BEFORE THE PUBLIC UTILITIES COMMISSION

OF THE STATE OF CALIFORNIA

In the Matter of the Application of Southern California Edison Company (U338E) for a Certificate of Public Convenience and Necessity for the RTRP Transmission Project	A.15-04-013 (Filed April 15, 2015) (Amended April 30, 2015)

DIRECT TESTIMONY OF STEVEN H. DUKETT

ON BEHALF OF

THE CITY OF JURUPA VALLEY

June 24, 2019

DIRECT TESTIMONY OF STEVEN H. DUKETT

ON BEHALF OF

THE CITY OF JURUPA VALLEY

Q: What is your name?

A. Steven H. Dukett

Q: What is your position, and how long have you held it?

A: I currently hold the position of Managing Director at Urban Futures, Inc. and have held this position for over 12 years. I joined Urban Futures in 2007.

Q: What are your roles and responsibilities as Managing Director for Urban Futures?

A: I am a financial consultant specializing in the planning and implementation of economic and community development, affordable housing, asset management, public facility, public infrastructure financing, grant programs and redevelopment agency wind-down services. While with Urban Futures, I have assisted more than 50 cities, several for-profit and non-profit corporations, and a Native Sovereign Nation with their high-priority development-related projects and programs. Overall, I have 47 years of experience in my current field of endeavor and currently oversee day-to-day operations of Urban Futures' Public Management Group.

Q: What are your qualifications?

A: I have over 40 years of public agency employment experience including the cities of Redlands, Upland, Hesperia, Ontario, Lancaster, San Bernardino, and Los Angeles County. I held executive management-level positions for all of my time with each city and for about half of my time with the County of Los Angeles. I am a graduate of California State University, Los Angeles. I am a former Chairman of the Board of the California Association for Local Economic Development ("CALED"), and former Chairman of the Board of the Regents of the California Academy for Economic Development. During 2006, I received CALED's "Golden Bear" award, which is CALED's highest award for career achievement in local economic development. I recently served as a board member of the La Verne Successor Agency Oversight Board, representing the Board of Supervisors of the County of Los Angeles.

Q: What is your familiarity with the City of Jurupa Valley?

A: The City of Jurupa Valley ("City") incorporated as Riverside County's 28th city on July 1, 2011. Prior to incorporation in 2010, Urban Futures conducted a Comprehensive Fiscal Analysis for the City's incorporation proposal to identify cost assumptions. After incorporation, the City retained Urban Futures to analyze the fiscal impact of the Riverside Transmission Reliability Project ("RTRP") on the City. In connection with the 2019 Fiscal and Economic Impact Analysis and the prior analyses, I have extensively reviewed and analyzed the applicable available data, records, demographics and the effects of proposed RTRP on the Project Area (The "Project Area" is defined as five of the City's newest and pending developments along the I-15 alignment).

Q: What is your familiarity with RTRP?

A: I am very familiar with the RTRP. I, along with Urban Futures staff, have worked extensively with the City and have become familiar with the economic and fiscal impacts of the RTRP on the City. Specifically, the City asked Urban Futures to do the following tasks:

- Quantify the economic and fiscal impacts of the I-15 corridor projects to the short- and long-term financial health and sustainability of the City's General Fund;
- Identify the probable physical and economic impacts of the revised RTRP alignment to the I-15 corridor projects, including impacts to the market viability and development scope of the projects; and
- Quantify the anticipated impact of the proposed RTRP alignment to the City's General Fund in the context of the corridor projects.

Q: Has the City asked Urban Futures to memorialize that analysis?

A: Yes. In 2018, the City requested that a report be prepared based upon (1) the latest available data; (2) impact based upon "2018 dollars"; and (3) the "Revised Project" proposed by Southern California Edison which contemplates a partial undergrounding of the RTRP, but still includes above-ground transmission lines north of Limonite Avenue.

Q: What was your role in the preparation of this economic/fiscal impact analysis?

A: As Managing Director, I was involved in every critical aspect of that analysis, including but not limited to: analyzing and verifying Urban Futures prepared data, data provided by sub-consultants, independently obtaining relevant data and documents, and co-authoring all aspects of the economic/fiscal impact analysis with Senior Project Manager, Kathleen Robles. Attached hereto as Exhibit "A" is a true and correct copy of a document entitled "2019-Fiscal and Economic Impact Analysis" dated June 2019.

Q: Can you summarize the results of that 2019-Fiscal and Economic Impact Analysis?

A: The major conclusions reached in the 2019-Fiscal and Economic Impact Analysis are as follows:

1. In summary, the projected effects of the 2017-RTRP, General Fund Revenue will be reduced by $2.6M or 10% during the 10-Yr Maximum Buildout Horizon, direct/indirect employee spending will be reduced by a total of $21.8M or 18% during the 10-Yr Maximum Buildout Horizon, the Project Area will be reduced by 34 acres or 10%, building square footage will be reduced by 700,000 square feet or 26%, single-family residents will be reduced by 32 units or 4%, new population will be reduced by 122 residents or 4%, and new employment will be reduced by 831 employees or 22%.
2. The projected impacts of the Revised Project (or "2017-RTRP") reduces the scope of development within the Project Area by approximately 10% (34 acres), building square footage by approximately 26% (700,000 sf), and single-family dwelling units by approximately 4% (32 single-family dwelling units). The impacts to the Project Area caused by the reductions to the scope of development, buildable square footage, single-family dwelling unit count, and population and employment growth opportunities are caused by the 2017-RTRP's right-of-way ("ROW") takings and possibly by the temporary construction ground displacement areas. These temporary areas are assumed to be exclusive for the life of the 3-year estimated construction timeline of the 2017-RTRP. Therefore, these areas will be unavailable for 30% of the total 10-year project build-out time frame for the Project Area under current construction estimates. Should the 2017-RTRP processing or construction time frames expand, the impacts to the Project Area would be exacerbated.
3. With the 2017-RTRP's 100 to 150-foot-wide right-of-way, along with a projected no-

build-zone along adjacent properties, the 2017-RTRP would seriously impair the City's ability, and that of private property owners, to leverage the City's greatest economic asset, the I-15 freeway corridor.

4. The projected impacts of the 2017-RTRP reduces the City's population growth potential by approximately 4% (122 residents), employees by approximately 22% (831 employees), direct employee spending by approximately 17% ($7.0M) during the 10-Yr Maximum Buildout Horizon, indirect employee spending by approximately 19% ($4.8M) during the 10-Yr Maximum Buildout Horizon, and tax revenue by approximately 10% ($2.6M) during the 10-Yr Maximum Buildout Horizon.
5. The 2017-RTRP would cause a cascading effect of serious revenue losses for the City, currently projected to be approximately 10% or $2.6M during the 10-Yr Maximum Buildout Horizon. The 2017-RTRP would also impact the City's population growth potential in general, particularly along the I-15 corridor, thereby stagnating, or possibly eliminating altogether, the City's ability to continue to grow the tax base it needs to financially survive.
6. Given that the impacts of the 2017-RTRP would be permanent, the effects of the 2017-RTRP would grow arithmetically over future decades. In other words, the potential tax-ratables lost by the City will be gone forever.
7. The Projects planned in the Project Area are critical to the sustainable health of the City, not only because of the breadth of development that would take place, but also because the Project Area, especially the I-15 corridor, presents the greatest opportunities for economic development throughout the entire City. Further, with the loss of the Vehicle License Fees, the City must focus on strengthening its other revenue sources, particularly property tax, sales tax, and transient occupancy tax, which would result from development along the I-15 corridor.
8. The City has a narrow window of time and opportunity in the current market to leverage the I-15 corridor to grow its revenue base and ensure financial and economic resilience. The 2017-RTRP alignment would force changes in potential market opportunities that

would close that window of opportunity and cripple the City's ability to address its current budget deficit, leading to the depletion of reserves, fiscal insolvency, and potential bankruptcy or disincorporation. Additional undergrounding of the 2017-RTRP line is a necessity to preserve the City's window of opportunity and promote greater economic benefits for the region through enhanced job creation.

9. Developers will incur additional costs for the re-configuration of development site plans and the re-entitlement process of property that is negatively affected by the 2017-RTRP.
10. The 2017-RTRP will cause negative aesthetic impacts on the area in general, especially related to the views from the I-15 and the affected properties. In addition, 2017-RTRP could create an attractive nuisance for persons who are not authorized to access the RTRP ROW, which could lead to unanticipated calls for public safety services. Further, it is anticipated that property values/purchase prices are likely to be hindered for residential developments as a result of the proximity of the transmission towers and negative economic effects associated with such proximity.

Q: Has Urban Futures analyzed the economic impact of "Alternative 1," *i.e.*, the complete undergrounding of RTRP north of Limonite?

A: No.

Q: Why not?

A: Alternative 1 will not negatively affect the City because the location of the line under ground in Pats Ranch Road would not reduce the development projects studied, cause the severance of any property owned by the developers, nor restrict their full potential for development, employment and generation of tax revenues attributable to the City. Put simply, there would be no negative economic/fiscal impact to the City caused by Alternative 1.

Q: Does this conclude your testimony?

A: Yes.

3750/001/X209490.v1

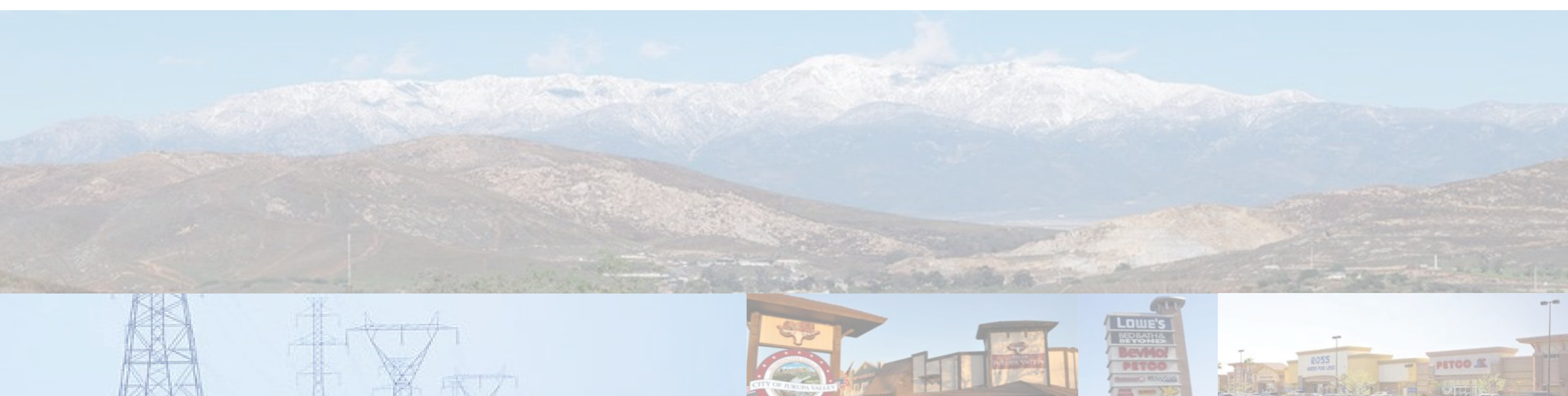
EXHIBIT A

CITY OF JURUPA VALLEY

June 2019

2019-FISCAL AND ECONOMIC IMPACT ANALYSIS:

RIVERSIDE TRANSMISSION RELIABILITY PROJECT



UFI URBAN FUTURES | Incorporated

Table of Contents

I. INTRODUCTION

The City of Jurupa Valley ("City") incorporated as Riverside County's 28th city on July 1, 2011. Since the days leading up to its incorporation, the City has endured several significant, externally introduced financial challenges, including state legislation redirecting Vehicle License Fee revenues, rapidly rising public safety contract costs, and a sluggish economic recovery. The City, along with three other newly incorporated cities in Riverside County – Eastvale, Menifee, and Wildomar – fought off disincorporation in FY 2014/15, thanks in part to County debt forgiveness via SB 107 (Chapter 325, Statutes of 2015).

The next few years of operation will be critical to the City's financial health, particularly with regard to the development of the I-15 corridor and adjacent areas needed to expand the City's revenue base to keep pace with rising operational costs, particularly police contract costs with the Riverside County Sheriff and revenue neutrality payments (being a percentage of property and sales tax revenues). County planning efforts for the I-15 corridor well-preceded the incorporation of the City, as well as the Riverside Transmission Reliability Project ("RTRP") proposal, which now threatens to physically restrict and economically undermine key development sites along the corridor.

On April 15, 2015, Southern California Edison ("SCE") submitted its RTRP Application 15-04-013 ("Application") for a Certificate of Public Convenience and Necessity ("CPCN") to the California Public Utilities Commission ("CPUC") to construct and operate the RTRP ("2015-RTRP"). The Application was amended on April 30, 2015. SCE revised the Proposed Project in September 2016 to relocate a portion of the 230-kilovolt (kV) transmission line and to change the design of a segment of the transmission line from overhead to underground, thereby avoiding four entitled development projects within the City by relocating approximately 2 miles of the transmission line underground. The Application was deemed complete by the CPUC on January 5, 2017 ("2017-RTRP").

The 2017-RTRP includes components that would be owned and operated separately by Riverside Public Utilities ("RPU") and SCE. RPU would construct, own, operate, and maintain certain elements of the 2017-RTRP, including the new 69-kV Wilderness Substation, 69-kV sub-transmission lines, and interconnection and telecommunication facilities.

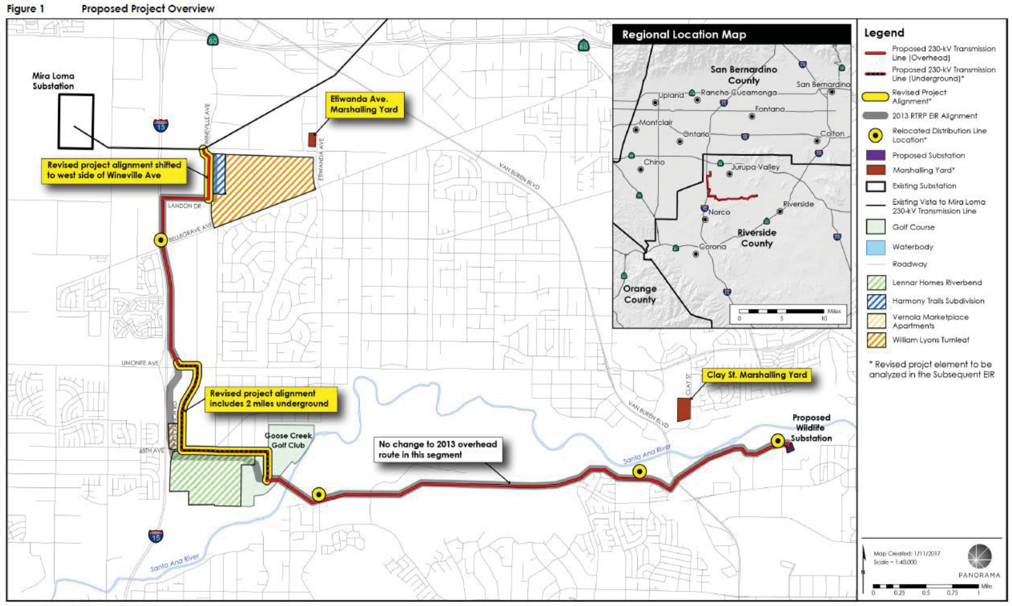
The City has retained UFI to undertake an independent evaluation of the fiscal, economic, and physical impacts and constraints that the 2017-RTRP will have on five (5) of the City's newest and pending developments along the I-15 and adjacent to the 2017-RTRP alignment ("Project Area"). This fiscal and economic impact analysis ("FEIA") will quantify the fiscal and economic impacts the projects will have on the short- and long-term financial health of the City, while addressing 2017-RTRP impacts to: i) the Project Area's scope of development; ii) population; iii) employment; iv) sales tax revenue; v) property tax revenue; and vi) transient occupancy tax ("TOT") revenue.

The FEIA is structured in sections that interpret quantifiable data as to what the 2017-RTRP's projected exactments will be on the Project Area. The projected impacts deal with the City's fiscal health and demographics, development project land uses, and the overall impacts to each development project's scope. In addition, all tables are numbered according to the section that addresses that table's specific data beginning with Section III. Detailed information, not provided within the summary tables, or narrative, is in Appendix A and follows the same table numbering protocol (e.g., Tables II-A, and II-B are addressed in Section II, etc.).

II. 2017-RTRP PATH & PROJECT AREA DEVELOPMENT PROJECTS

2017-RTRP Path

Figure 1 Proposed Project Overview



Sources: (ESRI 2016), (Southern California Edison 2016)

The proposed 2017-RTRP path is more than 11 miles in length with approximately 23%, or 2.5 miles of the alignment running through the Project Area. The map to the right presents the 2017-RTRP pathway.

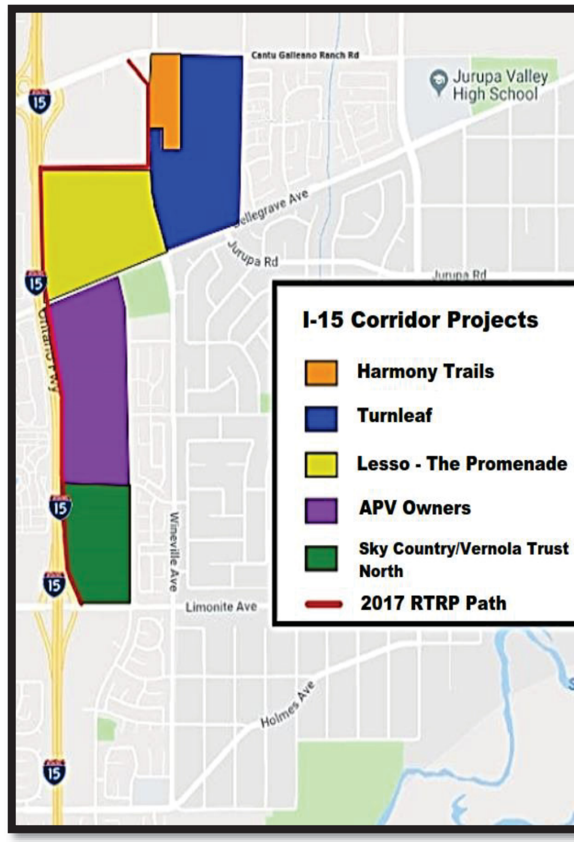
The required right-of-way ("ROW") for the 230-kV overhead transmission line is 100 to 150 feet in width. No buildings may be sited within the ROW. It is important to note that the 2017-RTRP ROW, "ground disturbance areas," and "areas severed by ROW" are of significant impact and approximately 34 acres in size. If SCE later determines that the current, proposed ROW take is insufficient and more land is necessary for the ROW take, then the RTRP's impacts to the Project Area would be even worse.

Project Area Developments

The Project Area is in various stages of development, which will be impacted by the alignment of the 2017-RTRP. The development projects within the Project Area ("Projects") are:

1. APV Owners
2. Harmony Trails
3. Turnleaf
4. Lesso – Thoroughbred Farms
5. Sky Country/Vernola Trust North

The Project Area map is shown to the right. Without the 2017-RTRP, the Project Area consists of approximately 351 acres of developable land. However, approximately 34 acres, or about 10% of the developable land would be used for the 2017-RTRP. Therefore, the 2017-RTRP would reduce the size of the developable land to 317 acres and reduce the economic potential of the Project Area, as more particularly described within this analysis. Currently, the Project Area development projects are in different stages of planning, development, construction, and/or entitlement.



Project Area uses consist of residential, business park, commercial, retail, light industrial, and lodging. The FEIA assumes, without the impact of the RTRP, a 10-year maximum build-out horizon ("10-Yr Max B-OH") would result in 803 single-family dwelling units, and 2,676,702 square feet of buildings for commercial retail/tourist, business park, light industrial, and hotel uses, including two retail shopping centers. With the impact of the 2017-RTRP, using the same 10-Yr Max B-OH, single-family dwelling units are reduced by approximately 4%, building square footage is reduced by approximately 26%, and the hotel is eliminated.

Tables II-A and II-B, located in Appendix A, present the scope of development for each of the five (5) development projects ("Projects"), *without* and *with*, the 2017-RTRP's projected impacts, respectively.

III. 2017-RTRP IMPACTS TO DEVELOPMENT PROJECTS

This section summarizes and compares the Projects as they may be impacted by the 2017-RTRP. The 2017-RTRP's projected impacts to the Project Area include, but are not limited to:

- Lot size
- Building square footage
- Single-Family Dwelling units
- Population
- Employment
- Property Taxes
- Sales Tax
- TOT

Impacts to Scope of Development

The 2017-RTRP's projected impacts to Sky Country/Vernola Trust North significantly reduce the scope of development due to a reduction in the size of the development area including the elimination of a proposed hotel site. Further, the 2017-RTRP will cause negative aesthetic impacts on the area, especially related to the views from the I-15 and the affected properties. In addition, 2017-RTRP could create an attractive nuisance for persons who are not authorized to access the RTRP ROW, which could lead to unanticipated calls for public safety services.

The 2017-RTRP's projected impacts to Lesso – Thoroughbred Farms creates a scenario where new entitlements will have to be obtained to continue with the development of its north 29 acres. While there are no residential uses within Lesso – Thoroughbred Farms, as in Sky Country/ Vernola Trust, threats to the developer's ability to perform are impacted by the reduction in lots size and constraints on development-planning. Further, the 2017-RTRP will cause negative aesthetic impacts on the area, especially related to the views from the I-15 and the affected properties. In addition, 2017-RTRP could create an attractive nuisance for persons who are not authorized to access the RTRP ROW, which could lead to unanticipated calls for public safety services.

The 2017-RTRP's projected impact to the residential developments is an approximate 4% loss of single-family residents to APV Owners. However, due to the aesthetic impacts, and perceived danger of the transmission towers and lines, negative impacts to the price of all single-family residents could range between a 15% to 18% reduction in sales price. This projected decline in sale price is based on a July 22, 2015 market study prepared by The Concord Group. The negative aesthetic impacts on the area include the views from the I-15 and the affected properties. In addition, 2017-RTRP could create an attractive nuisance for persons who are not authorized to access the RTRP ROW, which could lead to unanticipated calls for public safety services. The property valuation impacts are addressed in the FEIA by a reduction in single-family residential property value of 17%.

Table III-A, on the following page, presents a summary comparison between the scope of development for the Projects. Tables III-B and III-C, located in Appendix A, present greater details on the Projects' scope of development *without*, and *with*, the projected impacts of the 2017-RTRP, respectively.

Table III-B condenses Table III-A to a side-by-side view of the changes to the Projects' scope of development due to projected impacts of the 2017-RTRP.

It is projected that the 2017-RTRP impacts will reduce area and building square footage, and demographic aspects to three (3) of the five (5) Projects: APV Owners, Lesso – Thoroughbred Farms, and Sky Country/Vernola North Trust. These projected impacts include, but are not limited to, an approximate: (i) 10% reduction in lot acreage; (ii) 4% less single-family residences; (iii) 26.3% less overall building square footage; and (iv) 22% less potential employees.

TABLE III-A

2017-RTRP IMPACTS TO SCOPE OF DEVELOPMENT: ALL PROJECTS AT 10-YR MAX B-OH – FY 2027-28

Source: HdL Companies

Project	Land Use	WITHOUT 2017-RTRP						WITH 2017-RTRP					
		Lot AC	Lot SF	SFR DU	Total Residents	Total Bldg. SF	Total Employees	Lot AC	Lot SF	SFR DU	Total Residents	Total Bldg. SF	Total Employees
Harmony Trails	SFR	31.3 AC	1,363,428 SF	176 SFR DU	669 R	-	-	31.3 AC	1,363,428 SF	176 SFR DU	669 R	-	-
Turnleaf	SFR	31.6 AC	1,376,496 SF	111 SFR DU	422 R	-	-	31.6 AC	1,376,496 SF	111 SFR DU	422 R	-	-
APV Owners	SFR	102.4 AC	4,461,851 SF	516 SFR DU	1,962 R	-	-	96.2 AC	4,190,472 SF	484 SFR DU	1,840 R	-	-
Lesso - Thoroughbred Farms	Light Industrial	42.6 AC	1,855,656 SF	-	-	917,592 SF	891 E	29.2 AC	1,271,952 SF	-	-	430,491 SF	418 E
	Business Park	36.5 AC	1,589,940 SF	-	-	598,504 SF	998 E	32.5 AC	1,415,700 SF	-	-	532,915 SF	838 E
	Commercial / Retail	11.5 AC	500,940 SF	-	-	129,635 SF	259 E	11.5 AC	500,940 SF	-	-	129,635 SF	259 E
	Tourist Commercial	7.6 AC	331,056 SF	-	-	100,014 SF	200 E	7.6 AC	331,056 SF	-	-	100,014 SF	200 E
Sky Country / Vernola Trust North	Scenic Highway Commercial	60.9 AC	2,652,804 SF	-	-	530,561 SF	1,061 E	58.7 AC	2,556,972 SF	-	-	511,394 SF	1,023 E
	Light Industrial	22.2 AC	968,339 SF	-	-	339,412 SF	330 E	20.2 AC	879,912 SF	-	-	300,000 SF	291 E
	Hotel	4 AC	174,240 SF	-	-	60,984 SF	122 E	-	-	-	-	-	-
Total Acres/SF Land		**351 AC**	**15,274,750 SF**					**317 AC**	**13,821,588 SF**				
Total DUs/Residents				**803 SFR DU**	**3,054 R**					**771 SFR DU**	**2,932 R**		
Total Bldg. SF/Employees						**2,676,702 SF**	**3,860 E**					**1,974,036 SF**	**3,029 E**

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE III-B
2017-RTRP IMPACTS TO SCOPE OF DEVELOPMENT: ALL PROJECTS AT 10-YR MAX B-OH – FY 2027-28
Source: HdL Companies

Project Name	Land Use	Lot AC Without 2017-RTRP	Lot AC Change with 2017-RTRP	Lot SF Without 2017-RTRP	Lot SF Change with 2017-RTRP	SFR DU / Bldg. SF Without 2017-RTRP	SFR DU / Bldg. SF Change with 2017-RTRP	Total Residents / Employees Without 2017-RTRP	Total Residents / Employees Change with 2017-RTRP
Harmony Trails	SFR	**31.3 AC**	N/C	**1,363,428 SF**	N/C	**176 SFR DU**	N/C	**669 R**	N/C
Turnleaf	SFR	**31.6 AC**	N/C	**1,376.496 SF**	N/C	**111 SFR DU**	N/C	**422 R**	N/C
APV Owners	SFR	**102.4 AC**	**(6.2) AC**	**4,461,851 SF**	**(271,379) SF**	**516 SFR DU**	**(32) SFR DU**	**1,962 R**	**(122) R**
Lesso – Thoroughbred Farms	Light Industrial	42.6 AC	(15.8) AC	1,855,656 SF	(688,248) SF	917,592 SF	(487,101)	891 E	(473) E
	Business Park	36.5 AC	(3.1) AC	1,589,940 SF	(135,036) SF	598,504 SF	(96,002)	998 E	(160) E
	Commercial / Retail	11.5 AC	N/C	500,940 SF	N/C	129,635 SF	N/C	259 E	N/C
	Tourist Retail	7.6 AC	N/C	331,056 SF	N/C	100,014 SF	N/C	200 E	N/C
	Total	**98.2 AC**	**(19) AC**	**4,277,592 SF**	**(823,284) SF**	**1,745,745 SF**	**(583,103) SF**	**2,348 E**	**(633) E**
Sky Country/Vernola Trust North	Scenic Highway Commercial	60.9 AC	(2.2) AC	2,652,804 SF	(95,832) SF	530,561 SF	(19,166) SF	1,061 E	(38) E
	Light Industrial	22.2 AC	(2) AC	968,338 SF	(88,427) SF	339,412 SF	(39,412) SF	330 E	(38) E
	Hotel	4.0 AC	(4) AC	174,240 SF	(174,240) SF	60,984 SF	(60,984) SF	122 E	(122) E
	Total	**87.1 AC**	**(8.2) AC**	**3,795,383 SF**	**(358,499) SF**	**930,957 SF**	**(119,563) SF**	**1,513 E**	**(199) E**
	TOTALS	**351 AC**	**(33.4) AC**	**15,274,750 SF**	**(1,453,162) SF**	**803 SFR DU** **2,676,702 SF**	**(32) SFR DU** **(702,666) SF**	**3,054 R** **3,860 E**	**(122) R** **(831) E**

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

Impacts to Residential

Table III-C presents a summary comparison of the projected residential absorption impact of the 2017-RTRP to the three (3) Projects that contain a residential component: APV Owners, Harmony Trail and Turnleaf.

TABLE III-C
2017-RTRP IMPACTS TO RESIDENTIAL ABSORPTION AT 10-YR MAX B-OH – FY 2027-28
Source: HdL Companies

IMPACTS TO SFR DWELLING UNITS				
Project Name	**Without 2017-RTRP SFR DU**	**With 2017-RTRP SFR DU**	**Net Change With 2017-RTRP**	**Net % Change With 2017-RTRP**
APV Owners	516 SFR DU	484 SFR DU	(32) SFR DU	(6%)
Harmony Trails	176 SFR DU	176 SFR DU	N/C	-
Turnleaf	111 SFR DU	111 SFR DU	N/C	-
Total	**803 SFR DU**	**771 SFR DU**	**(32) SFR DU**	**(4.0%)**

AC – Acreage E - Employees N/C – No Change SF – Square Feet
DU – Dwelling Units HH – Household R – Residents SFR – Single-Family Residential

Tables III-D and III-E, located in Appendix A, present in greater detail the FY-to-FY residential buildout *without*, and *with*, the projected impacts of the 2017-RTRP, respectively.

The 2017-RTRP's projected impact on single family dwelling units indicates a decrease of 32 DUs, which is approximately a reduction of 6% of APV Owners' total units. Overall, the aggregate 2017-RTRP's projected impact on housing is a reduction of 4% in DUs, which will have an impact on population, employment, spending, property tax, and sales tax as later described in this report.

Impacts to Commercial/Retail

Table III-F presents a summary comparison of the projected commercial/retail building square footage absorption impact of the 2017-RTRP to the two (2) Projects that contain a commercial/retail component: Sky country/Vernola North Trust and Lesso – Thoroughbred Farms.

TABLE III-F
2017-RTRP IMPACTS TO RETAIL/COMMERCIAL/TOURIST/HOTEL AT 10-YR MAX B-OH – FY 2027-28
Source: HdL Companies

IMPACTS TO BUILDING SQUARE FOOTAGE					
Project	**Land Use**	**Without 2017-RTRP**	**With 2017-RTRP**	**Net Change With 2017-RTRP**	**Net % Change With 2017-RTRP**
Sky Country / Vernola North Trust	Scenic Highway Commercial	530,561 SF	511,394 SF	(19,167) SF	(4%)
	Hotel Rooms	110 Rooms 60,984 SF	-	(110) Rooms (60,974)	(100%) (100%)
	Total	**591,545 SF**	**511,394 SF**	**(80,151) SF**	**(14%)**
Lesso – Thoroughbred Farms	Commercial/Retail	129,635 SF	129,635 SF	N/C	-
	Tourist Commercial	100,014 SF	100,014 SF	N/C	-
	Total	**229,649 SF**	**229,649 SF**	**N/C**	**-**
	TOTAL	**821,194 SF**	**741,043 SF**	**(110) Rooms** **(80,151) SF**	**(100%)** **(10%)**

AC – Acreage   E - Employees   N/C – No Change   SF – Square Feet
DU – Dwelling Units   HH – Household   R – Residents   SFR – Single-Family Residential

Tables III-G and III-H, located in Appendix A, present in greater detail the FY-to-FY commercial/retail buildout *without,* and *with*, the projected impacts of the 2017-RTRP, respectively.

The 2017-RTRP's projected impacts on the Sky Country/Vernola North Trust are significant. The commercial/retail and hotel land use of the Sky Country/Vernola Trust North is projected to be impacted by the 2017-RTRP with a reduction to building square footage of 14%. The most significant 2017-RTRP projected impact to Sky Country/Vernola Trust North is the loss of its 110-room hotel.

Lesso – Thoroughbred Farms development has no projected commercial/retail tourist commercial building square footage impacted by the 2017-RTRP.

Overall, there is a projected commercial/retail tourist commercial impact of approximately 10% in the building square footage for the Project Area.

Impacts to Industrial/Business Park

Table III-I presents a summary comparison of the projected light industrial/business park absorption impact of the 2017-RTRP to the two (2) Project Area development projects that contain industrial and business park components: Sky country/Vernola North Trust and Lesso – Thoroughbred Farms.

TABLE III-I
2017-RTRP IMPACTS TO LIGHT INDUSTRIAL/BUSINESS PARK AT 10-YR MAX B-OH – FY 2027-28
Source: HdL Companies

IMPACTS TO BUILDING SQUARE FOOTAGE					
Project	**Land Use**	**Without 2017-RTRP**	**With 2017-RTRP**	**Net Change With 2017-RTRP**	**Net % Change With 2017-RTRP**
Sky Country / Vernola North Trust	Light Industrial	**339,412 SF**	**300,000 SF**	**(39,412) SF**	**(12%)**
Lesso – Thoroughbred Farms	Light Industrial	917,592 SF	430,491 SF	(487,101) SF	(53%)
	Business Park	598,504 SF	502,502 SF	(96,002) SF	(16%)
	Total	**1,516,096 SF**	**932,993 SF**	**(583,103) SF**	**(39%)**
	TOTAL	**1,855,508 SF**	**1,232,993 SF**	**(622,515) SF**	**(34%)**

AC – Acreage DU – Dwelling Units E - Employees HH – Household N/C – No Change R – Residents SF – Square Feet SFR – Single-Family Residential

Tables III-G and III-H, located in Appendix A, describe in more detail the FY-to-FY industrial and business park buildout *without,* and *with*, the projected impact of the 2017-RTRP, respectively

The 2017-RTRP's projected impacts significantly affect the light industrial/business park building square footages.

Sky Country/Vernola Trust North's light industrial building square footage is projected to have an approximate 12% reduction due to the RTRP.

The light industrial building square footage for Lesso – Thoroughbred Farms is projected to have an approximate 53% reduction and its business park building square footage is projected to have an approximate 16% reduction, for an overall reduction of approximately 39%.

IV. 2017-RTRP DEMOGRAPHIC IMPACTS TO CITY

Population and employment projections provide the basis for per capita general fund revenue and expenditure projections. This section presents population and employment impacts to the City *without*, and *with*, the 2017-RTRP.

Population

The Project Area's population potential was estimated by multiplying the number of single-family dwelling units by 3.80, which is the 2019 estimate of average household size for the City (e.g., 10 single-family dwelling units will have a projected population of 38 persons [10 x 3.80 = 38]).

Table IV-A presents a summary comparison of the projected residential population absorption impact of the 2017-RTRP to the three (3) Projects that include a residential component: APV Owners, Harmony Trails, and Turnleaf.

TABLE IV-A
2017-RTRP IMPACTS TO RESIDENTIAL POPULATION AT 10-YR MAX B-OH – FY 2027-28
Source: HdL Companies

IMPACTS TO RESIDENTIAL POPULATION					
Project	Persons Per HH	Population Without 2017-RTRP	Population With 2017-RTRP	Net Change With 2017-RTRP	Net % Change With 2017-RTRP
APV Owners	3.80	1,962 R	1,840 R	(122) R	(6%)
Harmony Trails	3.80	669 R	669 R	N/C	-
Turnleaf	3.80	422 R	422 R	N/C	-
Total		**3,054 R**	**2,932 R**	**(122) R**	**(4%)**

AC – Acreage　E - Employees　N/C – No Change　SF – Square Feet
DU – Dwelling Units　HH – Household　R – Residents　SFR – Single-Family Residential

Tables IV-B and IV-C, located in Appendix A, present in greater detail the FY-to-FY residential population buildout *without,* and *with*, the projected impacts of the 2017-RTRP, respectively.

The 2017-RTRP's projected impact on the new residential population would see an approximate overall reduction of 4%.

APV Owners would see a reduction of 6% in the number of residents, while Harmony Trails and Turnleaf are not affected by the 2017-RTRP since these two (2) developments are almost fully constructed. Notwithstanding the overall 4% reduction, property values/purchase prices are likely to be hindered for all three residential developments as a result of the proximity of the transmission towers and negative economic effects associated with such proximity.

Employment

As shown in Table IV-D below, the City has a deficit of over 4,200 jobs and has the highest unemployment rate (5.0%) in the region.

TABLE IV-D
MONTHLY LABOR FORCE DATA (OCT 2018 – PRELIMINARY)
Source: HdL Companies

UNEMPLOYMENT		
Jurisdiction	**Number**	**Rate**
Riverside County	87,816	4.6%
Chino	2,649	3.7%
Corona	4,358	3.4%
Eastvale	2,278	4.5%
Fontana	7,526	4.7%
Jurupa Valley	**4,247**	**5.0%**
Ontario	5,790	4.3%
Rancho Cucamonga	5,025	3.6%
Riverside, City	11,991	4.7%

Job creation continues to be a major economic development goal of the City as the regional economy continues to recover from the recession. In addition to generating new revenue streams to the City, an important economic outcome of the Project Area (without the RTRP) is the creation of 3,860 new jobs for the region, ranging from part-time service jobs at retail centers to full-time executive jobs in active employment centers.

Employment projections for the Project Area were based on employment density (square feet per employee) estimates for different land uses. Table IV-E to the right, shows the employment densities for commercial retail, commercial tourist, hotel, business park, and light industrial uses.

Table IV-F, on the following page, presents a summary comparison of the projected 10-Yr Max B-OH for total employment for all land uses for two (2) of the Projects: Sky Country/Vernola Trust North and Lesso – Thoroughbred Farms. Tables IV-G and IV-H present in greater detail the FY-to-FY build-out details *without,* and *with*, the projected 2017-RTRP impact, respectively.

TABLE IV-E
Source: County of Riverside General Plan

Land Use	Square Feet per Employee
Commercial Retail	500
Commercial Tourist	500
Hotel	500
Business Park	600
Light Industrial	1030

TABLE IV-F
2017-RTRP IMPACTS TO EMPLOYMENT AT 10-YR MAX B-OH – FY 2027-28
Source: HdL Companies

IMPACTS TO EMPLOYMENT						
Project	**Land Use**	**SF / Employee**	**Employees Without 2017-RTRP**	**Employees With 2017-RTRP**	**Net Change With 2017-RTRP**	**Net % Change With 2017-RTRP**
Lesso – Thoroughbred Farms	Light Industrial	1,030	891 E	418 E	(473) E	(53%)
	Business Park	600	998 E	838 E	(160) E	(16%)
	Commercial / Retail	500	259 E	259 E	N/C	N/C
	Tourist Commercial	500	200 E	200 E	N/C	N/C
Total Employees			**2,348 E**	**1,715 E**	**(633) E**	**(27%)**
Sky Country/Vernola Trust North	Sky Country Commercial	500	1,061 E	1,023 E	(38) E	(4%)
	Hotel	500	122 E	-	(122) E	(100%)
	Light Industrial	1,030	330 E	291 E	(38) E	(12%)
Total Employees			**1,513 E**	**1,314 E**	**(199) E**	**(15%)**
NEW EMPLOYMENT			**3,861 E**	**3,029 E**	**(832) E**	**(22%)**

AC – Acreage E - Employees N/C – No Change SF – Square Feet
DU – Dwelling Units HH – Household R – Residents SFR – Single-Family Residential

The 2017-RTRP's projected impact on employment reduces new employment by approximately 22%, due to the elimination of over 830 jobs.

Lesso – Thoroughbred Farms projected employment is significantly impacted by the loss of approximately 53% of its industrial employment and approximately 16% of its business park employment, for an overall reduction in employment of approximately 27%.

Sky Country/Vernola Trust North projected employment is significantly impacted by the loss of its planned hotel and approximately 12% of its light industrial employment, for an overall reduction in employment of approximately 15%.

V. ECONOMIC / FISCAL IMPACT ANALYSIS

The following section presents the 2017-RTRP's projected impacts to direct/indirect employee spending and impacts to the City's Property Tax, Sales Tax, and TOT revenues over the 10-Yr Max B-OH. For the proposes of this analysis, direct and indirect employee spending is defined as:

Direct Employee Spending: Direct employee spending is the cumulative effects to the local economy from the employees in the specific businesses that are directly related to the development project being delivered.

Indirect Employee Spending: Indirect employee spending is the cumulative effects to the local economy from the employees of the businesses that are not directly related to the development project being delivered but benefit from direct employee spending.

Direct and Indirect Employee Spending

Tables V-A and V-B summarize and compare the 2017-RTRP's projected impact to direct and indirect employee spending for Lesso – Thoroughbred Farms, Sky Country/Vernola Trust North, and APV Owners.

TABLE V-A
2017-RTRP IMPACTS TO DIRECT EMPLOYEE SPENDING AT 10-YR MAX B-OH – FY 2027-28
Source: HdL Companies

Project Name	Land Use	Direct Employee Spending Without RTRP	Direct Employee Spending With RTRP	Net Change With 2017-RTRP	Net % Change With 2017-RTRP
APV Owners	SFR	$ 11,634,892	$ 10,913,348	$ (721,544)	(6%)
Lesso – Thoroughbred Farms	Light Industrial	$ 6,763,456	$ 3,173,095	$ (3,590,361)	(53%)
	Business Park	$ 7,573,074	$ 6,358,325	$ (1,214,749)	(16%)
	Commercial / Retail	$ 1,968,374	$ 1,968,374	N/C	-
	Tourist Commercial	$ 1,518,613	$ 1,518,613	N/C	-
Sky Country/Vernola Trust North	Scenic Highway Commercial	$ 8,056,035	$ 7,765,013	$ (291,022)	(4%)
	Hotel	$ 925,981	-	$ (925,981)	(100%)
	Light Industrial	$ 2,501,766	$ 2,211,262	$ (290,504)	(12%)
Total Impact (Employee Spending)		**$ 40,942,191**	**$ 33,908,030**	**$ (7,034,162)**	**(17%)**

AC – Acreage E - Employees N/C – No Change SF – Square Feet
DU – Dwelling Units HH – Household R – Residents SFR – Single-Family Residential

The 2017-RTRP's projected impact to employee direct spending would be a reduction of approximately 17%, or a loss of $7.0M.

TABLE V-B
2017-RTRP IMPACTS TO INDIRECT EMPLOYEE SPENDING AT 10-YR MAX B-OH – FY 2027-28
Source: HdL Companies

Project Name	Land Use	Indirect Employee Spending Without RTRP	Indirect Employee Spending With RTRP	Net Change With 2017-RTRP	Net % Change With 2017-RTRP
APV Owners	SFR	$ 13,147,428	$ 12,332,083	$ (815,345)	(6%)
Lesso – Thoroughbred Farms	Light Industrial	$ 14,926,272	$ 7,002,703	$ (7,923,569)	(53%)
	Business Park	$ 16,713,018	$ 14,032,188	$ (2,680,830)	(16%)
	Commercial / Retail	$ 4,344,005	$ 4,344,005	N/C	-
	Tourist Commercial	$ 3,351,426	$ 3,351,426	N/C	-
Sky Country/Vernola Trust North	Scenic Highway Commercial	$ 17,778,864	$ 17,136,606	$ (642,258)	(4%)
	Hotel	$ 2,043,548	-	$ (2,043,548)	(100%)
	Light Industrial	$ 5,521,148	$ 4,880,034	$ (641,114)	(12%)
Total Impact (Employee Spending)		**$ 77,825,708**	**$ 63,079,047**	**$ (14,746,661)**	**(19%)**

AC – Acreage | E - Employees | N/C – No Change | SF – Square Feet
DU – Dwelling Units | HH – Household | R – Residents | SFR – Single Family Residence

The 2017-RTRP's projected impact to indirect employee spending would be a reduction of approximately 19%, or a loss of $14.8M.

Table V-C, located in Appendix A, presents in greater detail the projected employment and spending for direct and indirect employee spending.

City Fiscal Impacts – Tax Revenues

The 2017-RTRP's projected negative impacts will affect several of the City's sources of general fund revenues. The FEIA addresses three (3) of the City's most significant funding sources, which are:

- Property Taxes
- Sales Taxes
- TOT

To establish the basis for the annual accumulation of property tax, sales tax and TOT, projections for the 10-Yr Max B-OH for each land use were first determined (HdL Companies). Then, applicable tax rates were applied to the resulting developments and/or business activities at the time that a project component was completed (assumed to be in use).

Project Area 10-Yr Max B-OH
The Project Area's projected 10-Yr Max B-OH for residential uses assumed that construction (without the RTRP) would begin during Year 1 and be completed by Year 10 (FY 2018-19 through FY 2027-28). This same schedule is projected with the construction of the RTRP. Likewise, there were no projected impacts from the 2017-RTRP for the projected 10-Yr Max B-OH for commercial/retail land uses that assumed construction would begin in Year 3 and be completed in Year 3 (FY 2020-21 through FY 2026-27).

Other land uses within the Project Area consisting of light industrial, business park, tourist commercial and lodging, were all projected to have their scopes of development impacted by the 2017-RTRP.

Tables V-D and V-E, located in Appendix A, present in greater detail the projected 10-Yr Max B-OH for the Project Area's land uses *without*, and *with*, projected 2017-RTRP impacts, respectively.

Projected Tax Revenue for the 10-Yr Max B-OH
Table V-F, on the following page, presents a summary comparison of projected tax impacts for the projected 10-Yr Max B-OH for annual cumulative property tax, sales tax, and TOT for the Project Area.

Tables V-G and V-H, located in Appendix A, present in greater detail the FY-to-FY projected tax revenues for the Project Area to be generated based on the projected 10-Yr Max B-OH of the Project Area *without*, and *with*, projected 2017-RTRP impacts, respectively..

Tables V-I and V-J, on the following pages, present summary comparisons of the projected 2017-RTRP impact to the projected 10-Yr Max B-OH for annual cumulative property tax, sales tax, and TOT for Sky Country/Vernola North Trust and Lesso – Thoroughbred Farms, respectively.

Table V-K presents a summary comparison of the projected 2017-RTRP impacts to the projected 10-Yr Max B-OH for annual cumulative property tax for Harmony Trail, Turnleaf, and APV Owners.

TABLE V-F

2017-RTRP PROJECTED IMPACT TO ANNUAL CUMULATIVE REVENUE AT 10-YR MAX B-OH – FY 2027-28

Source: HdL Companies

Project Name	Land Use	Sales Tax Without 2017-RTRP	Net Change With 2017-RTRP	Net % Change With 2017-RTRP	TOT Without 2017-RTRP	Net Change With 2017-RTRP	Net % Change With 2017-RTRP	Property Tax Revenue Without 2017-RTRP	Net Change With 2017-RTRP	Net % Change With 2017-RTRP
APV Owners	SFR	-	-	-	-	-	-	**$ 1,117,956**	**$ (229,430)**	**(21%)**
Harmony Trails	SFR	-	-	-	-	-	-	**$ 649,585**	**$ (110,429)**	**(17%)**
Turnleaf	SFR	-	-	-	-	-	-	**$ 432,469**	**$ (73,520)**	**(17%)**
Lesso – Thoroughbred Farms	Light Industrial	$ 159,700	$ (50,128)	(31%)	-	-	-	$ 421,386	$ (198,610)	(47%)
	Business Park	$ 92,389	$ (8,324)	(9%)	-	-	-	$ 468,620	$ (40,947)	(9%)
	Commercial/ Retail	$ 3,742,700	N/C	N/C	-	-	-	$141,559	N/C	N/C
	Tourist Commercial	$ 2,750,000	N/C	N/C	-	-	-	$ 104,123	N/C	N/C
	Total	**$ 6,744,789**	**$ (58,452)**	**(0.9%)**				**$ 1,135,689**	**$ (239,558)**	**(21%)**
Sky Country/Vernola Trust North	Scenic Hwy Commercial	$13,305,610	$ (191,670)	(2%)	-			$ 503,448	$ (909)	(0.2%)
	Hotel	-	-	-	$ 1,545,775	$ (1,545,775)	(100%)	$ 94,729	$ (94,729)	(100%)
	Light Industrial	$ 47,420	$ (2,420)	(5%)	-	-	-	$ 241,072	$ (14,647)	(6%)
	Total	**$ 13,353,030**	**$ (194,090)**	**(2%)**	**$ 1,545,775**	**$ (1,545,775)**	**(100%)**	**$ 839,249**	**$ (110,285)**	**(13%)**
TOTAL REVENUE		**$ 20,097,819**	**$ (252,542)**	**(1%)**	**$ 1,545,775**	**$ (1,545,775)**	**(100%)**	**$ 4,174,947**	**$ (763,221)**	**(10%)**

AC – Acreage　E - Employees　N/C – No Change　SF – Square Feet

DU – Dwelling Units　HH – Household　R – Residents　SFR – Single-Family Residential

Sky Country/Vernola Trust North

The Sky Country/Vernola Trust North consists of commercial/retail, light industrial, and lodging uses.

TABLE V-I
2017-2017-RTRP IMPACTS TO TAX REVENUES: SKY COUNTRY/VERNOLA TRUST NORTH
Source: HdL Companies

ANNUAL CUMULATIVE TAX REVENUES AT 10-YR MAX B-OH FY 2027-28				
Revenue	Without 2017-RTRP	With 2017-RTRP	Net Change With 2017-RTRP	Net % Change With 2017-RTRP
Annual Cumulative Property Tax Revenue	$ 839,249	$ 728,964	$ (110,285)	(13%)
Annual Cumulative Sales Tax Revenue	$ 13,353,030	$ 13,158,940	$ (194,090)	(1%)
Annual Cumulative TOT Revenue	$ 1,545,775	-	$ (1,545,775)	(100%)
TOTAL	**$ 15,738,054**	**$ 13,887,904**	**$ (1,850,150)**	**(12%)**

The overall projected loss of City revenue is approximately 13% or $1.9M from Sky Country/Vernola North Trust based on the projected impacts of the 2017-RTRP. The largest single projected loss is from the elimination of the hotel and therefore the TOT, which is approximately $1.5M.

Lesso – Thoroughbred Farms

Lesso - Thoroughbred Farms consists of light industrial, business park, commercial/retail, and tourist commercial.

TABLE V-J
2017-2017-RTRP IMPACTS TO TAX REVENUES: LESSO – THOROUGHBRED FARMS
Source: HdL Companies

ANNUAL CUMULATIVE TAX REVENUES AT 10-YR MAX B-OH FY 2027-28				
Revenue	Without 2017-RTRP	With 2017-RTRP	Net Change With 2017-RTRP	Net % Change With 2017-RTRP
Annual Cumulative Property Tax Revenue	$ 1,135,689	$ 896,131	$(239,558)	(21%)
Annual Cumulative Sales Tax Revenue	$ 6,744,789	$ 6,686,337	$ (58,452)	(1%)
TOTAL	**$ 7,880,478**	**$ 7,582,468**	**$ (298,010)**	**(4%)**

The overall projected loss of City revenue is approximately 4% or $300,000 from Lesso – Thoroughbred Farms based on the projected impacts of the 2017-RTRP. The largest projected loss is from property tax, which is approximately $240,000.

Residential Communities

The residential communities consist of APV Owners, Harmony Trails, and Turnleaf.

TABLE V-K
2017-RTRP IMPACTS TO TAX REVENUES: APV OWNERS/HARMONY TRAILS/TURNLEAF
Source: HdL Companies

ANNUAL CUMULATIVE TAX REVENUES AT 10-YR MAX B-OH FY 2027-28				
Revenue	**Without 2017-RTRP**	**With 2017-RTRP**	**Net Change With 2017-RTRP**	**Net % Change With 2017-RTRP**
Annual Cumulative Property Tax Revenue	$ 2,200,009	$ 1,786,630	$ (413,378.89)	(19%)
TOTAL	**$ 2,200,009**	**$ 1,786,630**	**$ (413,378.89)**	**(19%)**

The overall projected loss of City revenue is from property tax and is approximately 19% or $400,000. This 19% loss is a result of the reduction of 32 single-family dwelling units and a 17% decrease in property value due to the 2017-RTRP projected effects on the market value of the single-family residential property.

Project Area

Table V-L presents an overall summary of the projected impacts of the 2017-RTRP for the combined general fund recurring revenues for the Project Area's 10-Yr Max B-OH.

TABLE V-L
2017-RTRP IMPACT TO ANNUAL CUMULATIVE REVENUES AT 10-YR MAX B-OH – FY 2027-28 (2018$)
Source: HdL Companies

Revenue	**Without 2017-RTRP**	**With 2017-RTRP**	**Net Change With 2017-RTRP**	**Net % Change With 2017-RTRP**
Property Tax Revenue	$ 4,174,947	$ 3,411,725	$ (763,211)	(19%)
Sales Tax[1] Revenue	$ 20,097,819	$ 19,845,277	$ (252,542)	(1%)
Transient Occupancy Tax Revenue	$ 1,545,775	-	$ (1,545,775)	(100%)
TOTAL	**$25,818,541**	**$23,257,002**	**($2,561,528)**	**(10%)**

[1] Calculated at 1% of taxable sales.

The overall projected loss of City revenue is approximately 10% or $2.6M based on the projected impacts of the 2017-RTRP. The largest projected loss is from TOT tax revenue, which is approximately $1.5M.

VI. CONCLUSION

1. The projected impacts of the 2017-RTRP, at the 10-Yr Max B-OH, reduces the Project Area by approximately 10% (34 acres), building square footage by approximately 26% (700,000 sf), and single-family dwelling units by approximately 4% (32 single-family dwelling units).

2. The impacts to the Projects' lot size, buildable square footage, single-family dwelling unit count, and population and employment growth opportunities are directly related to the 2017-RTRP's ROW takings and possibly by the temporary construction ground displacement areas. These temporary areas are assumed to be exclusive for the life of the 3-year estimated construction timeline of the 2017-RTRP. Therefore, these areas will be unavailable for 30% of the total 10-year project build-out time frame for the Project Area under current construction estimates. Should the 2017-RTRP processing or construction time frames expand, the impacts to the Project Area would be exacerbated.

3. With the 2017-RTRP's 100 to 150-foot-wide ROW, along with a projected no-build-zone along adjacent properties, the 2017-RTRP impact would seriously impair the City's ability, and that of private property owners, to leverage the City's greatest economic asset, the I-15 corridor.

4. The projected impacts of the 2017-RTRP, at the 10-Yr Max B-OH, reduces the City's population growth potential by approximately 4% (122 residents), employees by approximately 22% (831 employees), direct employee spending by approximately 17% ($7.0M), indirect employee spending by approximately 19% ($14.8M), and tax revenue by approximately 10% ($2.6M).

5. If the 2017-RTRP were to be constructed as currently planned, it would cause a cascading effect of serious revenue losses for the City, currently projected to be approximately 10% or $2.6M during the 10-Yr Max B-OH. The 2017-RTRP would also impact the City's population growth potential in general, particularly along the I-15 corridor, thereby stagnating, or possibly eliminating altogether, the City's ability to continue to grow the tax base it needs to financially survive.

6. Given that the impacts of the 2017-RTRP would be permanent, the effects of the 2017-RTRP would grow arithmetically over future decades. In other words, the potential tax-ratables lost by the City will be gone forever. Further, with the loss of the Vehicle License Fees, the City must focus on strengthening its other revenue sources, particularly property tax, sales tax, and TOT. The Projects planned in the Project Area are critical to the sustainable health of the City, not only because of the breadth of development that would take place, but also because the Project Area, especially the I-15 corridor, presents the greatest opportunities for economic development throughout the entire City.

7. The City has a narrow window of time and opportunity in the current market to leverage the I-15 corridor to grow its revenue base and ensure financial and economic resilience. The 2017-RTRP alignment would force changes in potential market opportunities that

would close that window of opportunity and cripple the City's ability to address its current budget deficit, leading to the depletion of reserves, fiscal insolvency, and potential bankruptcy or disincorporation. Additional undergrounding the 2017-RTRP line is a necessity to preserve the City's window of opportunity and promote greater economic benefits for the region through enhanced job creation.

8. Although not quantified within the FEIA, it is assumed that the Projects' developers will incur additional costs for the re-configuration of development site plans and the re-entitlement process of property that is negatively affected by the 2017-RTRP.

9. The 2017-RTRP will cause negative aesthetic impacts on the area in general, especially related to the views from the I-15 and the affected properties. In addition, 2017-RTRP could create an attractive nuisance for persons who are not authorized to access the RTRP ROW, which could lead to unanticipated calls for public safety services. Further, it is anticipated that property values/purchase prices are likely to be hindered for residential developments as a result of the proximity of the transmission towers and negative economic effects associated with such proximity.

VII. METHODOLOGY & ASSUMPTIONS

The FEIA evaluates the anticipated projected impacts of the RTRP on the City's General Fund by analyzing the constraints the RTRP places on the ability of future development projects to generate tax revenues for the City. While each project is at a different stage of development planning or construction, the FEIA assumes that all projects will be completed within a maximum 10-year build-out horizon. The steps taken to conduct the analysis are outlined below.

Base Data Synthesis

- Project profiles for each of the five project sites were assembled based on available information from City staff, the Internet, and other sources, including land use plans and entitlements (e.g., General Plan land use designation, zoning, specific plans), County Assessor parcel information, and project documentation (e.g., site plans, tract maps).
- UFI collaborated with HdL Companies to define the project sites and synthesize parcel-level data, including lot size, fiscal year 2018-19 assessed valuation, tax rate areas ("TRA"), and ownership configurations.
- TRA data was used to determine the City's pro rata share of the 1% ad valorem property tax general levy generated by each project.
- Development programming for each project was defined based on entitlement approvals, specific plans, or zoning (e.g., single-family dwelling unit counts, building floor area).

General Fund Recurring Revenues

- Assessed values based on estimated construction values (commercial and industrial), sales pricing (single family residential), and per-unit market values (hotel and multifamily residential) were estimated for each project by HdL Companies.

- HdL Companies was engaged to identify estimated taxable sales, and estimated sales tax revenues for each commercial-retail development site. HdL Companies is widely recognized as California's preeminent sales tax expert and is frequently contracted by cities and counties, including the City of Jurupa Valley, to provide sales tax consulting services.
- Residential population and employment projections for each project site were estimated based on average household size data from and building space-per-employee data from the County of Riverside General Plan (Technical Appendix E: Build-out Assumptions & Methodology).
- Annual cumulative market absorption rates were defined for each land use category (e.g., residential, light industrial, office/business park, retail) based on population, housing, and employment projections for Jurupa Valley by HdL Companies in conjunction with the Developers.
- The market absorption rates for each project was used by HdL to estimate year-to-year projected General Fund tax revenues, including property tax, sales tax, and transient occupancy tax in conjunction with UFI.

2017-RTRP Impacts

- The projected physical impact of the 2017-RTRP alignment to each Project was identified, including reductions in the development envelopes from the Final Subsequent EIR for the 2017-RTRP site plan reconfigurations as indicated on maps prepared by Albert Webb & Associates, obtained from the developers of Lesso – Thoroughbred Farms and Sky Country/Vernola North Trust.
- The projected economic impacts of the 2017-RTRP alignment to commercial, retail, hotel, business park, and light industrial sites were determined by HdL Companies in conjunction with UFI.

Key Assumptions

- Constant 2018 dollars were used to estimate future values and revenues.
- Population projections for future residents were based on an average household size of 3.80 persons per household for single family homes, which is the 2019 estimate of average household size for the City from as determined by HdL Companies.
- Employment projections for industrial and commercial uses were based on employment density (square feet per employee) estimates for different land uses. See Table IV-E for employment densities for commercial retail, tourist commercial, light industrial, and business park land uses.
- The 10-Yr Max B-OH for the Project Area was based on demand projections for residential, commercial, and light industrial uses using demographic projections and market research data analyzed by HdL Companies in conjunction with the Developers. It is the Developers' opinion that the absorption rates that comprise the 10-Yr Max B-OH is reasonable and acceptable.
- Prior statistical analysis evaluating the economic impact of overhead high voltage transmission facilities have focused primarily on residential property values. On April 14, 2012, the Subcommittee on Insurance, Housing, and Community Opportunity of the Congressional Committee on Financial Services held a special field hearing on "The Impact of Overhead High Voltage Transmission Towers and Lines on Eligibility for

Federal Housing Administration (FHA) Insured Mortgage Programs." The meeting was held in the Council Chambers of Chino Hills City Hall and focused on the proposed SCE overhead high voltage transmission line through the City of Chino Hills as part of the Tehachapi Renewable Transmission Project ("TRTP"). Witnesses opposed to the project argued that, once the transmission towers for the project were erected, sales comparisons indicated that average sales prices in the affected residential areas dropped by 17.2 percent as shown below.

TABLE VII
TRTP IMPACT ON SINGLE FAMILY HOME SALES IN CHINO HILLS

	# Closed Sales	Average Sales Price	$ Change in Average Sales Price	% Change in Average Sales Price
6 Months Prior to Tower Construction	331	$ 509,000	-	-
10 Months Following Tower Construction	426	$ 421,452	$ (87,548)	(17.2%)

This is consistent with a July 22, 2015 market study prepared by The Concord Group ("TCG") that estimates a 15% depreciation in residential property values due to proximity or exposure to overhead high voltage transmission lines. TCG reviewed the comparable sales prices of homes exposed and not exposed to transmission lines in three communities: Santa Clarita, CA; San Gabriel, CA; and Seattle, WA. The discount in the comparable sales prices of exposed homes averaged 18.2%. Therefore, residential property valuation was reduced by 17% (rounded from 17.2%) due to the 2017-RTRP projected effects on the market value of the single-family residential property.

VIII. FEIA CONSTRAINTS

The FEIA is not a market feasibility study and may not be relied upon as such. For the purposes of this report, UFI has assumed economic market conditions similar to the current environment and that the projections included within the FEIA assume that the Projects are physically and economically possible within the 10-Yr Max B-OH. However, the actual scopes of development and schedules of performance for the Projects are subject to the marketplace and economic conditions prevalent at the time of development. The FEIA in its entirety including, but not limited to all assumptions, projections, conclusions and limiting conditions, is an integral part of and is inseparable from the whole of the FEIA.

APPENDIX A

TABLE II-A
SCOPE OF DEVELOPMENT AT 10-YR MAX B-OH FY 2027-28 *WITHOUT* RTRP IMPACTS: ALL PROJECTS
Source: HdL Companies

Project Name	Status	Land Use	Lot Acreage (AC)	Lot Square Footage (SF)	Zoning	SFR DU / Building SF	Density Factor Population / Employment	Total Residents / Employees
APV Owners	Zoned	SFR	**102.4 AC**	**4,461,851**	R-1	**516 SFR DU**	3.80	**1,962 R**
Harmony Trails	Construction	SFR	**31.3 AC**	**1,363,428**	R-4	**176 SFR DU**	3.80	**669 R**
Turnleaf	Completed	SFR	**31.6 AC**	**1,376,496**	R-1	**111 SFR DU**	3.80	**422 R**
Lesso – Thoroughbred Farms	Entitled	Light Industrial	42.6	1,855,656	Specific Plan No. 376	917,592	1,030	891 E
		Business Park	36.5	1,589,940		598,504	600	998 E
		Commercial/Retail	11.5	500,940		129,635	500	259 E
		Tourist Commercial	7.6	331,056		100,014	500	200 E
		Total	**98.2 AC**	**4,277,592 SF**		**1,745,745 SF**		
Sky Country/Vernola Trust North Retail Center	Entitled	Scenic Highway Commercial	60.9	2,652,804	C-P-S	530,561	500	1,061 E
		Hotel	4.0	174,240		60,984	500	122 E
		Industrial	22.2	968,339		339,412	1,030	330 E
		Total	**87.13 AC**	**3,795,383 SF**		**930,957 SF**		
TOTAL			**351 AC**	**15,274,750 SF**		**803 SFR DU** **2,676,702 SF**		**3,054 R** **3,860 E**

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE II-B

SCOPE OF DEVELOPMENT AT 10-YR MAX B-OH FY 2027-28 *WITH* RTRP IMPACTS: ALL PROJECTS

Source: HdL Companies

Project Name	Status	Land Use	Lot Acreage (Ac)	Lot Square Footage (SF)	Zoning	SFR DU / Building SF	Density Factor Population / Employment	Total Residents / Employees
APV Owners	Zoned	SFR	**96.2 AC**	**4,190,472 SF**	R-1	**484 SFR DU**	3.80	**1,840 R**
Harmony Trails	Construction	SFR	**31.3 AC**	**1,363,428 SF**	R-4	**176 SFR DU**	3.80	**669 R**
Turnleaf	Completed	SFR	**31.6 AC**	**1,376,496 SF**	R-1	**111 SFR DU**	3.80	**422 R**
Lesso – Thoroughbred Farms	Entitled	Light Industrial	26.8	1,167,408	Specific Plan No. 376	430,491	1,030	418 E
		Business Park	33.4	1,454,904		502,502	600	838 E
		Commercial/Retail	11.5	500,940		129,635	500	259 E
		Tourist/Commercial	7.6	331,056		100,014	500	200 E
		Total	**79.3 AC**	**3,454,308 SF**		**1,162,642 SF**		
Sky Country/Vernola Trust North Retail Center	Zoned	Scenic Highway Commercial	58.7	2,556,972	C-P-S	511,394	500	1,023 E
		Hotel	-	-		-	500	-
		Industrial	20.2	879,912		300,000	1,030	291 E
		Total	**78.9 AC**	**3,436,884 SF**		**811,394 SF**	-	
TOTAL			**317 AC**	**13,821,588 SF**		**771 SFR DU** **1,974,036 SF**		**2,932 R** **3,029 E**

AC – Acreage
E - Employees
N/C – No Change
SF – Square Feet
DU – Dwelling Units
HH – Household
R – Residents
SFR – Single-Family Residential

TABLE III-D
SINGLE-FAMILY RESIDENTIAL 10-YR MAX B-OH FY 2027-WITHOUT RTRP
Source: HdL Companies

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	STATUS	SFR DU	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	TOTAL
APV Owners	Zoned	516	-	50	65	75	85	85	85	41	20	10	516
Harmony Trails	Construction	176	100	50	26	-	-	-	-	-	-	-	176
Turnleaf	Completed	111	100	11	-	-	-	-	-	-	-	-	111
ANNUAL NEW UNITS			**200 SFR DU**	**111 SFR DU**	**91 SFR DU**	**75 SFR DU**	**85 SFR DU**	**85 SFR DU**	**285 SFR DU**	**131 SFR DU**	**20 SFR DU**	**10 SFR DU**	**803 SFR DU**
CUMULATIVE NEW UNITS			**200 SFR DU**	**311 SFR DU**	**402 SFR DU**	**477 SFR DU**	**562 SFR DU**	**647 SFR DU**	**732 SFR DU**	**773 SFR DU**	**793 SFR DU**	**803 SFR DU**	

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE III-E
SINGLE-FAMILY RESIDENTIAL 10-YR MAX B-OH FY 2027-28 WITH RTRP
Source: HdL Companies

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	STATUS	SFR DU	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	TOTAL
APV Owners	Zoned	484	-	50	65	75	85	85	53	41	20	10	484
Harmony Trails	Construction	176	100	50	26	-	-	-	-	-	-	-	176
Turnleaf	Completed	111	100	11	-	-	-	-	-	-	-	-	111
ANNUAL NEW UNITS			**200 SFR DU**	**111 SFR DU**	**91 SFR DU**	**75 SFR DU**	**85 SFR DU**	**85 SFR DU**	**53 SFR DU**	**41 SFR DU**	**20 SFR DU**	**10 SFR DU**	**771 SFR DU**
CUMULATIVE NEW UNITS			**200 SFR DU**	**311 SFR DU**	**402 SFR DU**	**477 SFR DU**	**562 SFR DU**	**647 SFR DU**	**700 SFR DU**	**741 SFR DU**	**761 SFR DU**	**771 SFR DU**	

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE III-G

RETAIL/COMMERCIAL/LIGHT INDUSTRIAL/BUSINESS PARK/HOTEL BUILDING SQUARE FOOTAGE AT 10-YR MAX B-O H WITHOUT RTRP

Source: HdL Companies

				FISCAL YEAR										
				1	2	3	4	5	6	7	8	9	10	
Project	**Status**	**Land Use**	**SF**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Total**
Lesso - Thoroughbred Farms	Entitled	Light Industrial	917,592	-	-	500,000	-	300,000	117,592	-	-	-	-	917,592
		Business Park	598,504	-	-	150,000	150,000	100,000	100,000	50,000	48,504	-	-	598,504
		Commercial / Retail	129,635	-	-	-	50,000	25,000	30,000	24,635	-	-	-	129,635
		Tourist Commercial	100,014	-	-	25,000	-	25,000	25,000	-	25,014	-	-	100,014
Sky Country / Vernola Trust North	Zoned	Scenic Highway Commercial	530,561	-	-	150,000	-	100,000	-	100,000	100,000	80,561	-	530,561
		Hotel	60,984	-	-	-	-	-	60,984	-	-	-	-	60,984
		Light Industrial	339,412	-	-	150,000	-	50,000	-	60,000	-	79,412	-	339,412
		ANNUAL NEW SF		**-**	**-**	**975,000 SF**	**200,000 SF**	**600,000 SF**	**333,576 SF**	**234,635 SF**	**173,518 SF**	**159,973 SF**	**-**	**2,676,702 SF**
		CUMULATIVE NEW SF		**-**	**-**	**975,000 SF**	**1,175,000 SF**	**1,775,000 SF**	**2,108,576 SF**	**2,343,211 SF**	**2,516,729 SF**	**2,676,702 SF**	**2,676,702 SF**	

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE III-H
RETAIL/COMMERCIAL/LIGHT INDUSTRIAL/BUSINESS PARK/HOTEL BUILDING SQUARE FOOTAGE AT 10-YR MAX B-OH FY 2027-28 WITH RTRP
Source: HdL Companies

				FISCAL YEAR										
				1	2	3	4	5	6	7	8	9	10	
Project	**Status**	**Land Use**	**SF**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Total**
Lesso - Thoroughbred Farms	Entitled	Light Industrial	430,491	-	-	200,000	-	230,491	-	-	-	-	-	430,491
		Business Park	502,502	-	-	150,000	150,000	100,000	102,502	-	-	-	-	502,502
		Commercial / Retail	129,635	-	-	-	50,000	25,000	30,000	24,635	-	-	-	129,635
		Tourist Commercial	100,014	-	-	25,000	-	25,000	25,000	-	25,014	-	-	100,014
Sky Country / Vernola Trust North	Zoned	Scenic Highway Commercial	511,394	-	-	150,000	-	100,000	-	100,000	111,000	61,394	-	511,394
		Hotel	-	-	-	-	-	-	-	-	-	-	-	-
		Light Industrial	300,000	-	-	100,000	-	100,000	-	100,000	-	-	-	300,000
ANNUAL NEW SF				**-**	**-**	**625,000 SF**	**200,000 SF**	**580,491 SF**	**157,502 SF**	**224,635 SF**	**125,014 SF**	**61,394 SF**	-	**1,974,036 SF**
CUMULATIVE NEW SF				**-**	**-**	**625,000 SF**	**825,000 SF**	**1,405,491 SF**	**1,562,993 SF**	**1,787,628 SF**	**1,912,642 SF**	**1,974,036 SF**	**1,974,036 SF**	

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE IV-B
RESIDENTIAL POPULATION AT 10-YR MAX B-OH FY 2027-28 WITHOUT RTRP
Source: HdL Companies

		FISCAL YEAR										
		1	2	3	4	5	6	7	8	9	10	
Project	Persons per HH[1]	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	TOTAL
APV Owners	3.80	-	190	247	285	323	323	323	156	76	38	1,962
Harmony Trails	3.80	380	190	99	-	-	-	-	-	-	-	669
Turnleaf	3.80	380	42	-	-	-	-	-	-	-	-	422
ANNUAL NEW RESIDENTS		761 R	422 R	346 R	285 R	323 R	323 R	323 R	156 R	76 R	38 R	7,693 R
CUMULATIVE NEW RESIDENTS		761 R	1,183 R	1,529 R	1,814 R	2,137 R	2,460 R	2,784 R	2,939 R	3,016 R	3,054 R	

[1] The 2019 estimate of average household size for the City of Jurupa Valley is 3.80 persons per household.

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE IV-C
RESIDENTIAL POPULATION AT 10-YR MAX B-OH FY 2027-28 WITH RTRP
Source: HdL Companies

		FISCAL YEAR										
		1	2	3	4	5	6	7	8	9	10	
Project	Persons per HH[1]	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	TOTAL
APV Owners	3.80	-	190	247	285	323	323	323	202	76	38	1,840
Harmony Trails	3.80	380	190	99	-	-	-	-	-	-	-	669
Turnleaf	3.80	380	42	-	-	-	-	-	-	-	-	422
ANNUAL NEW RESIDENTS		761 R	422 R	346 R	285 R	323 R	323 R	323 R	202 R	76 R	38 R	2,932 R
CUMULATIVE NEW RESIDENTS		761 R	1,183 R	1,529 R	1,814 R	2,137 R	2,460 R	2,662 R	2,818 R	2,894 R	2,932 R	

[1] The 2019 estimate of average household size for the City of Jurupa Valley is 3.80 persons per household.

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE IV-G
EMPLOYMENT AT 10-YR MAX B-OH FY 2027-28 WITHOUT RTRP
Source: HdL Companies

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
Project	**Land Use**	**SF per Empl.**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**TOTAL**
Lesso - Thoroughbred Farms	Light Industrial	1,030	-	-	485	-	291	114	-	-	-	-	891
	Business Park	600	-	-	250	250	167	167	83	81	-	-	998
	Commercial / Retail	500	-	-	-	100	50	60	49	-	-	-	259
	Tourist Commercial	500	-	-	50	-	50	50	-	50	-	-	200
Total Employees													**2,346 E**
Sky Country/Vernola Trust North Retail Center	Scenic Highway Commercial	500	-	-	300	-	200	-	200	200	161	-	1,061
	Hotel	500	-	-	-	-	-	122	-	-	-	-	122
	Light Industrial	1,030	-	-	146	-	49	-	58	-	78	-	330
Total Employees													**1,513 E**
ANNUAL NEW EMPLOYMENT					1,231	350	806	513	391	331	239		**3,861 E**
CUMULATIVE NEW EMPLOYMENT					**1,231 E**	**1,581 E**	**2,388 E**	**2,900 E**	**3,291 E**	**3,622 E**	**3,861 E**	**3,861 E**	

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE IV-H
EMPLOYMENT AT 10-YR MAX B-OH FY 2027-28 WITH RTRP
Source: HdL Companies

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
Project	**Land Use**	**SF per Empl.**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**TOTAL**
Lesso - Thoroughbred Farms	Light Industrial	1,030	-	-	194	-	224	-	-	-	-	-	418
	Business Park	600	-	-	250	250	167	170	-	-	-	-	838
	Commercial / Retail	500	-	-		100	50	60	49	-	-	-	259
	Tourist Commercial	500	-	-	50	-	50	50	-	50	-	-	200
Total Employees													**1,715 E**
Sky Country/Vernola Trust North Retail Center	Scenic Highway Commercial	500	-	-	300	-	200	-	200	200	123	-	1,023
	Hotel	500	-	-	-	-	-	-	-	-	-	-	-
	Light Industrial	1,030	-	-	97		97	-	97	-	-	-	291
Total Employees													**1,314 E**
ANNUAL NEW EMPLOYMENT					**891 E**	**350 E**	**788 E**	**280 E**	**346 E**	**250 E**	**123 E**		**3,029 E**
CUMULATIVE NEW EMPLOYMENT					**891 E**	**1,241 E**	**2,029 E**	**2,310 E**	**2,656 E**	**2,906 E**	**3,029 E**	**3,029 E**	

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE V-C

RTRP IMPACT TO DIRECT & INDIRECT EMPLOYEE SPENDING FOR THE PROJECT AREA WITH AND WITHOUT THE RTRP AT 10-YR MAX B-OH FY 2027-28

Source: HdL Companies

		WITHOUT RTRP					WITH RTRP				
Project Name	**Land Use**	**Construction Employment**	**Direct Employee Impact**	**Indirect Employee Impact**	**Annual Direct Employee Spending**	**Annual Indirect Employee Spending**	**Construction Employment**	**Direct Employee Impact**	**Indirect Employee Impact**	**Annual Direct Employee Spending**	**Annual Indirect Employee Spending**
APV Owners	SFR	1,533	1,533	1,732	$ 11,634,892	$ 13,147,428	1,437	1,437	1,624	$ 10,913,348	$ 12,332,083
Lesso – Thoroughbred Farms	Light Industrial	1,619	891	1,966	$ 6,763,456	$ 14,926,272	760	418	922	$ 3,173,095	$ 7,002,703
	Business Park	1,813	998	2201	$ 7,573,074	$ 16,713,018	1,522	838	1,848	$ 6,358,325	$ 14,032,188
	Commercial/Retail	471	259	572	$ 1,968,374	$ 4,344,005	471	259	572	$ 1,968,374	$ 4,344,005
	Tourist Commercial	364	200	441	$ 1,518,613	$ 3,351,426	364	200	441	$ 1,518,613	$ 3,351,426
Sky Country/Vernola Trust North Retail Center	Scenic Highway Commercial	1,929	1061	2,342	$ 8,056,035	$ 17,778,864	1,859	1023	2,257	$ 7,765,013	$ 17,136,606
	Hotel	222	122	269	$ 925,981	$ 2,043,548	-	-	-	-	-
	Light Industrial	599	330	727	$ 2,501,766	$ 5,521,148	529	291	643	$ 2,211,262	$ 4,880,034
Total Impact (Employee Spending)		**8,543**	**5,394**	**10,250**	**$40,942,191**	**$77,825,709**	**6,942**	**4,466**	**8,307**	**$33,908,030**	**$63,079,045**

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

Indirect effects are those impacts the local economy has on job growth from other industries. Using an employment multiplier for Riverside County of 2.2069 for indirect employment and 1.8175 for construction employment (RIMS II multiplier produced by the U.S. Bureau of Economic Analysis for Riverside County). In addition, based on ICSC 2013 study on employee spending, the average employee spends $146 per week (not including spending on transportation and online sales).

TABLE V-D

RTRP IMPACT TO BUILDING SQUARE FOOTAGE FOR THE PROJECT AREA AT 10-YR MAX B-OH FY 2027-28 WITHOUT RTRP

Source: HdL Companies

				FISCAL YEAR										
				1	2	3	4	5	6	7	8	9	10	
Project	Status	Land Use	SF / SFR SFR DU	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
APV Owners	Zoned	SFR	**516**	-	50	65	75	85	85	85	41	20	10	**516**
Harmony Trails	Construction	SFR	**176**	100	50	26	-	-	-	-	-	-	-	**176**
Turnleaf	Completed	SFR	**111**	100	11	-	-	-	-	-	-	-	-	**111**
ANNUAL NEW SFR DUs				**200 SFR DU**	**111 SFR DU**	**91 SFR DU**	**75 SFR DU**	**85 SFR DU**	**85 SFR DU**	**285 SFR DU**	**131 SFR DU**	**20 SFR DU**	**10 SFR DU**	**803 SFR DU**
Lesso - Thoroughbred Farms	Entitled	Light Industrial	917,592	-	-	500,000	-	300,000	117,592	-	-	-	-	**917,592**
		Business Park	598,504	-	-	150,000	150,000	100,000	100,000	50,000	48,504	-	-	**598,504**
		Commercial / Retail	129,635	-	-	-	50,000	25,000	30,000	24,635	-	-	-	**129,635**
		Tourist Commercial	100,014	-	-	25,000	-	25,000	25,000	-	25,014	-	-	**100,014**
Sky Country / Vernola Trust North	Zoned	Scenic Highway Commercial	530,561	-	-	150,000	-	100,000	-	100,000	100,000	80,561	-	**530,561**
		Hotel	60,984	-	-	-	-	-	60,984	-	-	-	-	**60,984**
		Light Industrial	339,412	-	-	150,000	-	50,000	-	60,000	-	79,412	-	**339,412**
ANNUAL NEW SF				**-**	**-**	**975,000 SF**	**200,000 SF**	**600,000 SF**	**333,576 SF**	**234,635 SF**	**173,518 SF**	**159,973 SF**	**-**	**2,676,702 SF**

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE V-E
RTRP IMPACT TO BUILDING SQUARE FOOTAGE FOR THE PROJECT AREA AT 10-YR MAX B-OH FY 2027-28 WITH RTRP
Source: HdL Companies

				FISCAL YEAR										
				1	2	3	4	5	6	7	8	9	10	
Project	**Status**	**Land Use**	**SF / SFR DU**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Total**
APV Owners	Zoned	SFR	**484**	**-**	**50**	**65**	**75**	**85**	**85**	**53**	**41**	**20**	**10**	**484**
Harmony Trails	Construction	SFR	**176**	**100**	**50**	**26**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**176**
Turnleaf	Completed	SFR	**111**	**100**	**11**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**111**
		ANNUAL NEW DUs		**200 SFR DU**	**111 SFR DU**	**91 SFR DU**	**75 SFR DU**	**85 SFR DU**	**85 SFR DU**	**53 SFR DU**	**41 SFR DU**	**20 SFR DU**	**10 SFR DU**	**771 SFR DU**
Lesso - Thoroughbred Farms	Entitled	Light Industrial	430,491	-	-	200,000	-	230,491	-	-	-	-	-	**430,491**
		Business Park	502,502	-	-	150,000	150,000	100,000	102,502	-	-	-	-	**502,502**
		Commercial / Retail	129,635	-	-	-	50,000	25,000	30,000	24,635	-	-	-	**129,635**
		Tourist Commercial	100,014	-	-	25,000	-	25,000	25,000	-	25,014	-	-	**100,014**
Sky Country / Vernola Trust North	Zoned	Scenic Highway Commercial	511,394	-	-	150,000	-	100,000	-	100,000	100,000	61,394-	-	**511,394**
		Hotel	-	-	-	-	-	-	-	-	-	-	-	**-**
		Light Industrial	300,000	-	-	100,000	-	100,000	-	100,000	-	-	-	**300,000**
		ANNUAL NEW SF		**-**	**-**	**625,000 SF**	**200,000 SF**	**580,491 SF**	**157,502 SF**	**224,635 SF**	**125,014 SF**	**61,394 SF**	-	**1,974,036 SF**

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single-Family Residential

TABLE V-G
GENERAL FUND RECURRING TAX REVENUE AT 10-YR MAX B-OH FY 2027-28 WITHOUT RTRP
Source: HdL Companies

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
Project	Land Use	Tax Rev	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Total
APV Owners	SFR	Property[2]	-	$17,985	$41,726	$69,539	$101,505	$134,110	$167,368	$185,463	$196,367	$203,891	**$1,117956**
Harmony Trails	SFR	Property[2]	$35,971	$54,676	$65,122	$66,424	$67,753	$69,108	$70,490	$71,900	$73,338	$74,804	**$649,585**
Turnleaf	SFR	Property[2]	$35,971	$40,647	$41,460	$42,289	$43,135	$43,998	$44,878	$45,775	$46,691	$47,625	**$432,469**
Lesso - Thoroughbred Farms	Light Industrial	Property[2]	-	-	$59,952	$61,151	$35,971	$50,790	$51,806	$52,842	$53,899	$54,977	**$421,386**
		Sale[1]	-	-	$12,500	12,500	$20,000	$22,940	$22,940	$22,940	$22,940	$22,940	**$159,700**
	Business Park	Property[2]	-	-	$17,985	$36,331	$49,048	$62,019	$69,254	$76,455	$77,984	$79,544	**$468,620**
		Sale[1]	-	-	$3,750	$7,500	$10,000	$12,500	$13,750	$14,963	$14,963	$14,963	**$92,389**
	Comm / Retail	Property[2]	-	-	-	$8,993	$13,669	$19,338	$24,155	$24,639	$25,131	$25,634	**$141,559**
		Sale[1]	-	-	-	$250,000	$375,000	$525,000	$648,175	$648,175	$648,175	$648,175	**$3,742,700**
	Tourist Comm	Property[2]	-	-	$4,496	$4,586	$9,174	$13,854	$14,131	$18,913	$19,291	$19,677	**$104,123**
		Sale[1]	-	-	$125,000	$125,000	$250,000	$375,000	$375,000	$500,000	$500,000	$500,000	**$2,750,000**
	Total												**$7,880,478**
Sky Country / Vernola Trust North	Scenic Highway Comm	Property[2]	-	-	$26,978	$27,518	$46,054	$46,975	$65,900	$85,203	$101,396	$103,424	**$503,448**
		Sale[1]	-	-	$750,000	$750,000	$1,250,000	$1,250,000	$1,750,000	$2,250,000	$2,652,805	$2,652,805	**$13,305,610**
	Hotel	Property[2]	-	-	-	-	-	$18,203	$18,567	$18,938	$19,317	$19,703	**$94,729**
		TOT	-	-	-	-	-	$309,155	$309,155	$309,155	$309,155	$309,155	**$1,545,775**
	Light Industrial	Property[2]	-	-	$17,985	$18,345	$24,707	$25,201	$32,900	$33,558	$43,750	$44,625	**$241,072**
		Sale[1]	-	-	$3,750	$3,750	$5,000	$5,000	$6,500	$6,500	$8,460	$8,460	**$47,420**
	Total												**$15,738,054**
TOTAL COMBINED TAX REVENUE			**$25,818,541**										

AC – Acreage E - Employees N/C – No Change SF – Square Feet
DU – Dwelling Units HH – Household R – Residents SFR – Single Family Residential

[1] Does not contain a CPI multiplier
[2] Assumes a maximum of a 2% annual increase

TABLE V-H
GENERAL FUND RECURRING TAX REVENUE AT 10-YR MAX B-OH FY 2027-28 WITH RTRP
Source: HdL Companies

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
Project	**Land Use**	**Tax Rev**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**Total**
Harmony Trails	SFR	Property[2]	$29,856	$45,381	$54,051	$55,132	$56,235	$57,359	$58,507	$59,677	$60,870	$62,088	**$539,155**
Turnleaf	SFR	Property[2]	$29,856	$33,737	$34,412	$35,100	$35,802	$36,518	$37,249	$37,993	$38,753	$39,528	**$358,949**
APV Owners	SFR	Property[2]	-	$14,927	$34,632	$57,717	$84,249	$111,311	$129,361	$144,189	$153,044	$159,091	**$888,526**
Lesso - Thoroughbred Farms	Light Industrial	Property[2]	-	-	$23,981	$24,460	$27,637	$28,189	$28,753	$29,328	$29,915	$30,513	**$222,776**
		Sale[1]	-	-	$5,000	10,000	$15,762	$15,762	$15,762	$15,762	$15,762	$15,762	**$109,572**
	Business Park	Property[2]	-	-	$17,985	$36,331	$49,048	$62,319	$63,565	$64,836	$66,133	$67,456	**$427,673**
		Sale[1]	-	-	$3,750	$7,500	$10,000	$12,563	$12,563	$12,563	$12,563	$12,563	**$84,065**
	Comm /Retail	Property[2]	-	-	-	$8,993	$13,669	$19,338	$24,155	$24,639	$25,131	$25,634	**$141,559**
		Sale[1]	-	-	-	$250,000	$375,000	$525,000	$648,175	$648,175	$648,175	$648,175	**$3,742,700**
	Tourist Comm	Property[2]	-	-	$4,496	$4,586	$9,174	$13,854	$14,131	$18,913	$19,291	$19,677	**$104,123**
		Sale[1]	-	-	$125,000	$125,000	$250,000	$375,000	$375,000	$500,000	$500,000	$500,000	**$2,750,000**
	Total												**$7,582,468**
Sky Country / Vernola Trust North	Scenic Highway Comm	Property[2]	-	-	$26,978	$27,518	$46,054	$46,975	$65,900	$87,181	$99,967	$101,966	**$502,539**
		Sale[1]	-	-	$750,000	$750,000	$1,250,000	$1,250,000	$1,750,000	$2,250,000	$2,556,970	$2,556,970	**$13,113,940**
	Hotel	Property[2]	-	-	-	-	-	-	-	-	-	-	**-**
		TOT	-	-	-	-	-	-	-	-	-	-	**-**
	Light Industrial	Property[2]	-	-	$11,990	$12,230	$24,220	$24,705	$37,189	$37,933	$38,692	$39,466	**$226,425**
		Sale[1]	-	-	$2,500	$2,500	$5,000	$5,000	$7,500	$7,500	$7,500	$7,500	**$45,000**
	Total												**$13,887,904**
	TOTAL COMBINED TAX REVENUE		**$23,257,002**										

AC – Acreage
DU – Dwelling Units
E - Employees
HH – Household
N/C – No Change
R – Residents
SF – Square Feet
SFR – Single Family Residential

[1] Does not contain a CPI multiplier
[2] Assumes a maximum of a 2% annual increase