\$ 5,635,162	\$ 5,952,607	\$ 6,269,732	\$ 6,584,117	\$ 6,915,162
\$ 131,686	\$ 151,299	\$ 164,909	\$ 178,519	\$ 191,760	\$ 205,001	\$ 218,928	\$ 232,169	\$ 245,247	\$ 258,313	\$ 271,266	\$ 284,905
136	158	172	185	198	211	224	237	251	264	277	290
\$ 2,040	\$ 2,376	\$ 2,573	\$ 2,771	\$ 2,968	\$ 3,166	\$ 3,363	\$ 3,560	\$ 3,758	\$ 3,955	\$ 4,153	\$ 4,350
\$ 84	\$ 98	\$ 106	\$ 114	\$ 122	\$ 130	\$ 139	\$ 147	\$ 155	\$ 163	\$ 171	\$ 179
\$ 131,770	\$ 151,396	\$ 165,015	\$ 178,634	\$ 191,882	\$ 205,131	\$ 219,067	\$ 232,315	\$ 245,402	\$ 258,476	\$ 271,437	\$ 285,084

Fiscal Analysis Scenario D

**Table D-9: Police Department Expenditure Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Project Housing Units (Cumulative)	29,609	114.3072	228.6144	342.9216	457.2288	571.536	756.0448	940.5536	1125.0624
Project Population (Cumulative)	78,759	304	608	912	1216	1520	2011	2502	2993
Project Jobs (Cumulative)	6,112	27	54	81	107	134	173	212	251
<b><u>Estimated Based on Costing out Needs</u></b>									
Police Department Expenditures									
New Officers Required (1)		0.5	0.5	0.8	1	1	2	2	2
Annual Officer Cost (2)		\$ 52,500	\$ 53,550	\$ 84,000	\$ 105,000	\$ 105,000	\$ 210,000	\$ 210,000	\$ 210,000
Associated Overhead Cost (3)		\$ 5,250	\$ 10,710	\$ 16,800	\$ 21,000	\$ 21,000	\$ 42,000	\$ 42,000	\$ 42,000
Cost of Police Vehicles (4)						25,000			
<b>Total</b>	<b>\$ 8,160,875</b>	<b>\$ 57,751</b>	<b>\$ 64,261</b>	<b>\$ 100,801</b>	<b>\$ 126,001</b>	<b>\$ 126,001</b>	<b>\$ 252,002</b>	<b>\$ 252,002</b>	<b>\$ 252,002</b>
<b><u>Estimation based on Current Cost/Resident</u></b>									
<b>Cost/Resident (5)</b>	<b>\$ 10,675,928</b>	<b>\$ 41,216</b>	<b>\$ 82,431</b>	<b>\$ 123,647</b>	<b>\$ 164,863</b>	<b>\$ 206,078</b>	<b>\$ 272,606</b>	<b>\$ 339,135</b>	<b>\$ 405,663</b>

Notes:

- 1) Assumes that the City will hire one new officer for every 1,200 new residents.
- 2) Assumes that an average officer would cost \$115,000/year including salary, benefits, and uniform and safety equipment.
- 3) Assumes an average overhead cost equivalent to 20% percent of salary costs, as new officers would be accomodated in an existing police station.
- 4) Assumes that a new police vehicle would be required for for each two new officers, and that police vehicles would need to be replaced after 8 years at a cost of \$25,000/vehicle.
- 5) Assumes a cost per resident of \$135 based on 2005 actual costs of \$19,144,053 and total 2005 population of 141,231

Fiscal Analysis Scenario D

**Table D-9: Police Department Expenditure Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
1309.5712	1494.08	1627.808	1761.536	1895.264	2028.992	2162.72	2294.6336	2426.5472	2558.4608	2690.3744	2822.288
3483	3974	4330	4686	5041	5397	5753	6104	6455	6806	7156	7507
290	328	350	371	392	414	435	456	477	499	520	541
3	3	4	4	4	4	5	5	5	6	6	6
\$ 315,000	\$ 315,000	\$ 420,000	\$ 420,000	\$ 420,000	\$ 420,000	\$ 525,000	\$ 525,000	\$ 525,000	\$ 630,000	\$ 630,000	\$ 630,000
\$ 63,000	\$ 63,000	\$ 84,000	\$ 84,000	\$ 84,000	\$ 84,000	\$ 105,000	\$ 105,000	\$ 105,000	\$ 126,000	\$ 126,000	\$ 126,000
25000				25,000				\$ 25,000	50,000		
\$ 378,003	\$ 378,003	\$ 504,004	\$ 504,004	\$ 504,004	\$ 504,004	\$ 630,005	\$ 630,005	\$ 630,005	\$ 756,006	\$ 756,006	\$ 756,006
\$ 472,191	\$ 538,719	\$ 586,937	\$ 635,156	\$ 683,374	\$ 731,592	\$ 779,810	\$ 827,374	\$ 874,938	\$ 922,502	\$ 970,066	\$ 1,017,630

**Table D-10: Public Works and Capital Improvements Expenditure Estimate**

Item	Buildout	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
Project Housing Units (Cumulative)	29,609	114,3072	228,6144	342,9216	457,2288	571,536	756,0448	940,5536	1125,0624
Project Population (Cumulative)	78,759	304	608	912	1216	1520	2011	2502	2993
Project Commercial Development (SF & Cumulative)	1,762,451	8,246	16,493	24,739	32,985	41,231	52,018	62,804	73,590
New Public Parking Spaces (50% of Retail)	147	10	10	10	10	10	10	10	10
<b>Capital Improvements Expenditure</b>									
Estimated Streetscape Cost (1)	\$ 220,000	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036
Estimated Roadway Costs (2)	\$ 2,141,000	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700
New Parking Structures (3)	\$ 3,993,840	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692
<b>Total</b>	<b>\$ 9,868,560</b>	<b>\$ 493,428</b>	<b>\$ 493,428</b>	<b>\$ 493,428</b>	<b>\$ 493,428</b>	<b>\$ 493,428</b>	<b>\$ 493,428</b>	<b>\$ 493,428</b>	<b>\$ 493,428</b>
<b>Public Works (on-going maintenance and off-site public works needs) Estimation Based on Current Cost/Resident</b>									
<i>Cost/Resident (4)</i>	\$ 3,277,421	\$ 12,653	\$ 25,306	\$ 37,959	\$ 50,611	\$ 63,264	\$ 83,688	\$ 104,112	\$ 124,535
<b>Total Capital Improvement &amp; Public Works Costs</b>	<b>\$ 13,145,981</b>	<b>\$ 506,081</b>	<b>\$ 518,734</b>	<b>\$ 531,387</b>	<b>\$ 544,039</b>	<b>\$ 556,692</b>	<b>\$ 577,116</b>	<b>\$ 597,540</b>	<b>\$ 617,963</b>

Source: City of Lancaster Budget; RBF, Consulting, 2007; MJC, 2007

Notes:

- 1) Assumes grants to cover half the cost and bond amortization to cover half the cost over a 20 year term and assuming an tax exempt bond of 5%. Estimate based on landscaping cost of \$110/linear foot @ 4,000 linear feet. Specificall sleeving @ \$4/LF, Planting \$5/SF, Natural Concrete \$6/SF, Benches \$1,000, Tree Grates \$900, Trash Receptacles \$350, concrete pavers \$10/SF.
- 2) Assumes grants to cover half the cost and a bond to cover the remaining half cost amortized over a 20 year term and assuming an tax exempt bond of 5%. Cost based on the following cost estimates: roadway removal \$200,000; curb construction \$1,152,000, Traffic signal retrofit \$500,000, standard street lights, \$130,000.
- 3) Assumes one publically financed parking garage of 147 spaces. Construction cost based on cost of \$12,500 per space for two-story garages. One parking structure would be built in the first year and the other in year ten of the project. A a tax exempt bond with a amortized 30 year term and a rate of 5%.  
Parking Structures include the following:  
Structure with Arts-Based Retail on Ground Floor Behind LPAC between Fig Ave. and Fern Ave.
- 4) Assumes the current cost per resident for ongoing and new public works projects.

Fiscal Analysis Scenario D

**Table D-10: Public Works and Capital Improvements Expenditure Estimate**

Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
1309.5712	1494.08	1627.808	1761.536	1895.264	2028.992	2162.72	2294.6336	2426.5472	2558.4608	2690.3744	2822.288
3483	3974	4330	4686	5041	5397	5753	6104	6455	6806	7156	7507
84,377	95,163	100,966	106,769	112,573	118,376	124,179	129,982	135,785	141,589	147,392	153,195
10	10	5	5	5	5	5	5	5	5	5	5
\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036	\$ 18,036
\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700	\$ 275,700
\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692	\$ 199,692
\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428	\$ 493,428
\$ 144,959	\$ 165,382	\$ 180,185	\$ 194,987	\$ 209,790	\$ 224,593	\$ 239,395	\$ 253,997	\$ 268,599	\$ 283,200	\$ 297,802	\$ 312,404
\$ 638,387	\$ 658,810	\$ 673,613	\$ 688,415	\$ 703,218	\$ 718,021	\$ 732,823	\$ 747,425	\$ 762,027	\$ 776,628	\$ 791,230	\$ 805,832

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o and gutter \$200,000, Stree

Assumes construction fianced throug