

11.11 Fiscal Impact Study

SUMMARY MEMORANDUM

September 24, 2014

To: Dave Bartlett, *Brookfield Homes*

From: Kuda Wekwete, *David Taussig & Associates, Inc.*

Subject: Fiscal Impacts Resulting from the Development of the Fred Nelles Site

Attached for your review is the updated Fiscal Impact Analysis (“FIA”) of the proposed development of the Fred Nelles Site (the “Project”) in the City of Whittier (the “City”), Los Angeles County (the “County”). The intent of this memorandum is for David Taussig and Associates, Inc. (“DTA”) to provide a brief summary of the projected fiscal impacts to the City’s General Fund as a result of the annexation. The significance of this type of analysis is to determine whether development is fully paying for all of the services that are being provided on its behalf by the City.

The FIA is based on the following land use and demographic assumptions. For additional details regarding the assumptions utilized to calculate the fiscal impacts for the Project, please see Exhibit A below.

Table 1
Fred Nelles Site – Assumptions

Residential Land Use Assumptions^[1]	Units
Low Density Residential	454
Medium Density Residential	296
Total	750
Non-Residential Land Use Assumptions^[1]	Sq. Ft.
General Retail	47,000
Specialty Retail	84,000
Restaurant	13,000
Bank	4,000
Other Non-Residential	60,350
Total	208,350
<i>[1] Source: Brookfield Homes.</i>	

Only recurring revenues and costs are analyzed in the model. Costs that are considered non-recurring, such as capital expenditures, are excluded from the analysis. This is because new development is generally required to construct its own new capital improvements, such as roads or

parks, or to pay fees that enable the City or some other developer to construct these improvements. As these are considered to be “one-time” costs that will not recur, there is no expectation that new development will need to pay for these capital expenditures a second time. Likewise, revenues that are considered to be non-recurring such as development impact fees paid by developers, are also excluded from the model. In sum, the model reflects the estimated recurring annual deficit or surplus to the City’s general fund that will result from the development of the Project.

City General Fund – Net Fiscal Impact Summary

As shown in Table 2 below, the overall fiscal impact to the City’s General Fund, as a result of revenues anticipated to be generated by the Project and the demand for public services associated with the Project’s buildout, will be an annual recurring fiscal surplus of \$472,757. Annual recurring revenues generated by the Project are projected to equal approximately 1.45 times the General Fund costs associated with the Project.

**Table 2
 General Fund - Net Fiscal Impact Summary**

Fiscal Impact Category	Amount
Total Annual Recurring General Fund Revenues	\$1,515,295
Total Annual Recurring General Fund Costs	(\$1,042,538)
Total Annual Recurring General Fund Surplus/(Deficit)	\$472,757
Total Annual Revenue/Cost Ratio	1.45

As depicted in Exhibit A, the largest projected City General Fund revenue sources attributable to the Project will be the Direct Sales Taxes, Secured Property Taxes, and Property Tax In-Lieu of Vehicle License Fees. The largest projected City General Fund expenditures will be for the Police Department and Public Works Department.

DTA chooses its analytical assumptions in accordance with industry standards and documents those decisions carefully. The following may require further explanation:

- Discounting Revenues and Expenses: Certain revenues and expenditures are not expected to increase one-to-one with new development. Thus, discount rates have been applied to certain revenues and expenditures to reflect the estimated ratio of fixed costs to variable costs. These discount rates to revenues and/or expenditures were provided by the City’s Consultant as a result of discussions with City staff.
- Square Feet per Employee: DTA maintains a database of fiscal impact studies and information obtained from numerous city planning departments, including Whittier and other cities within Los Angeles County.
- Tax Sharing (Secured Property Taxes): Property Tax revenue estimates are based on apportionment factors provided by the City’s Consultant based on information published by HdL Companies.

Property tax revenues are projected based on the City's estimated share of the general 1% property tax levy. Total secured property tax revenues received by the City from the land uses will equal approximately 8.92% of the basic 1% (Prop 13) property tax levy from the Tax Rate Area encompassing the Project. Please note that the gross tax increment, as calculated by the County Auditor-Controller, has been reduced to account for the projected Education Revenue Augmentation Fund ("ERAF") property tax shifts.

- Property Tax In-Lieu of Vehicle License Fees: The passage of Proposition 1A in California in 2004 enacted a constitutional amendment that introduced a new methodology to calculate property taxes in-lieu of VLF. Per California Revenue and Taxation Code §97.70, the property tax in-lieu of VLF amount now grows in proportion to the growth rate of gross assessed valuation in a city or county. Property taxes in-lieu of VLF revenues are projected to grow with the change in the City-wide gross assessed valuation of taxable property from the prior fiscal year. Property tax in-lieu of VLF revenues constitute an addition to other property tax apportionments and were calculated for purposes of this FIA at **\$0.97 per \$1,000 increase in assessed valuation on a City-wide basis**.

For more information regarding the assumptions utilized in analyzing the Project's fiscal impact on the City General Fund please see Exhibit A attached.

If you have any further questions regarding this Executive Summary, please feel free to contact DTA at 949-955-1500.

EXHIBIT A

FRED NELLES SITE - FISCAL IMPACT ANALYSIS

EXHIBIT A-1

**CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
NET IMPACT SUMMARY**

I. RECURRING GENERAL FUND REVENUES ¹

<u>CATEGORY</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL</u>
Secured Property Tax	\$252,440	16.7%
Unsecured Property Tax	\$9,100	0.6%
Property Transfer Tax	\$14,420	1.0%
Motor Vehicle License Fees	\$0	0.0%
Motor Vehicle In-Lieu	\$275,525	18.2%
Indirect Sales Tax	\$74,250	4.9%
Direct Sales Tax	\$358,810	23.7%
Franchise Taxes	\$51,750	3.4%
Utility User Tax	\$169,130	11.2%
Transient Occupancy Tax	\$8,050	0.5%
Business Licenses	\$44,700	2.9%
Fines and Forfeitures	\$17,990	1.2%
City Charge for Svcs. - Contr. For Gen. Govt.	\$46,720	3.1%
City Charge for Svcs. - Others	\$148,760	9.8%
Miscellaneous Revenues	\$41,900	2.8%
Investment Income	\$1,750	0.1%
Total Recurring General Fund Revenues	\$1,515,295	100.0%

II. RECURRING GENERAL FUND EXPENDITURES ²

<u>CATEGORY</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL</u>
General Government	\$35,968	3.5%
Community Development	\$43,980	4.2%
Library	\$78,250	7.5%
Parks	\$119,130	11.4%
Community Services	\$65,300	6.3%
City Controller	\$39,310	3.8%
Public Works	\$142,790	13.7%
Police Protection	\$116,550	11.2%
Police Department	\$401,260	38.5%
Fire Department ³	\$0	0.0%
Total Recurring General Fund Expenditures	\$1,042,538	100.0%

III. NET FISCAL IMPACT

Total Annual Recurring General Fund Surplus/(Deficit)	\$472,757
Total Annual Revenue/Expenditure Ratio	1.45

NOTES:

- [1] Please see Exhibits 5-8 for the derivation of these calculations.
- [2] Please see Exhibits 9-10 for the derivation of these calculations.
- [3] City Fire services provided by Los Angeles County Fire Dept. Analysis assumes that property taxes received by the County Fire Dept. will be sufficient to mitigate the cost to provide fire services to the City.

* **All figures subject to rounding**

EXHIBIT A-2
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
CITY GENERAL FUND REVENUES (BY TYPE)

I. Demographics and Other Data

2013 Estimated City Population ¹	86,538
2013 Estimated City Employees ²	41,351
2013 Persons Served Population ³	107,214

II. City Revenue Sources ⁴

General Fund Revenue Type	Total Revenues	Revenue Type	Fiscal Impact Basis	Discount	Revenue Factor
Property Taxes	\$4,680,814	Recurring	Case Study	NA	NA
Sales & Use Taxes	\$8,313,500	Recurring	Case Study	NA	NA
Franchise Taxes	\$2,165,000	Recurring	Persons Served	0%	\$20.19
Utility User Tax	\$7,075,000	Recurring	Persons Served	0%	\$65.99
Transient Occupancy Tax	\$673,000	Recurring	Persons Served	50%	\$3.14
Business Licenses	\$1,869,560	Recurring	Persons Served	0%	\$17.44
Motor Vehicle in Lieu	\$7,405,000	Recurring	Case Study	NA	NA
Fines and Forfeitures	\$753,100	Recurring	Persons Served	0%	\$7.02
Use of Money and Property	\$529,182	Recurring	Persons Served	0%	\$4.94
Interest Income	\$655,000	Recurring	Case Study	NA	NA
SFS Policing Contract	\$7,727,787	Recurring	Case Study	NA	NA
City Charge for Svcs. - Contr. For Gen. Govt.	\$1,954,301	Recurring	Persons Served	0%	\$18.23
City Charge for Svcs. - Others	\$6,222,443	Recurring	Persons Served	0%	\$58.04
Miscellaneous Revenues	\$4,061,662	Recurring	Persons Served	75%	\$9.47
Transfers In	\$2,949,695	Recurring	Persons Served	75%	\$6.88
Interest Income - WRA	\$0	Non-Recurring	NA	NA	NA
Loan Repayment - WRA	\$0	Non-Recurring	NA	NA	NA
PERS Refund	\$0	Non-Recurring	NA	NA	NA
Others	\$150,000	Non-Recurring	NA	NA	NA
Total Recurring General Fund Revenues	\$57,035,044				

Notes:

- [1] California Department of Finance, E-5 City/County Population and Housing Estimates, January 1, 2014.
- [2] Employment Development Department - Labor Market Division, 4th Quarter 2012.
- [3] Assumes City population plus 50% of Employees.
- [4] Source: City of Whittier Fiscal Year 2013/14 Budget.

EXHIBIT A-3

**CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
CITY GENERAL FUND EXPENDITURES (BY TYPE)**

I. Demographics and Other Data

2013 Estimated City Population ¹	86,538
2013 Estimated City Employees ²	41,351
2013 Persons Served Population ³	107,214

II. City Operating Budget ⁴

<u>General Fund Expenditure Type</u>	<u>Total Expenditures</u>	<u>Expenditure Type</u>	<u>Fiscal Impact Basis</u>	<u>Discount</u>	<u>Expenditure Factor</u>
General Government					
City Council	\$34,185	Recurring	Case Study	NA	NA
City Attorney	\$300,515	Recurring	Case Study	NA	NA
City Manager					
Administration	\$718,962	Recurring	Case Study	NA	NA
Public Information Svc	\$75,704	Recurring	Case Study	NA	NA
Non-Departmental	\$1,354,023	Recurring	Case Study	NA	NA
Chamber of Commerce	\$46,400	Recurring	Case Study	NA	NA
Employee Special Events	\$9,000	Recurring	Case Study	NA	NA
City Clerk/Treasurer					
City Clerk	\$746,087	Recurring	Case Study	NA	NA
Elections	\$83,598	Recurring	Case Study	NA	NA
City Treasurer	\$393,364	Recurring	Case Study	NA	NA
Business License	\$144,799	Recurring	Case Study	NA	NA
City Controller/ Human Resources					
Human Resources Administration	\$405,702	Recurring	Case Study	NA	NA
Emergency Management	\$54,377	Recurring	Case Study	NA	NA
<u>Other Expenditures (Non-General Government)</u>					
Community Development					
Building & Safety	\$763,194	Recurring	Persons Served	25%	\$5.34
Planning	\$1,179,600	Recurring	Persons Served	25%	\$8.25
Administration	\$467,658	Recurring	Persons Served	50%	\$2.18
Economic Development	\$199,239	Recurring	Persons Served	25%	\$1.39
Library	\$3,273,439	Recurring	Persons Served	0%	\$30.53
Parks	\$4,982,933	Recurring	Persons Served	0%	\$46.48
Community Services					
Administration	\$3,358,264	Recurring	Persons Served	25%	\$23.49
Firework Show	\$15,491	Recurring	Persons Served	75%	\$0.04
Social Services	\$279,248	Recurring	Persons Served	25%	\$1.95

EXHIBIT A-3
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
CITY GENERAL FUND EXPENDITURES (BY TYPE)

I. Demographics and Other Data

2013 Estimated City Population ¹	86,538
2013 Estimated City Employees ²	41,351
2013 Persons Served Population ³	107,214

II. City Operating Budget ⁴

General Fund Expenditure Type	Total Expenditures	Expenditure Type	Fiscal Impact Basis	Discount	Expenditure Factor
City Controller					
Administration	\$3,044,206	Recurring	Persons Served	50%	\$14.20
Property Insurance	\$245,438	Recurring	Persons Served	50%	\$1.14
Public Works					
Civic Center Maintenance	\$1,366,360	Recurring	Persons Served	50%	\$6.37
Street Lighting	\$471,892	Recurring	Persons Served	0%	\$4.40
Street Maintenance	\$3,590,561	Recurring	Persons Served	0%	\$33.49
Traffic Signals	\$409,399	Recurring	Persons Served	0%	\$3.82
Greenway Maintenance	\$124,926	Recurring	Persons Served	0%	\$1.17
Graffiti Removal	\$390,218	Recurring	Persons Served	0%	\$3.64
Engineering	\$293,513	Recurring	Persons Served	0%	\$2.74
Weed Control	\$8,300	Recurring	Persons Served	0%	\$0.08
Police Protection					
Police - Safety	\$16,785,719	Recurring	Persons Served	0%	\$156.56
Police - Miscellaneous	\$3,573,618	Recurring	Persons Served	0%	\$33.33
Police - Reserve Program	\$20,000	Recurring	Persons Served	0%	\$0.19
Cadet Program	\$109,044	Recurring	Persons Served	0%	\$1.02
SFS Special Assignment	\$178,552	Recurring	Persons Served	100%	\$0.00
Police - SFS Other Svcs	\$127,693	Recurring	Persons Served	100%	\$0.00
Police - SFS Other Svcs OT	\$274,400	Recurring	Persons Served	100%	\$0.00
Police - SFS Safety	\$6,817,173	Recurring	Persons Served	100%	\$0.00
Police - SFS Miscellaneous	\$332,662	Recurring	Persons Served	100%	\$0.00
Code Enforcement	\$369,959	Recurring	Persons Served	0%	\$3.45
Code Liens	\$8,000	Recurring	Persons Served	0%	\$0.07
Whittwood Mall	\$179,390	Recurring	Persons Served	0%	\$1.67
OTS Traffic 2007	\$0	Recurring	Persons Served	0%	\$0.00
SRO - Whittier High School	\$149,504	Recurring	Persons Served	0%	\$1.39
SRO - La Sernal High School 1	\$151,800	Recurring	Persons Served	0%	\$1.42
SRO - La Sernal High School 2	\$156,361	Recurring	Persons Served	0%	\$1.46
SRO - East Whittier High School	\$158,299	Recurring	Persons Served	0%	\$1.48
Total Recurring General Fund Expenditures	\$58,222,769				

Notes:

- [1] California Department of Finance, E-5 City/County Population and Housing Estimates, January 1, 2014.
- [2] Employment Development Department - Labor Market Division, 4th Quarter 2012.
- [3] Assumes City population plus 50% of Employees.
- [4] Source: City of Whittier Fiscal Year 2013/14 Budget.

**EXHIBIT A-4
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
LAND USE AND DEMOGRAPHICS SUMMARY**

FUTURE LAND USE DATA

Residential Land Uses	Number of Units ¹
For-Sale Units	454
Apartment Units	296
Non-Residential Land Uses (Retail)	Sq. Ft. ¹
General Retail	47,000
Specialty Retail	84,000
Restaurant	13,000
Non-Residential Land Uses (Other)	Sq. Ft. ¹
Bank	4,000
Other Non-Residential	60,350

DEMOGRAPHIC DATA

Jurisdiction	Persons per Household ²
City of Whittier	3.00
Non-Residential (Retail)	Sq. Ft. per Employee ³
General Retail	400
Specialty Retail	300
Restaurant	500
Non-Residential (Other)	Sq. Ft. per Employee ³
Bank	325
Other Non-Residential	325

POPULATION AND EMPLOYEE CALCULATIONS

Residential Land Use Type	Number of Units	Residential Population
For-Sale Units	454	1,363
Apartment Units	296	889
Totals	750	2,252
Non-Residential Land Use Type (Retail)	Sq. Ft.	Number of Employees
General Retail	47,000	118
Specialty Retail	84,000	280
Restaurant	13,000	26
Non-Residential Land Use Type (Other)	Sq. Ft.	Number of Employees
Bank	4,000	12
Other Non-Residential	60,350	186
Totals	208,350	622

SOI POPULATION AND EMPLOYEES (TOTALS)

I. Total Estimated Residential Population	2,252
II. Total Estimated Direct Employees	622
III. Total Estimated Persons Served Population	2,563

NOTES:

- [1] Source: Brookfield Homes.
 - [2] Source: California Department of Finance, *E-5 City/County Population and Housing Estimates, January 1, 2014*.
 - [3] Derived from DTA municipal database for similar projects. Subject to change.
- * **All figures subject to rounding**

**EXHIBIT A-5
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
PROPERTY TAX REVENUE AND MOTOR VEHICLE LICENSE FEE ANALYSIS**

GENERAL PROPERTY TAX ASSUMPTIONS

A. Property Tax Allocation (Portion of the 1% General Property Tax) ¹

Public Agency	% Property Tax Allocation
City of Whittier	8.92%

B. Property Tax Allocation Retained by City

Category	% Retained City of Whittier
General Fund	100.00%
Total	100.00%

FUTURE ASSESSED VALUATION ASSUMPTIONS

Residential Land Use Type	Sales Price per Unit ²	Assessed Valuation
For-Sale Units	\$489,921	\$222,424,209
Apartment Units	\$64,000	\$18,944,000
Total		\$241,368,209

Non-Residential Land Use Type	Valuation per Sq. Ft. ²	FY 2013-14 Assessed Valuation
General Retail	\$200	\$9,400,000
Specialty Retail	\$200	\$16,800,000
Restaurant	\$200	\$2,600,000

Non-Residential Land Use Type	Valuation per Sq. Ft. ²	Assessed Valuation
Bank	\$200	\$800,000
Other Non-Residential	\$200	\$12,070,000
Total		\$41,670,000

Total Assessed Valuation **\$283,038,209**

EXHIBIT A-5

**CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
PROPERTY TAX REVENUE AND MOTOR VEHICLE LICENSE FEE ANALYSIS**

OTHER PROPERTY TAX REVENUE ASSUMPTIONS

I. <u>Unsecured Property Taxes - Assumptions</u>³		
Residential Unsecured Taxes as a % of Secured		2.50%
Non-Residential Unsecured Taxes as a % of Secured		10.00%
II. <u>Property Tax Transfer - Assumptions</u>⁴		
Residential Property Turnover Rate		10.00%
Non-Residential Property Turnover Rate		5.00%
Transfer Tax as a % of Assessed Value		0.11%
Property Transfer Tax Passed Through to City of Whittier		50.00%
III. <u>Motor Vehicle Licensing Fees - Assumptions</u>⁵		
Vehicle Licensing Fees Allocation per Capita		\$0.00
IV. <u>Property Tax In-Lieu of Vehicle Licensing Fees - Assumptions</u>		
Total City of Whittier Gross Assessed Value ⁶		\$7,606,930,370
City of Whittier Property Tax In-Lieu of Vehicle License Fee Revenue ⁷		\$7,405,000
Property Tax In-Lieu of Vehicle License Fee Increase per \$1,000 Assessed Value		\$0.97

FISCAL IMPACT CALCULATION

I. Property Tax Revenue Calculation

<u>Fiscal Impact Category</u>	<u>Total Fiscal Impact</u>
Secured Property Tax	\$252,440
Unsecured Property Tax	\$9,100
Property Transfer Tax	\$14,420
Motor Vehicle License Fees	\$0
Property Tax in-Lieu of VLF	\$275,525
Total Property Tax Revenues	\$551,485

NOTES:

- [1] Information provided by Keyser Marston Associates, Inc. - City's consultant (September 2014).
 - [2] Source: Brookfield Homes (July 18, 2014).
 - [3] Based on typical DTA baseline assumptions.
 - [4] Source: California State Rev. & Tax. Code, §§11911-11929.
 - [5] Pursuant to SB89, the City will no longer receive Motor Vehicle Licensing Fees.
 - [6] Source: County of Los Angeles Office of the Assessor, 2013 Annual Report.
 - [7] Based on the Motor Vehicle in Lieu receipts for the City of Whittier.
- * **All figures subject to rounding**

**EXHIBIT A-6
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
SALES TAX REVENUE ANALYSIS**

INDIRECT SALES TAX ASSUMPTIONS

Income/Expenditure Assumptions		Residential Units
Average Sales Price		\$321,824
Average Residential Mortgage (15% Down)		\$273,551
Annual Mortgage Payments (6.00% Interest & 30 Years)		\$19,681
Annual Taxes & Insurance (2.00%)		\$6,436
Average Household Income (35% Housing Cost/Income Ratio)		\$74,621

Residential Land Use Type	Median Household Income	Retail Taxable Expenditures (as a % of Household Income) ¹
Residential Units	\$74,621	26.53%

Category	Definition	Percentage
Retail Taxable Sales Leakage ²	Taxable Sales Capture by City (Outside Project)	50%
Sales & Use Tax to the City of Whittier ³	Percentage of all Taxable Purchases within City	1.00%
Use Tax to the City of Whittier	Additional Use Tax collected by the City	0.00%

DIRECT SALES TAX ASSUMPTIONS

I. Existing Non-Residential Land Uses

Non-Residential Land Use Type	Taxable Sales per Sq. Ft. ⁵	Taxable Sales Displacement Rate ⁴
General Retail	\$205	15%
Specialty Retail	\$290	15%
Restaurant	\$400	15%
Other Non-Retail	\$50	15%

FISCAL IMPACT CALCULATION

I. Sales Tax Revenue Calculation

A. Indirect Sales Tax

Residential Land Use Type	Number of Units	Total Taxable Expenditures within City	Total Fiscal Impact
Residential Units	750	\$7,424,565	\$74,250
Totals	750	\$7,424,565	\$74,250

B. Direct Sales Tax

Non-Residential Land Use Type (Retail)	Sq. Ft.	Total Retail Sales	Total Fiscal Impact
General Retail	47,000	\$9,635,000	\$81,900
Specialty Retail	84,000	\$24,360,000	\$207,060
Restaurant	13,000	\$5,200,000	\$44,200
Other Non-Retail	60,350	\$3,017,500	\$25,650
Totals	204,350	\$42,212,500	\$358,810

Total Estimated Sales Tax Revenue **\$433,060**

NOTES:

- [1] Source: BOE 2008 Consumer Expenditure Survey . Estimate based on estimated taxable expenditure portion of annual income for applicable household income bracket.
 - [2] Estimate, subject to change.
 - [3] Source: Whittier Municipal Code §§3.12.020.
 - [4] Assumes that a portion of the new sales in the City will result from displacing sales from somewhere else within the City boundaries.
 - [5] Estimate provided by Brookfield Homes. Subject to change. Sales per Sq. Ft. for other Non-Retail estimated by Keyser Marston Associates, Inc. - City's Consultant.
- * **All figures subject to rounding**

**EXHIBIT A-7
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
MULTIPLIER REVENUE SOURCES ANALYSIS**

ASSUMPTIONS

Revenue Category	Revenue Projection Basis	Total FY 2013/14 Revenues ¹	Multiplier Factor ²
Franchise Taxes	Persons Served	\$2,165,000	\$20.19
Utility User Tax	Persons Served	\$7,075,000	\$65.99
Transient Occupancy Tax	Persons Served	\$673,000	\$3.14
Business Licenses	Persons Served	\$1,869,560	\$17.44
Fines and Forfeitures	Persons Served	\$753,100	\$7.02
City Charge for Svcs. - Contr. For Gen. Govt.	Persons Served	\$1,954,301	\$18.23
City Charge for Svcs. - Others	Persons Served	\$6,222,443	\$58.04
Miscellaneous Revenues	Persons Served	\$4,061,662	\$9.47
Transfers In	Persons Served	\$2,949,695	\$6.88

FISCAL IMPACT CALCULATION

Revenue Category	Revenue Projection Basis	Multiplier Factor ²	Total Fiscal Impact ³
Franchise Taxes	Persons Served	\$20.19	\$51,750
Utility User Tax	Persons Served	\$65.99	\$169,130
Transient Occupancy Tax	Persons Served	\$3.14	\$8,050
Business Licenses	Persons Served	\$17.44	\$44,700
Fines and Forfeitures	Persons Served	\$7.02	\$17,990
City Charge for Svcs. - Contr. For Gen. Govt.	Persons Served	\$18.23	\$46,720
City Charge for Svcs. - Others	Persons Served	\$58.04	\$148,760
Miscellaneous Revenues	Persons Served	\$9.47	\$24,270
Transfers In	Persons Served	\$6.88	\$17,630
Total Multiplier Revenues			\$529,000

NOTES:

- [1] Source: City of Whittier Fiscal Year 2013/14 Budget.
- [2] Calculation based on FY 2013-14 budgeted revenue divided by applicable demographic category (e.g., total persons served in the City).
- [3] Based on the following calculation: Multiplier Factor * Applicable Demographic Category (e.g., total persons served).
- * **All figures subject to rounding**

**EXHIBIT A-8
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
INVESTMENT INCOME REVENUE ANALYSIS**

ASSUMPTIONS

Category	Amount (\$) / Percentage (%)
Total Non-Interest Recurring General Fund Revenues ¹	\$56,505,862
Investment Income ¹	\$655,000
Investment Income (as a % of Recurring General Fund Revenues)	1.16%
Discount Factor ²	90%

FISCAL IMPACT CALCULATION

Recurring Revenue Category	Total Fiscal Impact
Property Tax Revenues ³	\$551,485
Sales Tax Revenues ³	\$433,060
Multiplier Revenues ³	\$529,000
Projected Recurring General Fund Revenues for Investment	\$1,513,545
Estimated Investment Income	\$1,750

NOTES:

- [1] Source: City of Whittier Fiscal Year 2013/14 Budget.
- [2] Based on discussions with City and City's consultant. Discount Factor applied to account for fluctuations in monthly balances.
- [3] Please see Exhibits 5-7 for the derivation of these calculations.

* **All figures subject to rounding**

**EXHIBIT A-9
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
MULTIPLIER EXPENDITURES ANALYSIS**

ASSUMPTIONS

Expenditure Category	Expenditure Projection Basis	Total FY 2013/14 Expenditures ¹	Multiplier Factor ²
Community Development			
Building & Safety	Persons Served	\$763,194	\$5.34
Planning	Persons Served	\$1,179,600	\$8.25
Administration	Persons Served	\$467,658	\$2.18
Economic Development	Persons Served	\$199,239	\$1.39
Library	Persons Served	\$3,273,439	\$30.53
Parks	Persons Served	\$4,982,933	\$46.48
Community Services			
Administration	Persons Served	\$3,358,264	\$23.49
Firework Show	Persons Served	\$15,491	\$0.04
Social Services	Persons Served	\$279,248	\$1.95
City Controller			
Administration	Persons Served	\$3,044,206	\$14.20
Property Insurance	Persons Served	\$245,438	\$1.14
Public Works			
Civic Center Maintenance	Persons Served	\$1,366,360	\$6.37
Street Lighting	Persons Served	\$471,892	\$4.40
Street Maintenance	Persons Served	\$3,590,561	\$33.49
Traffic Signals	Persons Served	\$409,399	\$3.82
Greenway Maintenance	Persons Served	\$124,926	\$1.17
Graffiti Removal	Persons Served	\$390,218	\$3.64
Engineering	Persons Served	\$293,513	\$2.74
Weed Control	Persons Served	\$8,300	\$0.08
Police Protection			
Police - Safety	Persons Served	\$16,785,719	\$156.56
Police - Miscellaneous	Persons Served	\$3,573,618	\$33.33
Police - Reserve Program	Persons Served	\$20,000	\$0.19
Cadet Program	Persons Served	\$109,044	\$1.02
SFS Special Assignment	Persons Served	\$178,552	\$0.00
Police - SFS Other Svcs	Persons Served	\$127,693	\$0.00
Police - SFS Other Svcs OT	Persons Served	\$274,400	\$0.00
Police - SFS Safety	Persons Served	\$6,817,173	\$0.00
Police - SFS Miscellaneous	Persons Served	\$332,662	\$0.00
Code Enforcement	Persons Served	\$369,959	\$3.45
Code Liens	Persons Served	\$8,000	\$0.07
Whittwood Mall	Persons Served	\$179,390	\$1.67
OTS Traffic 2007	Persons Served	\$0	\$0.00
SRO - Whittier High School	Persons Served	\$149,504	\$1.39
SRO - La Sernal High School 1	Persons Served	\$151,800	\$1.42
SRO - La Sernal High School 2	Persons Served	\$156,361	\$1.46
SRO - East Whittier High School	Persons Served	\$158,299	\$1.48

**EXHIBIT A-9
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
MULTIPLIER EXPENDITURES ANALYSIS**

FISCAL IMPACT CALCULATION

Expenditure Category	Expenditure Projection Basis	Multiplier Factor²	Total Fiscal Impact³
Community Development			
Building & Safety	Persons Served	\$5.34	\$13,690
Planning	Persons Served	\$8.25	\$21,140
Administration	Persons Served	\$2.18	\$5,590
Economic Development	Persons Served	\$1.39	\$3,560
Library	Persons Served	\$30.53	\$78,250
Parks	Persons Served	\$46.48	\$119,130
Community Services			
Administration	Persons Served	\$23.49	\$60,200
Firework Show	Persons Served	\$0.04	\$100
Social Services	Persons Served	\$1.95	\$5,000
City Controller			
Administration	Persons Served	\$14.20	\$36,390
Property Insurance	Persons Served	\$1.14	\$2,920
Public Works			
Civic Center Maintenance	Persons Served	\$6.37	\$16,330
Street Lighting	Persons Served	\$4.40	\$11,280
Street Maintenance	Persons Served	\$33.49	\$85,830
Traffic Signals	Persons Served	\$3.82	\$9,790
Greenway Maintenance	Persons Served	\$1.17	\$3,000
Graffiti Removal	Persons Served	\$3.64	\$9,330
Engineering	Persons Served	\$2.74	\$7,020
Weed Control	Persons Served	\$0.08	\$210
Police Protection			
Police - Safety	Persons Served	\$156.56	\$401,260
Police - Miscellaneous	Persons Served	\$33.33	\$85,420
Police - Reserve Program	Persons Served	\$0.19	\$490
Cadet Program	Persons Served	\$1.02	\$2,610
SFS Special Assignment	Persons Served	\$0.00	\$0
Police - SFS Other Svcs	Persons Served	\$0.00	\$0
Police - SFS Other Svcs OT	Persons Served	\$0.00	\$0
Police - SFS Safety	Persons Served	\$0.00	\$0
Police - SFS Miscellaneous	Persons Served	\$0.00	\$0
Code Enforcement	Persons Served	\$3.45	\$8,840
Code Liens	Persons Served	\$0.07	\$180
Whittwood Mall	Persons Served	\$1.67	\$4,280
OTS Traffic 2007	Persons Served	\$0.00	\$0
SRO - Whittier High School	Persons Served	\$1.39	\$3,560
SRO - La Sernal High School 1	Persons Served	\$1.42	\$3,640
SRO - La Sernal High School 2	Persons Served	\$1.46	\$3,740
SRO - East Whittier High School	Persons Served	\$1.48	\$3,790
Total Multiplier Expenditures			\$1,006,570

NOTES:

[1] Source: City of Whittier Fiscal Year 2013/14 Budget.

[2] Calculation based on FY 2013-14 budgeted expenditure divided by applicable demographic category (e.g., total persons served in the City).

[3] Based on the following calculation: Multiplier Factor * Applicable Demographic Category (e.g., total persons served).

* All figures subject to rounding

**EXHIBIT A-10
CITY OF WHITTIER COMMERCIAL CORRIDOR - FRED NELLES SITE
GENERAL GOVERNMENT EXPENDITURES ANALYSIS**

ASSUMPTIONS

I. General Government Expenditure Assumptions

Category	Amount (\$) / Percentage (%)
Total Recurring General Fund Expenditures ¹	\$53,856,053
Total Recurring General Government Expenditures ¹	\$3,689,705
General Government Expenditures (as a % of Recurring General Fund Expenditures)	6.90%
Marginal Increase in General Government Costs ²	50%

FISCAL IMPACT CALCULATION

I. Estimated General Government Expenditures

Recurring Expenditure Category	Total Fiscal Impact
Multiplier Expenditures ³	\$1,006,570
Projected Recurring General Fund Expenditures (Excluding General Government)	\$1,006,570
Estimated General Government Expenditures	\$35,968

NOTES:

[1] Source: City of Whittier Fiscal Year 2013/14 Budget. Excludes 50% of Non-Departmental expenditures based on City's input, to account for one-time capital projects.

[2] Estimate, subject to change.

[3] Please see Exhibit 9 for the derivation of these calculations.

* **All figures subject to rounding**