PC Attachment 2

The Economics of Land Use

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MEMORANDUM

To: Stephen L. Des Jardins, Diamond Creek Partners, LLC

From: Jamie Gomes and Sean Fisher

Subject: Diamond Creek Residential Rezone Fiscal Impact Analysis; EPS #162109

Date: July 17, 2018

Introduction

Diamond Creek Partners (Applicant) retained Economic & Planning Systems, Inc. (EPS) to prepare the Fiscal Impact Analysis (Analysis) for the proposed Diamond Creek Residential Rezone Project (Project)—an approximately 4.38-acre portion at the center of the Diamond Creek Specific Plan (Project), a development located in the City of Roseville (City).

This Analysis examines the Project's estimated fiscal impact on the City's annual General Fund budget, based on the City's estimated Fiscal Year (FY) 2017-2018 budget. Specifically, the Analysis estimates whether projected revenues from the Project will adequately cover the costs of delivering citywide services (e.g., police protection, fire protection, and parks and recreation) to the Project's residents and employees.
As required by City policy, the Applicant has to provide a fiscal impact analysis with any nonresidential rezone application.

To comply with City policy requirements, EPS has analyzed the estimated fiscal impacts to the City for the following two land use scenarios:

- **Scenario 1**—Existing Land Uses (Commercial and Office)
- **Scenario 2—**Proposed Land Uses (High-Density Residential)

The results of each Scenario estimate the annual fiscal impact assuming buildout of the Project area.

Project Overview

The Project is located in the heart of the Diamond Creek Specific Plan adjacent to an existing restaurant, La Provence, and two office buildings. The site is located on Parkside Drive, just east and south of the existing nonresidential uses. When the Specific Plan was originally completed more than 15 years ago, the subject site (a portion of Parcel DC-30 and Parcel DC-33) was zoned for nonresidential uses like those that now house the existing nonresidential uses. While development had occurred on the other commercial- and office-zoned parcels (e.g., restaurant/ offices), the subject site has remained vacant for the past approximately 15 years. Within the last 3 years, the City has zoned several new parcels in the HP Campus Oaks Master Plan for a mix of commercial, office, and technology uses. These new parcels are along the same Blue Oaks Boulevard corridor and are within 1 mile of the Project. **Map 1** shows the land use zoning and parcel acreage under the existing zoning and under the proposed zoning.

Scenario 1, the Existing Land Uses, is based on the assumption the subject site would accommodate up to approximately 85,200 square feet of nonresidential uses on portions of Parcel DC-30 and Parcel DC-33 with a mix of commercial, office, and a health club. The uses and estimated building square footages are derived from the prior Diamond Creek General Plan Amendment, Specific Plan Amendment, Rezone, Major Project Permit Modification, Development Agreement, Tentative Parcel Map and Tentative Subdivision Map dated November 9, 2006. **Scenario 2** reflects the Applicant's rezone request, which proposes 57 single-family detached units at a density of approximately 13 units per acre (High-Density Residential zoning).

Summary of Results

The Analysis comparing the fiscal impacts to the City of the existing versus proposed zoning yielded the following results:

- **For both Scenarios, annual revenues are anticipated to exceed annual expenditures for the Project after accounting for estimated annual taxes from Community Facilities District (CFD) No. 3 (Municipal Services).** If it were market feasible to construct, the Project in **Scenario 1** is estimated to generate a net annual General Fund surplus of approximately $35,900 excluding CFD No. 3 revenues (which are not applicable to the existing uses). **Scenario 2** is estimated to generate a net annual surplus of approximately $1,900 (effectively break-even) after including an estimated $24,000 in CFD No. 3 revenues (assuming the residential would be conditioned to pay CFD No. 3 taxes). Please see **Table 1** for a comparison of results between the 2 scenarios. Even though **Scenario 2** reduces potential net revenues to the City's General Fund, the rezone application does not create a situation where the rezoned land uses are anticipated to create a drain on the City's General Fund.

MAP 1

GENERAL PLAN AMENDMENT & REZONING EXHIBIT

DIAMOND CREEK DC30 & 33

CITY OF ROSEVILLE, CALIFORNIA

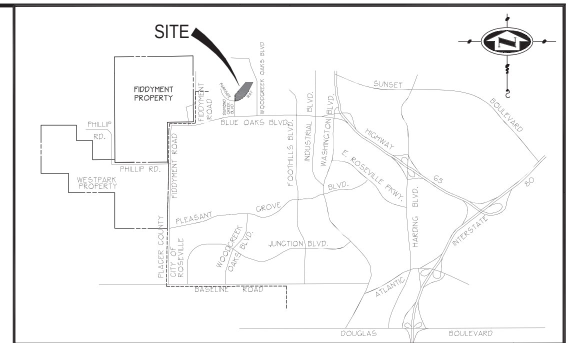
MAY 29, 2018

SHEET 1 OF 1

GRAPHIC SCALE

200 100 0 200 400

1 in = 200 ft

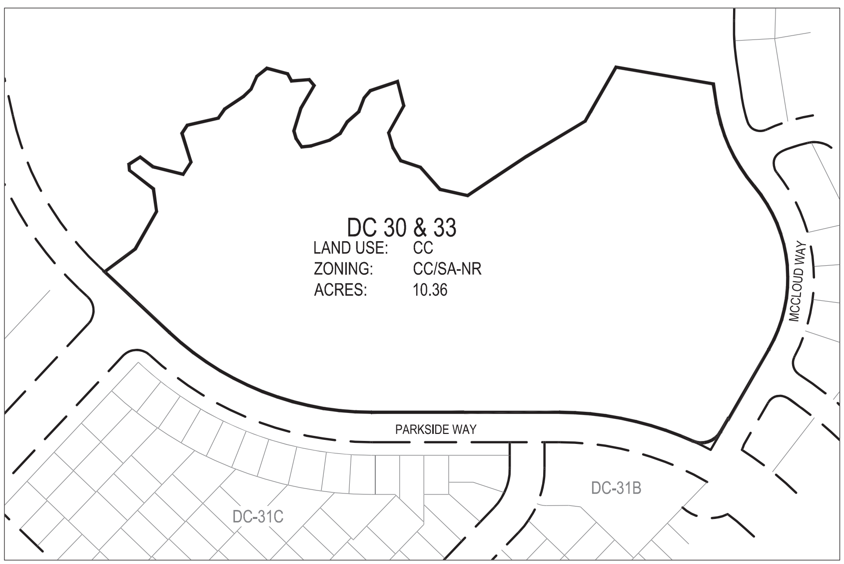


VICINITY MAP

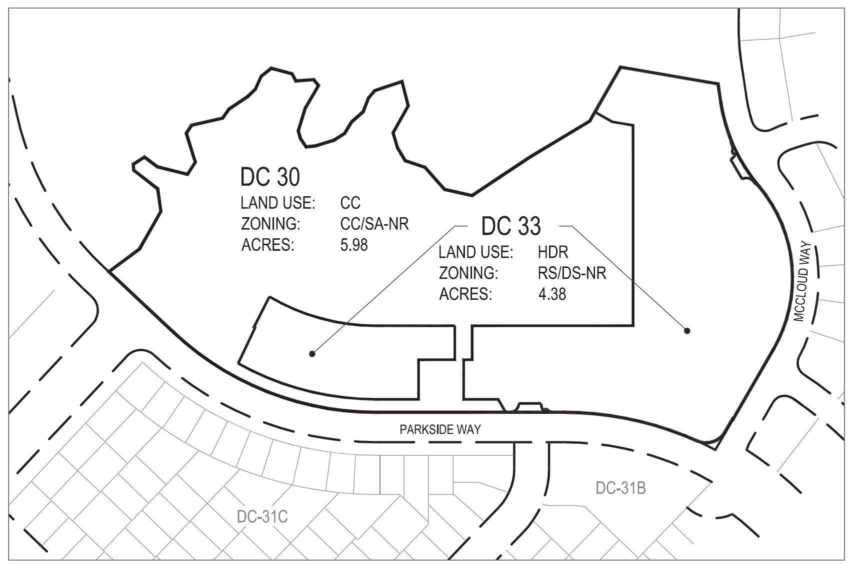
NO SCALE

GENERAL PLAN SUMMARY TABLE			
DESIGNATION	EXISTING GENERAL PLAN	PROPOSED GENERAL PLAN	DIFFERENCE
COMMERCIAL	10.36	5.98	-4.38
HIGH DENSITY RESIDENTIAL	0	4.38	4.38
	10.36	10.36	

EXISTING



PROPOSED



City of Roseville Approval

Dwg: Y:\2014\14-0071-01 (DIAMOND CREEK)\DWG\PLAN\EXHIBITS\140071-01-PB02-GP.DWG | Saved: 10-18-17 09:31am LCLARK | Plotted: 05-30-18 06:18pm RMCGLUMPHY

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Table 1
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Estimated Revenue and Expenditure Summary Comparison

Item	Scenario 1 Existing Land Uses	Scenario 2 Proposed Land Uses	Difference Amount	Difference Percent
Formula	*a*	*b*	*c = b - a*	*c / a*
GENERAL FUND				
Annual Revenues [1]				
Taxes:				
Property Taxes	$26,200	$32,700	$6,500	24.8%
Property Tax In Lieu of VLF	$8,900	$11,200	$2,300	25.8%
Real Property Transfer Tax	$700	$1,900	$1,200	171.4%
Sales Tax	$33,000	$11,700	($21,300)	(64.5%)
Prop. 172 Sales Tax	$700	$200	($500)	(71.4%)
Hotel/Motel Tax	$1,500	$2,600	$1,100	73.3%
Business License Tax	$400	$700	$300	75.0%
Franchise Fees	$1,100	$2,000	$900	81.8%
Electric Franchise Fees	$3,000	$5,400	$2,400	80.0%
Total Annual General Fund Revenues	**$75,500**	**$68,400**	**($7,100)**	**(9.4%)**
Annual Expenditures [2]				
City Council	$100	$200	$100	100.0%
City Manager	$200	$400	$200	100.0%
Development & Operations	$200	$300	$100	50.0%
Public Affairs & Communications	$200	$300	$100	50.0%
City Attorney	$500	$1,000	$500	100.0%
Human Resources	$400	$700	$300	75.0%
Information Technology	$0	$0	$0	0.0%
City Clerk	$200	$300	$100	50.0%
Central Services	$400	$700	$300	75.0%
Finance	$200	$400	$200	100.0%
Economic Development & Housing	$200	$400	$200	100.0%
Development Services	$2,100	$3,700	$1,600	76.2%
Public Works	$3,300	$5,900	$2,600	78.8%
Police	$18,300	$32,500	$14,200	77.6%
Fire	$13,300	$23,700	$10,400	78.2%
Parks, Recreation & Libraries	$0	$20,100	$20,100	0.0%
Total Annual General Fund Expenditures	**$39,600**	**$90,600**	**$51,000**	**128.8%**
Annual General Fund Surplus/(Deficit)	**$35,900**	**($22,200)**	**($58,100)**	**(161.8%)**
CFD No. 3 [3]	$0	$24,100	$24,100	0.0%
Subtotal Net Annual Surplus/(Deficit) Including CFD No. 3	**$35,900**	**$1,900**	**($34,000)**	**(94.7%)**

summary

Source: City of Roseville FY 2017-18 Draft Proposed Budget; EPS.

Note: Values are rounded to the nearest $100.

[1] See Table B-1 for details on revenue estimating procedures.
[2] See Table C-1 for details on expenditure estimating procedures.
[3] See Table B-6.

- **Estimated annual surplus in Scenario 2 is approximately $34,000 lower as compared to Scenario 1.** With significantly more commercial square footage possible under the existing zoning, estimated annual sales tax revenues that may accrue to the City under **Scenario 1** are much greater than compared to **Scenario 2**. The difference in estimated sales tax revenues is the primary driver in the total difference in estimated revenues between the 2 scenarios. Of course, sales tax revenues estimated in **Scenario 1** may not ever be achieved if other sites are more viable for the same type of commercial development.

Memorandum Organization

Data, assumptions, and detailed calculations underlying the Analysis are provided in **Appendices A** through **D**.

Methodology and Assumptions

This section details the underlying methodology and assumptions used to estimate the fiscal impact of the Project (each Scenario) on the City. It describes assumptions concerning municipal service delivery, land development, and General Fund budgeting. In addition, it details the methodology used to forecast the Project's General Fund revenues and expenditures at buildout.

Municipal Service Provision

Citywide Services

This Analysis examines the Project's ability to generate adequate revenues to cover the City's costs of providing public services to the Project. The services analyzed in this Analysis comprise General Fund services (e.g., police, fire, and general government).

The Analysis excludes any services that may be funded privately. This Analysis also does not address activities budgeted in other Governmental Funds or Proprietary Funds, nor does it include an evaluation of capital facilities or funding of capital facilities needed to serve new development.

General Assumptions

The Analysis is based on the City's FY 2017-2018 budget, tax regulations, statutes, and other general assumptions discussed herein. Each revenue item is estimated based on current State of California (State) legislation and current City practices. Future changes by either State legislation or City practices can affect the revenues and expenditures estimated in this Analysis. All costs and revenues are shown in constant 2017 dollars. General fiscal and demographic assumptions are detailed in **Table A-1** in **Appendix A**.

This Analysis also uses information from the City, the Applicant, and historical and projected demographic data from the California Department of Finance (DOF), U.S. Census Bureau, and the U.S. Bureau of Labor Statistics.

Other critical assumptions that may affect the results of this Analysis are actual home prices versus estimated home prices or other changes in residential assumptions (e.g., residential densities, product types, and persons-per-household factors). As requested by the Applicant, the land use information in this Analysis was taken from the Project General Plan Amendment and Specific Plan Amendment Application, dated July 2018. The results of this Analysis will vary if development plans or other assumptions change from those on which this Analysis is based.

General Fund Revenue- and Expenditure-Estimating Assumptions

This Analysis considers only discretionary General Fund revenues that will be generated by the Project. Offsetting revenues, which are General Fund revenues that are dedicated to offset the costs of specific General Fund department functions, are excluded from this Analysis. Departmental costs funded by offsetting revenues or not affected by development are also excluded from this Analysis. Calculations used to exclude offsetting revenues from the Analysis are consistent with assumptions used in prior City fiscal impact analyses and are shown in **Table B-1** in **Appendix B**. Calculations used to exclude costs are shown in **Table C-1** in **Appendix C**.

Development Assumptions

Listed below are brief summaries of the land use and other development-related assumptions:

- **Land Use:** The Project General Plan Amendment and Specific Plan Amendment Exhibit were used for this Analysis, which examines the fiscal impacts of the Project at buildout.
- **Residential and Employee Estimates:** Population projections are calculated using an average persons-per-household factor of 2.61 for single-family residential and 1.83 persons-per-household for multifamily residential, which was provided by the City's Planning Department. Employee estimates are based on factors of average square feet per employee for Project nonresidential land uses (in **Scenario 1**).
- **Residential Assessed Value (Scenario 2):** The estimated assessed valuation of single-family residential development is based on prices of comparable residential projects in the Diamond Creek Specific Plan, as reflected in the Gregory Group as of June/July 2018. Estimated buildout assessed values for the total Project are calculated in **Table D-2** in **Appendix D**.
- **Nonresidential Assessed Value (Scenario 1):** EPS used a sales comparison approach to estimate finished nonresidential values for the Analysis. Sales comparison data came from Costar, as well as other current real estate market indicators and historic trends.
- **Property Turnover Rates:** The Analysis is based on the assumption that a for-sale residential unit would turn over once every 7 years, and multifamily residential rental properties and nonresidential properties would turn over once every 15 years.
- **Persons-Served Methodology:** In estimating service demands of the Project and those of the existing City, EPS used a factor to approximate the service demands of an employee in Project nonresidential land uses as compared to a Project resident. EPS used a factor of 0.5 to estimate an employee's impact on services as compared to a resident's impact, which is consistent with the persons-served methodology the City has used in the past.
- **Income of Households:** The average household income of each residential land use category (e.g., medium density) in the Project was estimated to forecast household retail expenditures. This calculation was derived using the following assumptions and data inputs:

- Estimated home values for product types proposed under each residential land use category, as described in **Table D-3** in **Appendix D**.
- Assumed a 5.5-percent, 30-year, fixed-rate mortgage with a 20-percent down payment and 2 percent annual taxes and insurance. Taxes and insurance include ad valorem taxes, as well as existing and proposed special taxes and assessments for infrastructure and services.
- For owner-occupied homes, assumed 30 percent of income dedicated to mortgage payments, taxes, and insurance.
- For renter-occupied homes, assumed 30 percent of income dedicated to monthly rent.

Estimated household incomes by land use type are calculated in **Table D-3** in **Appendix D**.

Revenue-Estimating Methodology

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

The marginal-revenue case-study approach simulates actual revenue generation resulting from new development. The case-study approach for estimating sales and use tax revenues, for instance, forecasts market demand and taxable spending from the Project's new residents, as well as taxable sales generated by the Project's on-site retail. Case studies used in this Analysis are discussed in greater detail later in this section.

The average-revenue approach uses the City's FY 2017-2018 budgeted revenue amounts on a citywide per capita or per-persons-served basis to forecast revenues derived from estimated residents of the Project.[1]

Revenue sources *not* expected to increase as a result of development are excluded from this Analysis. These sources of revenue are not affected by development because either they are one-time revenue sources not guaranteed to be available in the future or there is no direct relation between increased employment growth and increased revenue.

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

Reader's Note: The discussion of revenues in this memorandum generally reflects the order of the revenues presented in the tables. In some cases, however, this order may vary for purposes of organizing the background discussion and in describing similarly estimated revenue items.

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

Property Tax

Estimated annual property tax revenue resulting from development in the Project is presented in **Table B-3** in **Appendix B**. To be consistent with the City's budget data, the estimated assessed values for Project land uses are assumed to remain static in 2017-dollar values—real growth in assessed value is not estimated.

The Project site is located in Tax Rate Area (TRA) 005-001. The share of property taxes the City is assumed to receive from the Project is derived from the total assessed value of the Project and the City's property tax allocation share of the 1-percent ad valorem property tax, as shown in **Table D-1** in **Appendix D**.

Property Tax in Lieu of Vehicle License Fees

A formula provided by the State Controller's Office was used to forecast Property Tax in Lieu of Vehicle License Fees (PTIL VLF). PTIL VLF is calculated by taking the percentage increase of the City's assessed value resulting from the Project and applying that percentage share to the City's current State allocation of PTIL VLF. This calculation is shown in **Table B-3** in **Appendix B**.

Real Property Transfer Tax

Real property transfer tax is based on the assessed value of the Project's land uses and the anticipated turnover of residential properties over time. As stated earlier, the Analysis is based on the assumption the Project's for-sale residential property will turn over 14.3 percent per year (or once every 7 years), and multifamily rental and nonresidential property will turn over 6.7 percent per year (or once every 15 years). Real property transfer tax revenue projections are identified in **Table B-4** in **Appendix B**.

Sales Tax

Sales tax revenues are based on taxable sales generated in the City. The sales tax components examined in this Analysis include the Bradley-Burns 1-percent local sales tax rate. Estimated sales tax revenues to the City are summarized in **Table B-5** in **Appendix B**.

The Analysis uses two methodologies to estimate taxable sales generated by the Project:

1. The **Market Support Method** measures taxable sales generated from new Project residents and employees.

2. The **Retail Space Method** measures taxable sales from the Project's retail land uses.

In addition to the above methodologies, the Analysis includes estimates of taxable sales revenues derived from anticipated business-to-business spending from Project commercial land uses.

<u>Market Support Method</u>

New Households

This Analysis estimates retail expenditures of future residents in the Project by type of retail category and the share of expenditures that will be captured in the City (e.g., generate sales in the City's retail establishments). The amounts and types of expenditures made by residents generally depend on their household income. Data for this Analysis are based on estimated Project resident incomes, household spending patterns, and retail demand and supply market conditions in the City.

Specifically, this Analysis estimates retail expenditures of future residents by:

- Estimating the total income of new households based on the projected home sales prices and monthly rent expenses. EPS assumes household income estimates are based on owner-occupied tenure, with home purchase financed by a 30-year fixed-rate mortgage.[2] EPS estimates residents in renter-occupied units spend approximately 30 percent of their total income on monthly rent.

- Evaluating Consumer Expenditure Survey (CES) data from the U.S. Bureau of Labor Statistics, which reports the proportion of income spent on various household goods and services by income group.

- Translating the U.S. Bureau of Labor Statistics data on household expenditures into retail store categories by North American Industry Classification System (NAICS) code.[3]

Sales prices for the Project's owner-occupied homes are estimated to be $420,000 per unit. Based on these home assumptions, EPS estimated future household incomes to be $104,000 for owner-occupied homes, as shown in **Table D-3** in **Appendix D**. Typical household expenditure patterns from the U.S. Bureau of Labor Statistics' CES suggests, at these income levels, Project residents for owner-occupied homes are estimated to spend 24 percent of their household income on taxable retail expenditures.

This equates to projectwide resident spending of approximately $1.4 million annually on taxable retail purchases in and beyond the City in **Scenario 2**. This Analysis is based on the assumption the City's retail businesses would capture roughly 85 percent of the Project's household retail demand, resulting in approximately $1.2 million in total retail sales, as shown in **Table B-5A** in **Appendix B**.[4]

New Employees

The sales tax analysis for the existing zoning accounts for taxable retail expenditures made by the new employees generated by development of nonresidential land uses in the Project. The number of employees is estimated by using the total occupied building square footage for each nonresidential land use and applying an average square foot per employee factor for each corresponding land use (see **Table A-3** in **Appendix A**).[5] EPS estimates employees spend

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[2] Income estimate is based on the assumption that annual payment for the mortgage (30-year, 5.5-percent fixed interest, 20-percent down payment), property taxes, and insurance equal 30 percent of income. Property taxes and insurance are assumed at 2 percent of home value.

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

[4] EPS developed the capture rate based on a qualitative appraisal of existing shopping opportunities near the Project.

[5] Nonresidential vacancy rates are based on assumptions used in the Amoruso Ranch Specific Plan Fiscal Analysis, which originates from assumptions used by DPFG for fiscal analyses in the City.

approximately $10 per business day on taxable goods.[6] The amount of taxable sales from new employees is discounted to avoid double-counting employees who are also residents.

Scenario 1 total taxable sales generated for the City by the Project's new employees are approximately $382,000. Because **Scenario 1** does not include residential uses, the total estimated taxable sales revenues generated for the City by the Project's new employees are estimated at $191,000, as shown in **Table B5-A** in **Appendix B**.

Scenario 2 taxable sales generated for the City by the Project's new residents are approximately $1.2 million. Total sales tax revenues generated for the City by the Project's new residents for **Scenario 2** are approximately $11,700, as shown in **Table B-5** in **Appendix B**.

Retail Space Method

Annual taxable sales generated by retail uses in the Project were calculated by taking an "annual sales per square foot" factor, published in the Urban Land Institute's *Dollars and Cents of Shopping Centers: 2008*, and escalating it to 2017 dollars using the Consumer Price Index.

Table B-5B in **Appendix B** compares total potential taxable sales from the retail space method with the estimated total demand anticipated to be captured in the Project (described above). As shown, supply exceeds demand by approximately $3.1 million for **Scenario 1**. Taxable sales that could fill the gap would come from the following sources:

- Outside capture (residents of Rocklin, Lincoln, unincorporated Placer County (County), and other communities north of Roseville on State Route 65).
- Capture of existing and future City residents' spending (new residents outside the Project).

Because the Project is adjacent to existing residential areas, the Analysis is based on the conservative assumption that a portion of retail sales realized by the Project will occur as a result of shifting sales away from existing retail centers. The estimated shift in spending is low given the smaller acreage and likely neighborhood-serving nature of new retail development that might be accommodated on the site. EPS has characterized this in **Table B-5B** in **Appendix B** by estimating a 5-percent shift from existing retail stores to the Project.

Proposition 172

Revenues from the City's share of the County's half-cent sales tax for public safety are included in the Analysis and calculated in **Table B-5** in **Appendix B**. The City's public safety sales tax share is based on estimated citywide taxable sales from the FY 2017-2018 budget.

CFD No. 3 (Municipal Services)

Development under the existing nonresidential zoning (**Scenario 1**) is not subject to CFD No. 3. This Analysis is based on the assumption the new residential dwelling units (**Scenario 2**) would be subject to CFD No. 3. Project revenues from CFD No. 3 for police, fire, and library services are estimated to be $0 and $24,000 for **Scenario 1** and **Scenario 2**, respectively (see **Tables B-6** in **Appendix B**).

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[6] This Analysis is based on the assumption there are 240 business days per year.

Expenditure-Estimating Methodology

Expenditure estimates are based on the City's FY 2017-2018 budget and supplemental information from City staff. All City General Fund expenditure items are listed on **Table C-1** in **Appendix C**. As described herein, the Project fiscal impact analyses rely on an average-cost methodology to estimate all General Fund expenditure impacts of new development on the City. An average-cost methodology is a common fiscal impact analysis methodology that divides the City's net cost of service, for a given service function, by the service population to which that service is provided. In this manner, the average-cost method is based on the assumption the marginal cost of agency services to new Project residents and employees would equal the City's existing average-cost structure.

This Analysis applies adjustment factors to several General Fund department average-cost multipliers to reflect the fact that new residents and employees may not increase certain General Fund department expenditures on a 1:1 ratio. Some departments have fixed costs not anticipated to increase with new development (see **Table C-1** in **Appendix C**). These adjustment factors are based on EPS's experience with similar fiscal impact analyses and account for the size and land use of the Project as compared to that of the existing City.

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

General Government
- City Council
- City Manager
- City Attorney
- Finance
- Human Resources
- Information Technology
- City Clerk
- Central Services

Other
- Development Services/Planning
- Public Works
- Police
- Fire

Community Grants and Parks, Recreation & Libraries costs are estimated using a *per capita* average-cost multiplier because these departments' functions generally serve residential development primarily.

Technical Appendices

The technical calculations used in this Analysis are shown in **Appendices A** through **D** (**Tables A-1** through **D-3**) of this memorandum:

- **Appendix A** indicates the proposed land uses and general assumptions used in this Analysis.
- **Appendix B** identifies the projected revenues that will be generated by the Project for the City's General Fund.

- **Appendix C** details the estimated expenditures for the City to provide General Fund services to the Project. It also shows the offsetting revenue analysis, which allocates dedicated General Fund revenues to General Fund department functions.
- **Appendix D** shows the projected assessed value of the Project, which serves as the basis for calculating property tax revenues. In addition, this appendix provides detail on the portion of the Assembly Bill 8 allocation of property tax revenues provided to the City and includes the calculation of estimated average household income.

APPENDICES:

Appendix A: General Assumptions

Appendix B: Revenue-Estimating Tables

Appendix C: Expenditure-Estimating Tables

Appendix D: Supporting Tables for Revenue Estimates

APPENDIX A:

General Assumptions

Table A-1
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
General Assumptions

Item	Assumption
General Assumptions	
Base Fiscal Year [1]	FY 2017-18
General Demographic Characteristics	
City of Roseville	
Population [2]	135,868
Employees [3]	84,618
City of Roseville Persons Served [4]	**178,177**

gen assumps

Source: California Department of Finance (DOF); California Employment Development Department (EDD); US Census Bureau; EPS.

[1] Reflects the City of Roseville Fiscal Year 2017-18 Draft Proposed Budget. Revenues and expenditures are in 2017 dollars. This analysis does not reflect changes in value resulting from inflation or appreciation.
[2] DOF Table 2: E-5 City of Roseville population estimate as of 1/1/2017.
[3] Roseville FY 2016-17 Approved Budget states CA EDD estimates Roseville to have 76,925 jobs. EPS adjusted by an additional 10% to account for self-employed workers.
[4] Defined as total population plus half of total employees.

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Table A-2
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Land Use Development Plan at Buildout

	Scenario 1				Scenario 2			
	Existing Land Uses				Proposed Land Uses			
Land Use	Gross Acreage	Average Density	Units	Sq. Ft. (Rounded)	Gross Acreage	Average Density	Units	Sq. Ft. (Rounded)
Residential								
Owner-Occupied		DU/Ac.				DU/Ac.		
High-Density Residential (HDR) [2]	n/a	n/a	0	0	4.38	13.01	57	0
Nonresidential		FAR				FAR		
Community Commercial (CC) [Retail B]	*see total*	[1]	n/a	14,000	0.00	n/a	0	0
General Office [Office B]	*see total*	[1]	n/a	15,000	0.00	n/a	0	0
General Office [Office C]	*see total*	[1]	n/a	15,200	0.00	n/a	0	0
Office [Health Club]	*see total*	[1]	n/a	41,000	0.00	n/a	0	0
Nonresidential Subtotal	**4.38**		n/a	**85,200**	0.00	n/a	0	0
Total	**4.38**		n/a	**85,200**	**4.38**		**57**	**0**

lu plan

Source: Westpark; EPS.

[1] Square footages for existing uses taken from the prior General Plan Amendment and Specific Plan Amendment in November 2006.
[2] HDR zoning based on density. Planned residential product is detached single-family residential units for sale.

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Table A-3
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Project Assumptions at Buildout

	Assumptions				Scenario 1 Existing Land Uses				Scenario 2 Proposed Land Uses			
Land Use	Est. Average Assessed Value	Vacancy Rate [1]	Persons per HH/Sq. Ft. per Employee [2]	Persons Served Factor	Units/Bldg. Sq. Ft.	Occupied Units/Bldg. Sq. Ft.	Population/ Employees	Persons Served	Units/Bldg. Sq. Ft.	Occupied Units/Bldg. Sq. Ft.	Population/ Employees	Persons Served
Formula		*A*	*B*	*C*	*D*	*E = D * (1 - A)*	*F*	*G = C * F*	*H*	*I = H * (1 - A)*	*J*	*K = C * J*
Residential												
Owner-Occupied	*per unit*											
High-Density Residential (HDR)	$420,000	4.0%	2.61	1.0	0	0	0	0	57	55	144	144
Residential Subtotal					**0**	**0**	**0**	**0**	**57**	**55**	**144**	**144**
Nonresidential	*per sq. ft.*											
Community Commercial (CC) [Retail B]	$225	10.0%	450	0.5	14,000	12,600	28	14	0	0	0	0
General Office [Office B]	$225	10.0%	333	0.5	15,000	13,500	41	21	0	0	0	0
General Office [Office C]	$225	10.0%	333	0.5	15,200	13,700	41	21	0	0	0	0
Office [Health Club]	$225	10.0%	750	0.5	41,000	36,900	49	25	0	0	0	0
Nonresidential Subtotal					**85,200**	**76,700**	**159**	**81**	**0**	**0**	**0**	**0**
Total							**159**	**81**			**144**	**144**

dev assumps

Source: Westpark; EPS.

[1] Vacancy rate based on California Department of Finance historical estimates (2012 through 2017) for Roseville, California.
Nonresidential vacancy rates based on assumptions used in the Amoruso Ranch Specific Plan Fiscal Analysis, which originates from assumptions used by DPFG for fiscal analyses in the City of Roseville.
[2] Persons per household provided by City of Roseville Planning Department.
Square feet per employee based on the Illustrated Book of Development Definitions.

APPENDIX B:

Revenue-Estimating Tables

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Table B-1
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Revenue-Estimating Procedures Based on City of Roseville FY 2017-18 Budget (2017$)

General Fund Revenues	Estimating Procedure	Case Study Reference	FY 2017-18 Budgeted Revenues	Service Population	Revenue Multiplier
Taxes:					
Property Taxes	Case Study	Table B-3	$32,526,300	N/A	-
Property Tax In Lieu of VLF	Case Study	Table B-3	$9,190,500	N/A	-
Real Property Transfer Tax	Case Study	Table B-4	$875,000	N/A	-
Property Tax In Lieu of Sales Tax	Case Study	Table B-5	$0	N/A	-
Sales Tax	Case Study	Table B-5	$52,400,000	N/A	-
Prop. 172 Sales Tax	Case Study	Table B-5	$1,071,200	N/A	-
Motor Vehicle In-Lieu	[1]		$52,000	N/A	-
Secured Tax ABX1 26-AB1484	[1]		$550,000	N/A	-
Hotel/Motel Tax	Persons Served		$3,250,000	178,177	$18.24
Business License Tax	Persons Served		$834,500	178,177	$4.68
Miscellaneous Taxes	[2]		$25	N/A	-
Franchise Fees	Persons Served		$2,525,300	178,177	$14.17
Licenses	[2]		$60,000	N/A	-
Permits	[2]		$2,450,200	N/A	-
Use of Money and Property	[1,2]		$1,352,212	N/A	-
Fees for Current Services	[2]		$10,878,678	N/A	-
Other Revenues	[2]		$1,952,832	N/A	-
Revenues & Grants from Other Agencies	[1,2]		$373,935	N/A	-
Electric Franchise Fees	Persons Served		$6,647,583	178,177	$37.31
Transfers In	[1]		$3,946,855	N/A	-
Indirect Cost	[1]		$7,212,333	N/A	-
Subtotal General Fund Revenues			**$138,149,453**		
Less Indirect Costs	[3]		$7,212,333	N/A	-
Less Offsetting Revenues	[4]		$13,217,698	N/A	-
Net General Fund Operating Revenues			**$117,719,422**		

rev pro

Source: City of Roseville FY 2017-18 Draft Proposed Budget; EPS.

[1] Not expected to be affected by the Project and therefore no revenue multipliers are estimated in this analysis.
[2] This analysis assumes that all or part of these revenues are fully dedicated to specific General Fund departmental costs (Offsetting Revenues). Because these revenues are budget-neutral and are not discretionary, they are not included in estimating discretionary Project revenues.
[3] Represents internal revenues for services to special enterprise funds; as such they are not estimated in this analysis. Associated expenditures also are netted out of appropriate general fund depts. in Table C-1.
[4] Sum of offsetting revenues (footnote 1) dedicated to specific General Fund department functions. These revenues are budget neutral and are netted out of both total revenues and total costs. See Table C-1. Amounts exclude one-time grant revenues.

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Table B-2
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Estimated Project Revenues at Buildout (2017$)

General Fund Revenues	Source	Scenario 1 Existing Land Uses	Scenario 2 Proposed Land Uses	Difference Amount	 Percentage
Formula		*a*	*b*	*c = b - a*	*c / a*
Taxes:					
Property Taxes	Table B-3	$26,200	$32,700	$6,500	25%
Property Tax In Lieu of VLF	Table B-3	$8,900	$11,200	$2,300	26%
Real Property Transfer Tax	Table B-4	$700	$1,900	$1,200	171%
Sales Tax	Table B-5	$33,000	$11,700	($21,300)	(65%)
Prop. 172 Sales Tax	Table B-5	$700	$200	($500)	(71%)
Hotel/Motel Tax	Persons Served	$1,500	$2,600	$1,100	73%
Business License Tax	Persons Served	$400	$700	$300	75%
Franchise Fees	Persons Served	$1,100	$2,000	$900	82%
Electric Franchise Fees	Persons Served	$3,000	$5,400	$2,400	80%
Subtotal General Fund Revenues		**$75,500**	**$68,400**	**($7,100)**	**(9%)**

revenues

Source: City of Roseville FY 2017-18 Draft Proposed Budget; EPS.

Note: Values are rounded to the nearest $100.

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Table B-3
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Estimated Property Tax Revenues (2017$)

Item	Assumptions	Formula	Scenario 1 Existing Land Uses	Scenario 2 Proposed Land Uses
1% Property Tax				
Total Assessed Value of Project [1]		*a*	$19,170,000	$23,940,000
Property Tax Revenue (1% of Assessed Value)	1.00%	*b = a * 1.00%*	$191,700	$239,400
Estimated Property Tax Allocation [2]				
City of Roseville	13.67%	*c = b * 13.67%*	$26,199	$32,717
Other Agencies	86.33%	*d = b * 86.33%*	$165,501	$206,683
Property Tax In Lieu of Motor Vehicle In-Lieu Fee Revenue (VLF)				
Total Citywide Assessed Value [3]		*e*	$19,699,862,441	$19,699,862,441
Total Assessed Value of Project		*f = a*	$19,170,000	$23,940,000
Total Assessed Value		*g = e + f*	**$19,719,032,441**	**$19,723,802,441**
Percentage Change in AV		*h = f / e*	0.10%	0.12%
Property Tax In Lieu of VLF [4]	$9,190,500	*i = h * $9,190,500*	$8,943	$11,169

prop tax

Source: City of Roseville FY 2017-18 Draft Proposed Budget; Placer County Auditor-Controller; EPS.

[1] For assumptions and calculation of assessed value, refer to Table D-2.
[2] For assumptions and calculation of the estimated property tax allocation, refer to Table D-1.
[3] Year 2016-2017 Placer County Assessment Roll Values for City of Roseville. Includes citywide secured, unsecured, and homeowner exemption.
[4] Property tax in lieu of VLF amount derived from the City of Roseville FY 2017-18 Draft Proposed Budget. See Table B-1.

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Table B-4
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Real Property Transfer Tax at Buildout (2017$)

Description	Source/ Assumption	Scenario 1 Existing Land Uses	Scenario 2 Proposed Land Uses
Assumptions			
Rate per $1,000 of AV [1]	$0.55		
Turnover Rate			
Owner-Occupied Homes	14.3%	0	57
Nonresidential Sq. Ft.	6.7%	85,200	0
Assessed Value [2]			
Owner-Occupied Homes		$0	$23,940,000
Nonresidential		$19,170,000	$0
Total Assessed Value		**$19,170,000**	**$23,940,000**
Annual Transfer Tax Revenue			
Owner-Occupied Homes		$0	$1,883
Nonresidential		$706	$0
Total Annual Transfer Tax Revenue		**$706**	**$1,883**

transfer tax

Source: City of Roseville; EPS.

[1] Based on California Revenue and Taxation Code, §§ 11911-11929, which authorizes cities and counties to levy a real estate transfer tax at a rate of $0.55 per $1,000 value.
[2] Assessed Values (AV) derived in Table D-2 Note that assessed values are expressed in 2017$ and include no real AV growth.

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Table B-5
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Estimated Taxable Sales and Use Tax Revenue (2017$)

Item	Assumptions	Formula	Scenario 1 Existing Land Uses	Scenario 2 Proposed Land Uses
Estimated Annual Taxable Sales (Rounded)				
Annual Taxable Sales from New Market Support	**Table B-5A**		$191,000	$1,169,000
Net Annual Taxable Sales from Onsite Commercial Use	**Table B-5B**		$3,109,000	$0
Total Annual Taxable Sales		a	**$3,300,000**	**$1,169,000**
Annual Sales Tax Revenue				
Bradley Burns Local Sales Tax Rate	1.0000%	*b = 1.0000% * a*	**$33,000**	**$11,690**
City of Roseville Prop. 172 Public Sales Tax Revenue [1]	**0.02056%**	*c = 0.0206% * a*	**$678**	**$240**

sales tax

Source: California State Board of Equalization; City of Roseville EPS.

[1] State Board of Equalization collects one-half cent sales tax revenue under Proposition 172. Based on estimated citywide taxable sales, the City receives approximately 0.02056% of the annual taxable sales (City 2017-18 Draft Proposed Budget).

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Table B-5A
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Estimated Annual Taxable Sales, Hybrid Market Support Method (2017$)

Item Description	Assumption	Scenario 1 Existing Land Uses	Scenario 2 Proposed Land Uses
Annual Taxable Sales from New Occupied Households			
Residential Development		*Occupied Dwelling Units*	
Owner-Occupied			
HDR		0	55
Residential Subtotal		**0**	**55**
Taxable Retail Expenditures [1]			
Owner-Occupied			
HDR	$25,000	$0	$1,375,000
Residential Subtotal		**$0**	**$1,375,000**
Taxable Sales from New Households			
Estimated City Capture from New Residents [2]			
Taxable Sales Captured by the City	85%	**$0**	**$1,168,750**
Estimated Taxable Sales inside Project Area [3]	5%	$0	$58,438
Estimated Taxable Sales outside Project Area [3]	95%	$0	$1,110,313
Annual Taxable Sales from New Employees			
New Employees	Table A-3	159	0
Average Daily Taxable Sales per New Employee	$10.00		
Work Days per Year	240		
Total City Taxable Sales from New Employees		**$381,600**	**$0**
Adjusted City Taxable Sales from New Employees [4]	50%	**$190,800**	**$0**
Estimated Taxable Sales inside Project Area [3]	5%	$9,540	$0
Estimated Taxable Sales outside Project Area [3]	95%	$181,260	$0
Total Annual City Taxable Sales from Market Support		**$190,800**	**$1,168,750**
Taxable City Sales inside Project Area		$9,540	$58,438
Taxable City Sales outside Project Area		$181,260	$1,110,313

sales tax a

Source: BLS; Consumer Expenditure Survey; and EPS.

[1] See Table D-3. Rounded to the nearest $500.
[2] Total retail sales in the City exceeds resident's retail spending potential, indicating no sales leakage for Roseville, so this analysis marginal leakage for the Project households' retail spending.
[3] EPS estimate of resident/employee spending split between retail stores in the Project and stores outside the Project
[4] Discounted by 50% to avoid double-counting employees who are also residents and to account for taxable sales from new employees that occur outside the City.

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Table B-5B
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Estimated Annual Taxable Sales Generated from On-Site Nonresidential (2017$)

On-Site Commercial Development	Assumption	Formula	Scenario 1 Existing Land Uses	Scenario 2 Proposed Land Uses
CC - Community Commercial (Retail B)				
Taxable Sales per Sq. Ft. [1]	$195	*a*		
Occupied Building Sq. Ft.		*b*	12,600	0
Subtotal, Annual Taxable Sales		*c = a * b*	**$2,457,000**	**$0**
CC/VC - Community Commercial Village Center				
Taxable Sales per Sq. Ft. [1]	$10	*d*		
Occupied Building Sq. Ft.		*e*	27,200	0
Subtotal, Annual Taxable Sales		*f = d * e*	**$272,000**	**$0**
General Office (Health Club)				
Taxable Sales per Sq. Ft. [1]	$15	*g*		
Occupied Building Sq. Ft.		*h*	36,900	0
Subtotal, Annual Taxable Sales		*i = g * h*	**$553,500**	**$0**
Annual Taxable Sales from On-Site Commercial Dev. [2]		*j = c + f + i*	**$3,282,500**	**$0**
Less On-Site Market Support [3]		*k*	$9,540	$0
Subtotal Annual Sales less Market Support		*l = j - k*	**$3,272,960**	**$0**
Less Shift of Sales from Existing Retail Stores to the Project [4]	5%	*m = j * 0.05*	$164,125	$0
Net Annual On-Site Taxable Sales		*n = l - m*	**$3,108,835**	**$0**

sales tax b

Source: Urban Land Institute & ICSC, *Dollars & Cents of Shopping Centers/The SCORE 2008*; BOE; and EPS.

[1] Derived from ULI's Dollars & Cents of Shopping Centers: 2008. Values inflated to 2016 dollars using the CPI for the West Urban Region, All Urban Consumers. Taxable Retail Sales Factor based on taxable sales information from the CA Board of Equalization.

Retail Type	2008 Annual Sales per Sq. Ft.	Inflated 2016$ Annual Sales per Sq. Ft.	Taxable Retail Sales Factor	Taxable Sales per Sq. Ft.*
Neighborhood Retail (CC)	$395	$445	44%	$195
Neighborhood Retail (CC/VC)	$395	$445	44%	$195

**Rounded to the nearest $5.*

[2] Refers to new sales in the Project from customers other than new Project residents and employees. This total gross amount is subject to sales tax sharing with Placer County per the approved tax sharing agreement.
[3] Derived in Table B-5A.
[4] Represents a discount factor to account for taxable sales transactions that may shift from existing City retail centers to those inside the Project based on a preliminary review of existing retail demand and supply. This assumption was developed in accordance with DPFG for the Amoruso Ranch Specific Plan Fiscal Analysis.

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Table B-6
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Summary of Estimated Special Tax/Assessment District Revenues

Land Use	**CFD 3 Municipal Services FY 16/17 Rate**	**Est. CFD 3 Municipal Services FY 17/18 Rate [1]**	**Scenario 1** Existing Land Uses [1]	**Scenario 2** Proposed Land Uses
Escalation Factor [2]		4.0%		
Residential Land Uses				
Owner-Occupied	*per unit*	*per unit*		
Medium-Density Residential (MDR)	$407	$423	$0	$24,120
Subtotal Residential			**$0**	**$24,120**
Nonresidential Land Uses	*per acre*	*per acre*		
Community Commercial (CC) [Retail B]	$2,227	$2,317	$0	$0
General Office [Office B]	$2,227	$2,317	$0	$0
General Office [Office C]	$2,227	$2,317	$0	$0
Office [Health Club]	$2,227	$2,317	$0	$0
Subtotal Nonresidential			**$0**	**$0**
Total Developable Land Uses			**$0**	**$24,120**

cfd

Source: City of Roseville; and EPS.

[1] Existing land uses not subject to CFD No. 3. Analysis based on the assumption new residential uses will be subject to CFD No. 3.
[2] CFD No. 3 annual tax escalation factor based on the combined percentage increase in the City of Roseville General Fund Operating Budget for police and fire services, not to exceed four percent (4%). This analysis is based on an assumed escalation factor of 4 percent.

APPENDIX C:

Expenditure-Estimating Tables

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Table C-1
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Expenditure-Estimating Procedures Based on City of Roseville FY 2017-18 Budget

Item	Estimating Procedure	FY 2017-18 Budgeted Expenditures	FY 2017-18 Estimated Vacancies Costs	FY 2017-18 Subtotal Expenditures	Less Offsetting Revenue [1]	Indirect Costs [2]	FY 2017-18 Net City Expenditures	Population or Persons Served	FY 2017-18 Average Cost	Adjustment Factor [3]	Population Net Average Cost
General Fund Expenditures [4]											
City Council	Persons Served	$458,732	$0	$458,732	$0	$210,283	$248,449	178,177	$1.39	75%	$1.05
City Manager	Persons Served	$1,077,633	$39,068	$1,116,701	$0	$521,480	$595,221	178,177	$3.34	75%	$2.51
Development & Operations	Persons Served	$560,391	$19,418	$579,809	$0	$109,553	$470,256	178,177	$2.64	75%	$1.98
Public Affairs & Communications	Persons Served	$779,700	$30,815	$810,515	$0	$293,820	$516,695	178,177	$2.90	75%	$2.17
City Attorney	Persons Served	$1,961,931	$71,140	$2,033,071	$400	$422,465	$1,610,206	178,177	$9.04	75%	$6.78
Human Resources	Persons Served	$2,283,995	$60,205	$2,344,200	$0	$1,123,341	$1,220,859	178,177	$6.85	75%	$5.14
Information Technology	Persons Served	$0	$0	$0	$0	$0	$0	178,177	$0.00	75%	$0.00
City Clerk	Persons Served	$1,017,465	$34,650	$1,052,115	$109,400	$435,025	$507,690	178,177	$2.85	75%	$2.14
Central Services	Persons Served	$2,435,590	$58,258	$2,493,848	$0	$1,286,847	$1,207,001	178,177	$6.77	75%	$5.08
Finance	Persons Served	$4,389,665	$147,211	$4,536,876	$1,866,100	$2,029,922	$640,854	178,177	$3.60	75%	$2.70
Economic Development & Housing	Persons Served	$1,142,599	$76,504	$1,219,103	$33,700	$459,784	$725,619	178,177	$4.07	75%	$3.05
Development Services	Persons Served	$8,960,729	$350,203	$9,310,932	$4,724,500	$0	$4,586,432	178,177	$25.74	100%	$25.74
Public Works	Persons Served	$7,200,082	$240,238	$7,440,320	$108,912	$86,088	$7,245,320	178,177	$40.66	100%	$40.66
Police	Persons Served	$39,565,603	$1,292,828	$40,858,431	$584,105	$0	$40,274,326	178,177	$226.04	100%	$226.04
Fire	Persons Served	$29,314,651	$1,027,704	$30,342,355	$927,724	$62,463	$29,352,168	178,177	$164.74	100%	$164.74
Parks, Recreation & Libraries	Per Capita	$23,411,923	$596,265	$24,008,188	$4,862,857	$171,262	$18,974,069	135,868	$139.65	100%	$139.65
Annexation Payments	[5]	$5,450,000	$0	$5,450,000	$0	$0	$5,450,000	N/A	N/A	N/A	N/A
City Special Assessments	[5]	$139,581	$0	$139,581	$0	$0	$139,581	N/A	N/A	N/A	N/A
Galleria Lease Payment	[5]	$0	$0	$0	$0	$0	$0	N/A	N/A	N/A	N/A
Interfund Loan Interest Payment to GF Contributions by Developers Fund	[5]	$13,500	$0	$13,500	$0	$0	$13,500	N/A	N/A	N/A	N/A
Transfer to Vehicle Replacement Fund	[5]	$0	$0	$0	$0	$0	$0	N/A	N/A	N/A	N/A
Transfer to Post-Retirement Insurance/Accrual Fund	[5]	$4,583,884	$0	$4,583,884	$0	$0	$4,583,884	N/A	N/A	N/A	N/A
Transfer to Transit Fund	[5]	$61,700	$0	$61,700	$0	$0	$61,700	N/A	N/A	N/A	N/A
Transfer to Storm Water Management Fund	[5]	$571,367	$0	$571,367	$0	$0	$571,367	N/A	N/A	N/A	N/A
Transfer to General CIP Rehabilitation Fund	[5]	$450,000	$0	$450,000	$0	$0	$450,000	N/A	N/A	N/A	N/A
General Fund Contingency - Materials, Services & Supplies	[5]	$1,200,000	$0	$1,200,000	$0	$0	$1,200,000	N/A	N/A	N/A	N/A
Total Annual General Fund Expenditures [6]		**$137,030,721**	**$4,044,507**	**$141,075,228**	**$13,217,698**	**$7,212,333**	**$120,645,197**		**$640.28**		**$629.42**

exp pro

Source: City of Roseville FY 2017-18 Draft Proposed Budget; EPS.

[1] Represents departmental revenues identified for specific General Fund department functions in the City's fiscal budget.
[2] General Fund revenues and associated costs for services to special enterprise funds are not estimated in this analysis; as such they are netted out of total City costs.
Note - Because building use costs could not be assigned to any one dept., EPS allocated them to all departments based on each department's share of other indirect costs.
[3] Adjustment factor recognizes some department costs are fixed.
[4] Any department with a negative net cost is estimated to have a zero net cost for fiscal impact analysis purposes.
[5] Not expected to be affected by the Project and is not evaluated in this analysis.
[6] May not tie out with the budget because of rounding.

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Table C-2
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Estimated Annual Project Expenditures (2017$)

Expenditures	**Source**	**Scenario 1** Existing Land Uses Amount (Rounded)	**Scenario 1** Existing Land Uses Percentage of Total	**Scenario 2** Proposed Land Uses Amount (Rounded)	**Scenario 2** Proposed Land Uses Percentage of Total	**Difference** Amount	**Difference** Percentage
Formula		*a*		*b*		*c = b - a*	*c / a*
General Fund							
City Council	Table C-1	$100	0.3%	$200	0.2%	$100	100.0%
City Manager	Table C-1	$200	0.5%	$400	0.4%	$200	100.0%
Development & Operations	Table C-1	$200	0.5%	$300	0.3%	$100	50.0%
Public Affairs & Communications	Table C-1	$200	0.5%	$300	0.3%	$100	50.0%
City Attorney	Table C-1	$500	1.3%	$1,000	1.1%	$500	100.0%
Human Resources	Table C-1	$400	1.0%	$700	0.8%	$300	75.0%
Information Technology	Table C-1	$0	0.0%	$0	0.0%	$0	0.0%
City Clerk	Table C-1	$200	0.5%	$300	0.3%	$100	50.0%
Central Services	Table C-1	$400	1.0%	$700	0.8%	$300	75.0%
Finance	Table C-1	$200	0.5%	$400	0.4%	$200	100.0%
Economic Development & Housing	Table C-1	$200	0.5%	$400	0.4%	$200	100.0%
Development Services	Table C-1	$2,100	5.3%	$3,700	4.1%	$1,600	76.2%
Public Works	Table C-1	$3,300	8.3%	$5,900	6.5%	$2,600	78.8%
Police	Table C-1	$18,300	46.2%	$32,500	35.9%	$14,200	77.6%
Fire	Table C-1	$13,300	33.6%	$23,700	26.2%	$10,400	78.2%
Parks, Recreation & Libraries	Table C-1	$0	0.0%	$20,100	22.2%	$20,100	0.0%
Total General Fund Expenditures		**$39,600**	**100.0%**	**$90,600**	**100.0%**	**$51,000**	**128.8%**

expenditures

Source: City of Roseville FY 2017-18 Draft Proposed Budget; EPS.

Note: Values are rounded to the nearest $100.

Appendix D:

Supporting Tables for Revenue Estimates

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Table D-1
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Property Tax Allocation

Taxing Distri	Fund Title	Pre-ERAF Distribution (TRA 005-001)	Percentage of Factor Shift to ERAF	Post ERAF Distribution Factors
Subject to Property Tax Sharing Agreement				
40900	City of Roseville	17.0454%	19.8232%	**13.6665%**
Other Taxing Entities				
01500	County General	28.4961%	33.1123%	19.0604%
18100	Roseville Cemetery	0.9070%	10.8749%	0.8084%
24400	Pl Co Resource Conserv	0.0000%	10.6413%	0.0000%
33400	Roseville City Elem M&O	21.8480%	0.0000%	21.8480%
34100	Roseville High M&O	20.4751%	0.0000%	20.4751%
34200	Sierra College M&O	7.3691%	0.0000%	7.3691%
34600	Superintendent of Schools	3.6401%	0.0000%	3.6401%
41400	Plcr Co Water Agy M&O	0.2192%	38.7034%	0.1344%
	Subtotal	**82.9546%**	**93.3319%**	**73.3354%**
	Educational Revenue Augmentation Fund (ERAF)			**12.9981%**
	Total	**100.0000%**		**86.3335%**

alloc

Source: Placer County Auditor-Controller; EPS.

Table D-2
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Estimated Assessed Valuation at Buildout (2017$) [1]

Item	**Assessed Value**	**Scenario 1** Existing Land Uses	**Scenario 2** Proposed Land Uses	**Difference** Amount	Percentage
Formula		*A*	*B*	*C = B - A*	*C/A*
Residential					
Owner-Occupied	*per unit*				
High-Density Residential (HDR)	$420,000	$0	$23,940,000	$23,940,000	0.0%
Residential Subtotal		**$0**	**$23,940,000**	**$23,940,000**	**0.0%**
Nonresidential	*per bldg. sq. ft.*				
Community Commercial (CC) [Retail B]	$225	$3,150,000	$0	($3,150,000)	(100.0%)
General Office [Office B]	$225	$3,375,000	$0	($3,375,000)	
General Office [Office C]	$225	$3,420,000	$0	($3,420,000)	
Office [Health Club]	$225	$9,225,000	$0	($9,225,000)	(100.0%)
Nonresidential Subtotal		**$19,170,000**	**$0**	**($19,170,000)**	**(100.0%)**
Total Assessed Value		**$19,170,000**	**$23,940,000**	**$4,770,000**	**24.9%**

av base

Source: Diamond Creek LLC; EPS.

[1] Note that assessed values (AV)s are expressed in 2017$ and include no real AV growth.

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Table D-3
Roseville Diamond Creek Residential Rezone Fiscal Impact Analysis
Estimated Project Household Incomes (2017$)

Residential Land Use Type	Occupied Number of Households [1]		Estimated Unit Value [2]	Estimated Annual Housing Costs [3]	Estimated Household Income (Rounded) [4]	Taxable Expenditures as a % of Income [5]	Average Annual Household Taxable Retail Exp. (Rounded) [6]	
	Scenario 1 Existing Land Uses	Scenario 2 Proposed Land Uses					Scenario 1 Existing Land Uses	Scenario 2 Proposed Land Uses
Owner Occupied				*Annual Mortgage*				
High-Density Residential (HDR)	0	55	$420,000	$31,293	$104,000	24.0%	$25,000	$25,000
Total	**0**	**55**					**$0**	**$1,375,000**

hh income

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

[1] See Table A-3 for calculation of the number of occupied households.
[2] Residential unit value assumptions informed by new homes sales in Roseville, as reported by The Gregory Group Q1 2018. Data retrieved July 2018.
[3] Housing costs of owner-occupied units are based on a 5.5%, 30-year fixed-rate mortgage with a 20% down payment and 2% annual taxes and insurance.
[4] Assumes 30% of income is dedicated to housing costs (mortgage, taxes and insurance) or rent payments. Incomes rounded to the nearest $1,000.
[5] Taxable expenditures as a percentage of income derived from the BLS Consumer Expenditure Survey.
[6] Average retail expenditures per household used to estimate annual sales tax revenues, as shown in Table B-5A.