



KEYSER MARSTON ASSOCIATES

MEMORANDUM

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REAL ESTATE
AFFORDABLE HOUSING
ECONOMIC DEVELOPMENT

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To: Elycia Knight
City of Santa Clara

From: Keyser Marston Associates, Inc.

Date: November 14, 2024

Subject: Mission Point Project, Fiscal Impact Analysis Peer Review and Testing of Alternatives

Keyser Marston Associates, Inc. (KMA) has been retained by the City of Santa Clara (City) to provide a peer review of the Fiscal Impact Analysis of Mission Point ("Applicant FIA") prepared by Economic and Planning Systems (EPS) on behalf of the developer, Kylli, Inc., dated February 1, 2024.

The Mission Point Project ("Project") has been presented as two options:

Option A encompasses up to 1,800 residential units, 3 million square feet of office / R&D uses, 100,000 square feet of retail / amenity uses, 10,000 square feet of childcare space, associated parking, parks, and open space.

Option B includes up to 2,600 residential units, 2.2 million square feet of office / R&D uses, 100,000 square feet of retail / amenity uses, 10,000 square feet of childcare space, associated parking, parks, and open space.

The Applicant FIA provides findings regarding annual recurring fiscal impacts to the City of Santa Clara General Fund and the Santa Clara Unified School District (SCUSD) for Option A of the Project. The following memorandum presents the findings of the KMA peer review, modified findings for Option A based on the results of the peer review, an analysis of Option B, and an analysis of the residential component of the Project on its own.

I. Summary

The Applicant FIA is reasonable and generally aligns with standard practices in preparation of fiscal impact analyses but warrants modification to select elements to provide a more accurate assessment of fiscal impacts. Recommended modifications affect estimated revenues as well as police, fire, public works, parks, and SCUSD expenses, as described in Section II. Table 1 presents a summary of revenue and expense estimates for the City General Fund and SCUSD, including:

- Option A as presented in the Applicant FIA.
- Option A with KMA's recommended adjustments to the analysis.
- Option B with KMA's recommended adjustments to the analysis.
- Residential phase on its own based on the 1,800 units in Option A.

Except for the first column of Table 1 identifying the Applicant FIA results for Option A, all findings reflect KMA's recommended adjustments to the analysis discussed herein. Results are as follows:

- Option A is projected to generate a \$4 million annual net surplus to the City General Fund upon full buildout and a net surplus of \$12.4 million per year to SCUSD.
- Option B is projected to generate a \$3.1 million annual net surplus to the City General Fund upon full buildout and a net surplus of \$9.2 million per year to SCUSD.
- The residential phase of Option A is projected to generate a \$0.3 million annual net surplus to the City General Fund and be approximately fiscally neutral to SCUSD¹.

¹ Findings for the residential phase of Option B are similar at a projected net positive General Fund surplus of \$0.35 million.

Table 1. Annual Recurring Fiscal Impacts (\$Millions)				
	Applicant FIA, Option A (1,800 units) ⁽¹⁾	FIA Findings with KMA Adjustments		
		Option A (1,800 units)	Option B (2,600 units)	Residential Phase Only (1,800 units) ⁽²⁾
City of Santa Clara General Fund				
General Fund Revenues	\$7.7	\$8.0	\$7.4	\$2.1
General Fund Expense	(\$4.8)	(\$4.0)	(\$4.3)	(\$1.8)
City Net Fiscal Impact	\$2.9	\$4.0	\$3.1	\$0.3
Santa Clara Unified School District				
Revenue	\$17.7	\$17.3	\$16.2	\$5.0
Expense	(\$4.3)	(\$4.9)	(\$7.0)	(\$4.9)
SCUSD Net Fiscal Impact	\$13.3	\$12.4	\$9.2	\$0.1

(1) Applicant FIA results for rental units are presented. The Applicant FIA includes a separate analysis if residential units are condos, with very similar results.

(2) Findings for the residential phase of Option B are very similar, with a projected net General Fund surplus of \$0.35 million and the Santa Clara Unified School District approximately fiscally neutral.

Table 2 summarizes the development alternatives that are evaluated.

Table 2. Development Alternatives Evaluated				
	Option A (1,800 units)	Option B (2,600 units)	Residential Phase Only (1,800 units)	
<u>Residential</u>				
BMR Units	270	390	270	units
Market Rate	<u>1,530</u>	<u>2,210</u>	<u>1,530</u>	<u>units</u>
Subtotal	1,800	2,600	1,800	units
<u>Commercial</u>				
Office/R&D	3,000,000	2,210,000	0	sq.ft.
Retail/Amenities	100,000	100,000	8,000	sq.ft.
Childcare	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	sq.ft.
Subtotal	3,110,000	2,320,000	18,000	sq.ft.

Table 3 presents City General Fund fiscal impacts by revenue source and department.

Table 3. City of Santa Clara General Fund Annual Revenue and Expenses				
	Applicant FIA, Option A (1,800 units)	FIA Findings with KMA Adjustments		
		Option A (1,800 units)	Option B (2,600 units)	Residential Phase Only (1,800 units)
General Fund Revenues				
Property Tax	\$4,364,800	\$4,240,200	\$3,832,000	\$1,015,000
Property Tax In Lieu of VLF	\$1,464,800	\$1,423,000	\$1,286,000	\$341,000
Sales and Use Tax	\$944,400	\$944,400	\$971,000	\$291,000
SVP Transfers	not included	\$541,000	\$498,000	\$200,000
Franchise Fees	\$246,800	\$246,800	\$250,000	\$95,000
Permits and Licenses	\$194,800	\$194,800	\$198,000	\$75,000
Transient Occupancy Tax	\$142,500	\$142,500	\$105,000	\$0
Document Transfer Tax	\$127,400	\$124,000	\$113,000	\$30,000
Business License Tax	\$88,200	\$88,200	\$66,000	\$1,000
Fines and Forfeitures	\$79,200	\$79,200	\$80,000	\$31,000
Total Revenues	\$7,652,900	\$8,024,100	\$7,399,000	\$2,079,000
General Fund Service Costs				
Fire/EMS	\$1,665,700	\$1,261,000	\$1,196,000	\$358,000
Police	\$1,676,900	\$1,318,000	\$1,496,000	\$672,000
Public Works	\$356,000	\$534,000	\$542,000	\$207,000
General Government	\$444,400	\$444,400	\$451,000	\$172,000
Parks & Recreation	\$415,300	\$214,000	\$310,000	\$214,000
Library	\$163,000	\$163,000	\$235,000	\$163,000
Planning & Inspection	\$68,000	\$68,000	\$69,000	\$26,000
Total Expenditures	\$4,789,300	\$4,002,400	\$4,299,000	\$1,812,000
Net Annual Fiscal Impact	\$2,863,600	\$4,021,700	\$3,100,000	\$267,000

Items that reflect KMA modification of the Applicant FIA methodology or assumptions are highlighted. See discussion in Section II.

Table 4 presents estimates for SCUSD.

Table 4. Santa Clara Unified School District Annual Revenues and Expenses				
	Applicant FIA, Option A (1,800 units)	FIA Findings with KMA Adjustments		
		Option A (1,800 units)	Option B (2,600 units)	Residential Phase Only (1,800 units)
Revenues				
Property Tax	\$16,690,000	\$16,214,000	\$14,654,000	\$3,882,000
Other Revenues	\$970,000	\$1,091,000	\$1,573,000	\$1,091,000
Total Revenues	\$17,660,000	\$17,305,000	\$16,227,000	\$4,973,000
Expenses	\$4,347,000	\$4,886,000	\$7,049,000	\$4,886,000
Net Annual Fiscal Impact	\$13,313,000	\$12,419,000	\$9,178,000	\$87,000

Items that reflect KMA modification of the Applicant FIA methodology are highlighted. See discussion in Section II.

Section II. describes the recommended adjustments to the Applicant FIA, which is focused on Option A.

Appendix A. provides supporting analysis for the residential phase estimates.

Appendix B. provides supporting analysis for the Option B estimates.

II. Recommended Modifications to Applicant FIA

A discussion of recommended modifications to the Applicant FIA is provided below. The Applicant FIA evaluated Option A only, thus the discussion and tables presented in this section pertain only to Option A.

A. Santa Clara Fire Department (SCFD) Expenses

The methodology used by the Applicant FIA is drawn from the recommendations of a fire needs assessment prepared on behalf of the developer (“Needs Assessment”)². The Applicant FIA selects one of the two metrics provided in the Needs Assessment on which an estimate of Fire / EMS service costs could be based:

- A. **Existing Staffing Ratio to Population** – Staffing needed to maintain the existing ratio of fire / EMS staff to population, which results in an estimated need for approximately four additional firefighters (used in Applicant FIA).
- B. **Fire / EMS Service Calls** – the Project will generate 840 new Fire / EMS calls for service annually according to the Needs Assessment (not used in Applicant FIA).

The selected population-based staffing metric is problematic in that it does not directly consider service needs of non-residential uses that represent approximately two thirds of the Project by building area. Of the two metrics provided in the Needs Assessment, service call generation by the Project is the most direct measure of service needs; however, the estimated calls for service identified by the Needs Assessment is likely inaccurate, as discussed below.

Two additional approaches for estimating Fire/EMS service costs were examined based on feedback from the Santa Clara Fire Department, including:

- C. **Staffing Ratio for Higher Density Communities** – Santa Clara Fire Department (SCFD) indicates a staffing ratio of 1.5 per 1,000 population is more appropriate to a high-density community, such as the Proposed Project.
- D. **Daytime Service Population** – Estimating service costs proportionate to daytime service population is used in the Applicant FIA for a number of other revenue and expense items and could be applied to Fire / EMS service costs as well.

Estimates using each of the four approaches follow.

² Mission Point Development Fire Service Needs Assessment by PryoAnalysis, June 12, 2023.

Approach A. Ratio of Fire / EMS Staff to Population (Applicant FIA Method)

Approach A using the current ratio of Fire / EMS staff to population is presented in Table 5-1 and yields an estimated expense of approximately \$1.7 million. As noted above, the approach is problematic because it does not consider costs associated with non-residential uses comprising three of the four major phases in the Project. Further, SCFD does not use a population-based ratio for staffing decisions³.

Table 5-1 Approach A Based on Existing FTEs Per 1,000 Population (Applicant FIA Method)		
FY 23-24 Field Ops and EMS Division costs	\$57,020,592	Excludes Admin, Community Risk Reduction, Training, and Office of Emergency Services
Field Operations FTEs	138	
Cost per FTE	\$413,193	
Existing Residents	132,476	
Existing Field Operations FTEs per 1,000 residents	1.0417	
Number of residents, Proposed Project	3,870	
Number of New FTEs needed at current staffing ratio	4.031	
Estimated Fire/EMS Services Cost (Approach A)	\$1,666,000	= 4.031 FTEs x \$413,193 cost per FTE

Approach B. Based on Fire/EMS Calls for Service

Fire/EMS service costs can be estimated based on the number of Fire/EMS service calls projected to be generated. This approach considers both residential and non-residential components and relates directly to the service demands created by the Project. As stated in the Needs Assessment *“as the call volume in District 10 continues to rise, there is an increased likelihood of simultaneous service requests and the potential for the primary responding unit to be engaged at another emergency. This situation, known as concurrent calls for service, will necessitate a response from a secondary or tertiary unit stationed south of Hwy 101, further worsening the already delayed response times in District 10.”*

The Needs Assessment indicates the Project will generate 840 additional Fire / EMS calls for service annually. However, the 840 service calls is not based on analysis of service call data, rather it assumes existing citywide calls increase proportionate to the sum of population and employment, and so may not be accurate.

³ As stated in the DEIR, “SCFD does not use a population-based staffing standard but, rather, bases its staffing model on the ability to send trained and equipped personnel within response times.”

KMA prepared a modified estimate of the number of Fire/EMS calls for service based on SCFD data on actual Fire/EMS calls for service to the following existing properties:

- Santa Clara Square, a mixed use development with multi-family, retail and office;
- Santa Clara Gateway, an office development; and
- St Anton Apartments, a multi-family 100% affordable development.

Fire / EMS call generation rates from these existing properties are shown in Table 5-2.

Table 5-2. Fire/EMS Calls for Service Generation Rate Estimate				
	Annual Fire/EMS Calls for Service	Data Year ⁽¹⁾	No. of Units or Square Feet	Service Call Generation Rate Per Unit or 1,000 Square Feet
Santa Clara Square: Office	18	2019	1,700,000 sq.ft.	0.0106 / 1,000 SF
Santa Clara Gateway: Office	46	2019	900,000 sq.ft.	0.0511 / 1,000 SF
Santa Clara Square: Retail	26	2023	166,313 sq.ft.	0.1563 / 1,000 SF
Santa Clara Square: Multifamily	51	2023	1,482 units	0.0344 / unit
St. Anton Apartments: Affordable	8	2023	196 units	0.0408 / unit

Sources: City of Santa Clara Fire Department, CoStar, Realquest.

(1) Calls for service to office uses dropped during the pandemic and are currently affected by high vacancies. For office, 2019 data is used to establish call rates.

Call generation rates from Table 5-2 are applied to estimate annual fire/EMS calls for service to the Project. Fire/EMS service costs are estimated using the existing cost per call. These calculations are shown in Table 5-3 and yield an estimate of Fire/EMS service expenses of approximately \$1.3 million per year.

Table 5-3. Fire / EMS Approach B, Based on Projected Calls For Service			
FY 23-24 Field Ops and EMS Division costs			\$57,020,592
Fire/EMS Calls For Service, 2023			10,586
Cost Per Service Call			\$5,386
Calls for Service, Proposed Project			<u>Estimated Calls for Service</u>
	<u>Call Generation</u>	<u>Development</u>	
Market Rate Residential	0.0344 / unit	1,530 units	53
Affordable Residential	0.0408 / unit	270 units	11
Office ⁽¹⁾	0.0511 / 1,000 SF	3,000,000 SF	153
Retail / Amenities	0.1563 / 1,000 SF	110,000 SF	17
Total Calls			234
Estimated Fire/EMS Service Expense	= no. of calls x cost per call		\$1,261,000

(1) Uses Santa Clara Gateway call generation rate.

Approach C. Higher Density / Urban Staffing Ratio

SCFD indicated that a higher staffing ratio of 1.5 FTEs per 1,000 population is more applicable to a higher density community such as the Project. The existing staffing ratio of 1.04 FTEs per 1,000 population aligns more closely with National Fire Protection Association guidance for lower density suburban environments. Use of a higher population-based staffing ratio shares the disadvantage of Approach A in attributing all service needs to residential uses, with no direct consideration of service needs associated with the non-residential component. With Approach C, Fire / EMS service costs are estimated at \$2.4 million per year, as shown in Table 5-4.

Table 5-4. Approach C Based on Higher Density / Urban Staffing Ratio of 1.5 Per 1,000 Population		
FY 23-24 Field Ops and EMS Division costs	\$57,020,592	Excludes Admin, Community Risk Reduction, Training, and Office of Emergency Services
Field Operations FTEs	138	FTEs
Cost per FTE	\$413,193	/FTE
Number of residents, Proposed Project	3,870	Residents
Staffing Ratio per 1,000, Higher Density Communities	1.5	per SCFD
Number of New FTEs needed	5.81	FTEs
Estimated Fire/EMS Services Cost (Approach C)	\$2,399,000	=5.81 FTEs x \$413,193 cost per FTE.

Approach D. Daytime Service Population

With Approach D, existing Fire / EMS costs are estimated proportionate to daytime service population. This methodology is consistent with analyses of six other revenue and expense items in the Applicant FIA. Approach D considers service needs of both residential and non-residential components of the Project. As shown in Table 5-5, this method results in an estimated service cost of \$2.9 million per year.

Table 5-5. Approach D Based on Daytime Service Population		
FY 23-24 Field Ops and EMS Division Budget	\$57,020,592	Excludes Admin, Community Risk Reduction, Training, and Office of Emergency Services
Existing Daytime Service Population	196,597	
Cost per Daytime Service Population	\$290.04	
New Daytime Service Population	10,152	
Estimated Fire/EMS Services Cost (Approach D)	\$2,944,000	= \$290.04 cost per daytime population x 10,152 new daytime population

As evident from the discussion above, estimates are sensitive to methodology. KMA's recommendation is to use Approach B (Table 5-3), which yields a Fire/EMS service cost

of approximately \$1.3 million per year. Approach B considers service demands of both residential and non-residential Project components and is the most data-driven estimate based on actual service demands of comparable existing uses.

B. Police Service Costs

The Applicant FIA estimates the cost to provide police services at \$1.7 million per year based on the existing ratio of officers per 1,000 population. This approach has the same drawbacks as Approach A of the Fire/EMS analysis in that estimated police service expenses are based solely on the residential component of the Project, with no expenses attributed to non-residential uses. As stated in the Draft Environmental Impact Report (DEIR) for the Project, Santa Clara Police Department (SCPD) does not maintain a population-based standard for staffing, rather SCPD bases staffing decisions on actual workload and the interpretation and analysis of data.

KMA prepared a separate analysis of police service expenses based on the estimated number of calls for service, an approach to capturing service needs of all Project components based on the actual service demands of comparable existing uses. The estimate uses the same properties as the Fire/EMS calls for service analysis. Table 6-1 summarizes the Police call generation rates from these existing properties.

Table 6-1. Police Calls for Service Generation Rate Estimate				
	A. Annual Police Calls for Service ⁽¹⁾	B. No. of Units or Square Feet	C. Adjustment Factor ⁽²⁾	D. Service Call Generation Rate =A. / B x C.
Santa Clara Square: Office	36	1,700,000 sq.ft.	2	0.0424 / 1,000 SF
Santa Clara Gateway: Office	27	900,000 sq.ft.	2	0.0600 / 1,000 SF
Santa Clara Square: Retail	248	166,313 sq.ft.	1	1.4912 / 1,000 SF
Santa Clara Square: Multi-Family	209	1,482 units	1	0.1410 / Unit
St. Anton Apartments: Affordable	63	196 units	1	0.3214 / Unit

Sources: KMA analysis of data provided by City of Santa Clara Police Department, CoStar, Realquest.

(1) Represents calls for service excluding traffic-related incidents that include police beat and location coordinates.

(2) A comparison to pre-pandemic call generation rates indicates a drop of nearly 60% for office uses from 2019 to 2023. The 2x adjustment factor assumes calls for service will return to near pre-pandemic rates.

Call generation rates from Table 6-1 are applied to estimate annual police calls for service to the Project. Police service expenses are estimated using the existing cost per call. These calculations are shown in Table 6-2 and yield an estimate of police service expenses of approximately \$1.3 million per year. This estimate is reflected in the adjusted findings presented in Tables 1 and 3.

Table 6-2. Police Service Cost Estimate Based on Projected Calls For Service			
	<u>Police 23-24 Budget</u>	<u>Variable Costs</u>	<u>Police Variable Cost</u>
Administrative Services	\$20,300,570	75%	\$15,225,428
Field Operations	\$45,311,222	100%	\$45,311,222
Investigations	\$16,060,444	100%	\$16,060,444
Special Operations	\$3,926,326	0%	\$0
Total	\$85,598,562		\$76,597,094
Police Calls For Service, 2023 ⁽¹⁾			37,558 calls
Variable Cost Per Service Call	= variable cost / 2023 calls		\$2,039 / call
Calls for Service, Proposed Project	<u>Call Generation Rate</u>	<u>Development</u>	<u>Estimated Calls for Service</u>
Market Rate Residential	0.1410 / unit	1,530 units	216 calls
Affordable Residential	0.3214 / unit	270 units	87 calls
Office ⁽²⁾	0.0600 / 1,000 SF	3,000,000 SF	180 calls
Retail / Amenities	1.4912 / 1,000 SF	110,000 SF	<u>164 calls</u>
Total Calls			647 calls
Estimated Police Service Expense	= no. of calls x cost per call		\$1,318,000

(1) Represents 2023 calls for service that include police beat and location data but excluding traffic-related incidents that cannot be allocated to a specific land use.

(2) Uses Santa Clara Gateway call generation rate.

C. Public Works

The Applicant FIA makes a 50% downward adjustment to Public Works expenses based on private maintenance of streets interior to the Project. Multi-building office and retail developments in Santa Clara commonly incorporate privately maintained interior access improvements. Since the Project is not unique in this regard, expense factors derived from the City’s budget will already incorporate this. A reduced adjustment factor of 25% is applied to the estimate presented in Table 7.

Table 7. Modified Estimate of Public Works Expense				
	<u>Budget</u>	<u>Direct Revenue</u>	<u>Percent Variable</u>	<u>Variable Cost</u>
Existing Budget	\$25,203,805	\$6,818,366	75%	\$13,789,079
Existing Daytime Service Population				196,597
Cost Per Daytime Service Population				\$70.14
Less: Adjustment for Private Street Maintenance			25%	<u>(\$17.54)</u>
Adjusted Variable Cost Per Daytime Service Population				\$52.61
Daytime Service Population, Proposed Project				10,152
Estimated Public Works Expense	= \$52.61 cost per daytime population x 10,152 new daytime population			\$534,000

D. Park and Recreation Expenses

The Applicant FIA estimate of Park and Recreation departmental expenses is approximately \$415,000 per year. The estimate is based on the City’s existing per capita costs. Subsequent to preparation of the Applicant FIA, the property owner agreed to assume responsibility for maintenance of on-site parks as part of the proposed DA. A modified estimate of park and recreation expenses is provided in Table 8 to reflect this. This modified estimate is based on the City’s existing per capita costs for departmental administration, recreation programs, facility maintenance, and operations, but assumes incremental park maintenance expenses will be minimal. As shown in Table 8, expenses are estimated to total \$214,000 annually.

Table 8. Parks and Recreation Expenses				
	<u>Budget</u>	<u>Direct Revenue</u>	<u>Percent Variable</u>	<u>Variable Cost</u>
Administration Division	\$2,344,976	\$525,557	75%	\$1,364,564
Parks ⁽¹⁾	\$9,033,152	\$0	0%	\$0
Pools	\$1,405,285	\$0	75%	\$1,053,964
Buildings	\$1,320,398	\$0	75%	\$990,299
Operations	\$534,380	\$0	75%	\$400,785
Recreation Division	\$8,419,639	\$3,717,000	75%	<u>\$3,526,979</u>
			Total Variable Cost:	\$7,336,591
Existing Residents				132,476
Variable Cost Per Resident				\$55.38
New Residents				3,870
Estimated Parks and Recreation Expense				\$214,000

Source: City of Santa Clara FY 2024-25 budget.

(1) Incremental City park maintenance expenses are assumed to be minor since parks within the Project are to be privately maintained.

E. SVP Transfers

The Applicant FIA does not include transfers from Silicon Valley Power (SVP) to the City General Fund. Transfers from SVP are made in accordance with the City’s charter based on a 5% share of gross SVP revenue. Since SVP will supply electricity to the Project, SVP transfer revenues will increase. SVP transfer revenue generated by the Project is estimated proportionate to electricity usage, as shown in Table 9.

Table 9. Silicon Valley Power Transfers				
Electricity Use: SVP Service Area ⁽¹⁾	4,382.10	Gigawatt Hours	14,952,000	Million BTUs per year
	3,412.14	Million BTUs per Gigawatt		
Project Electric use ⁽²⁾			254,284	Million BTUs per year
Less: Existing Site Electric Use ⁽³⁾			(1,636)	Million BTUs per year
Net Increase in Electricity Use from Project			252,648	Million BTUs per year
Percent Increase in Usage: SVP System			1.69%	
Existing 23-24 Budgeted SVP Transfers			\$32,000,000	
Estimated SVP Transfer Revenue	= 1.69% increase x \$32,000,000 existing budgeted revenue		\$541,000	

(1) Per DEIR Table 3.5-2.

(2) Per DEIR Table 3.5-5.

(3) Per DEIR Table 3.5-3.

F. Assessed Values

The Applicant FIA assumes that affordable units will be on the tax rolls at a \$124 million assessed value. The developer is proposing units at an average AMI of 80% or below. Units at 80% of AMI and below may qualify for an exemption from property taxes depending on ownership structure. Given a property tax exemption is a possibility, one is assumed for purposes of the modified assessed value and property tax revenue estimates in Table 10. Although other assessed value estimates presented in the Applicant FIA appear somewhat optimistic based on a review of actual assessed values of other recent developments in Santa Clara, the Project is likely to require these higher values to achieve feasibility and so additional adjustments to assessed value assumptions were not made.

Table 10. Property Tax and Transfer Tax Estimates			
Property Taxes			
Applicant FIA Assessed Value Estimate			\$4,633,104,444
Less: Assessed Value of Affordable Units, likely exempt.			<u>(\$123,927,804)</u>
Total Assessed Value			\$4,509,176,640
Less: Existing Assessed Value			<u>(\$290,034,923)</u>
Net Value Increase			\$4,219,141,717
1% Property Tax			\$42,191,417
City Share of Property Taxes	10.1%	of 1% tax	\$4,240,200
Property Tax In Lieu of VLF			
Existing Citywide Property Tax in Lieu of VLF			\$19,200,000
Citywide Assessed Value			\$56,925,917,348
Net Assessed Value Increase with Project			7.412%
Property Tax In Lieu of VLF			\$1,423,000
Real Property Document Transfer Tax			
	Value	% Turnover	Turnover Value
Residential	\$1,072,256,640	5.0% per Year	\$53,612,832
Commercial	<u>\$3,436,920,000</u>	5.0% per Year	<u>\$171,846,000</u>
Total	\$4,509,176,640		\$225,458,832
Transfer Tax	\$0.55	per \$1,000 value	\$124,000

G. Budget Year

The Applicant uses FY 22-23 expenditure information for most estimates, although there is some mixing and matching of budget years, with FY 23-24 used for Fire/EMS. Since expenses have increased since FY 2022-23, use of FY 23-24 or FY 24-25 budget year information consistently throughout would have resulted in higher expense estimates. KMA has not updated the analysis to reflect this comment.

H. SCUSD Student Generation Rates

While the Applicant FIA references student generation rates from the DEIR, and the DEIR cites information from SCUSD staff, the figures are not consistent with the source data. The analysis of SCUSD revenues and expenses was modified to reflect the student generation rates identified in SCUSD enrollment projections. Property tax revenue estimates have been adjusted consistent with the assumption that affordable units will be exempt. The modified analysis is presented in Table 11.

Table 11. Santa Clara Unified School District Impacts					
	<u>Market Rate</u>		<u>Affordable</u>		<u>Total</u>
Number of Residential Units	1,530		270		1,800 Units
K-12 Student Generation Rate ⁽¹⁾	0.03		0.56		
Number of Added K-12 Students	45.9		151.2		197.1 Students
Estimated Increase in Average Daily Attendance (ADA)	92.8%	ADA as share of enrollment			183 ADA
Revenues					
Property Tax	\$4,219,141,717	AV added ⁽²⁾	38.43%	of 1% tax	\$16,214,000
Other Local Revenue	\$3,212	per ADA ⁽³⁾			\$588,000
Federal Revenues	\$376	per ADA ⁽³⁾			\$69,000
Other State Revenue	\$2,370	per ADA ⁽³⁾			<u>\$434,000</u>
Total Revenue					\$17,305,000
Expenses	\$26,701	per ADA⁽³⁾			\$4,886,000
SCUSD Net Annual Fiscal Impact					\$12,419,000

(1) Student Generation Rates derived by Enrollment Projection Consultants for Santa Clara Unified, January 2020.

(2) See Table 10.

(3) From Applicant FIA.

APPENDIX A: SENSITIVITY TEST WITH RESIDENTIAL PHASE ONLY

The following tables provide the supporting analysis for findings in Tables 1 through 4 evaluating the fiscal impacts of the residential phase of Option A on its own. The analysis is based on the uses proposed for Area D, including 1,800 residential units, childcare and amenity uses. The residential phase analysis reflects the Applicant FIA methodology and assumptions, without updating to reflect current budget information or tax rates, and incorporates the recommended modifications described in Section II. As shown in Table A-1, the residential phase alone is estimated to generate a net positive fiscal impact of approximately \$0.3 million to the City’s General Fund. Supporting analysis is provided in Appendix Tables A-2 to A-12.

Table A-1. General Fund Revenue and Expenses, Residential (Area D) Only	
General Fund Revenues	
Property Tax	\$1,015,000
SVP Transfers	\$341,000
Property Tax In Lieu of VLF	\$291,000
Sales and Use Tax	\$200,000
Franchise Fees	\$95,000
Permits and Licenses	\$75,000
Transient Occupancy Tax	\$0
Document Transfer Tax	\$30,000
Business License Tax	\$1,000
Fines and Forfeitures	\$31,000
Total Revenues	\$2,079,000
General Fund Service Costs	
Fire/EMS	\$358,000
Police	\$672,000
Public Works	\$207,000
General Government	\$172,000
Parks & Recreation	\$214,000
Library	\$163,000
Planning & Inspection	\$26,000
Total Expenditures	\$1,812,000
Net Annual Fiscal Impact	\$267,000

Table A-2 Population and Employment, Residential (Area D) Only									
	<u>Development</u>		<u>Population / Employment Factor</u>				<u>Population</u>	<u>Employees</u>	<u>Daytime Pop</u>
Residential									
BMR	270	units	2.15	population per unit	47	units/employee	581	6	583
Market Rate	<u>1,530</u>	<u>units</u>	2.15	population per unit	47	units/employee	<u>3,290</u>	<u>33</u>	<u>3,306</u>
Subtotal	1,800	units					3,870	38	3,889
Commercial									
Retail/Amenities	8,000	sq.ft.	204	sq.ft./employee		employee/sq.ft.		39	20
Childcare	<u>10,000</u>	<u>sq.ft.</u>	286	sq.ft./employee		employee/sq.ft.		<u>35</u>	<u>17</u>
Subtotal	18,000	sq.ft.						74	37
Total							3,870	112	3,926

Source: Applicant FIA with Areas A to C Removed.

Table A-3. Assessed Value, Residential Only						
Residential						
BMR		270	units			assume exempt
Market Rate		<u>1,530</u>	<u>units</u>	\$700,821	/unit	<u>\$1,072,256,640</u>
Subtotal		1,800	units			\$1,072,256,640
Commercial						
Retail/Amenities		8,000	sq.ft.	\$822	/sq.ft.	\$6,576,000
Childcare		<u>10,000</u>	<u>sq.ft.</u>	\$372	/sq.ft.	<u>\$3,720,000</u>
Subtotal		18,000	sq.ft.			\$10,296,000
Total Assessed Value						\$1,082,552,640
Less Existing Assessed Value (1/4 of existing)						(\$72,508,731)
Net Increase in Assessed Value						\$1,010,043,909

Source: Applicant FIA with Areas A to C removed and BMR units exempt.

Table A-4. Property Tax and Transfer Tax Estimates, Residential Only			
Property Taxes			
Net Value Increase			\$1,010,043,909
1% Property Tax			\$10,100,439
City Share of Property Taxes	10.1%	of 1% tax	\$1,015,000
Property Tax In Lieu of VLF			
Existing Citywide Property Tax in Lieu of VLF			\$19,200,000
Citywide Assessed Value			\$56,925,917,348
Net Assessed Value Increase with Project			1.774%
Property Tax In Lieu of VLF			\$341,000
Real Property Document Transfer Tax			
	Value	% Turnover	Turnover Value
Residential	\$1,072,256,640	5.0% per Year	\$53,612,832
Commercial	\$10,296,000	5.0% per Year	\$514,800
Total	\$1,082,552,640		\$54,127,632
Transfer Tax	\$0.55	per \$1,000 in AV	\$30,000

Source: Applicant FIA with Areas A to C removed and BMR units exempt.

Table A-5. Silicon Valley Power Transfers, Residential Only				
Total Electricity Use: SVP Service Area ⁽¹⁾	4,382.10	Gigawatt Hours	14,952,000	Million BTUs per year
	3,412.14	Million BTUs per Gigawatt		
Project Electric use ⁽²⁾			254,284	M Btu per year
Less: Existing Site Electric use ⁽³⁾			(1,636)	M Btu per year
Net Increase in Electric use with Project			252,648	
Block D as % of Total Project GSF			37%	
Percent Increase in Usage: SVP System			0.63%	
Existing 23-24 Budgeted SVP Transfers			\$32,000,000	
Estimated SVP Transfer Revenue	= 0.63% increase x \$32,000,000 existing budgeted revenue		\$200,000	

(1) Per DEIR Table 3.5-2.

(2) Per DEIR Table 3.5-5.

(3) Per DEIR Table 3.5-3.

Table A-6. Sales Tax Estimate, Residential Only					
	<u>Spending per unit or worker</u>		<u>Units/Workers</u>		<u>% in Santa Clara</u>
Market Rate Units	\$33,173	Taxable Sales Per Unit	1,530	Units	50%
Below Market Rate Units	\$25,958	Taxable Sales Per Unit	270	Units	50%
Employee Spending	\$4,958	Taxable Sales Per Worker	112	Workers	33.3%
Total Taxable Sales					
Sales Tax Estimate, Residential Only				=1% taxable sales	

Source: Applicant FIA, adjusted to residential only

Table A-7. Other Revenues Estimated on Per Capita Basis, Residential Only				
<u>Item</u>	<u>Employment or Daytime Population</u>		<u>Revenue Factor</u>	<u>Revenue Estimate</u>
Franchise Fees	3,926	\$24.31	per daytime population	\$95,000
Fines and Forfeitures	3,926	\$7.80	per daytime population	\$31,000
Permits and Licenses	3,926	\$19.19	per daytime population	\$75,000
Business License Tax	74	\$7.02	per employee	\$1,000
Total Revenues				\$202,000

Source: Applicant FIA with Areas A to C Removed.

Table A-8. Fire/EMS Service Cost Estimate, Residential Only				
FY 23-24 Field Ops and EMS Division costs			\$57,020,592	
Fire/EMS Calls For Service, 2023			10,586	
Cost Per Service Call			\$5,386	
Calls for Service, Proposed Project	<u>Call Generation</u>	<u>Development</u>	<u>Estimated Calls for Service</u>	
Market Rate Residential	0.0344	1,530	53	
Affordable Residential	0.0408	270	11	
Retail / Amenities	0.1563	18,000	3	
Total Calls			66	
Estimated Fire/EMS Service Expense			= no. of calls x cost per call	\$358,000

Table A-9. Police Service Cost Estimate, Residential Only			
	<u>23-24 Budget</u>	<u>Percent Variable</u>	<u>Variable Cost</u>
Administrative Services	\$20,300,570	75%	\$15,225,428
Field Operations	\$45,311,222	100%	\$45,311,222
Investigations	\$16,060,444	100%	\$16,060,444
Special Operations	<u>\$3,926,326</u>	0%	<u>\$0</u>
Total	\$85,598,562		\$76,597,094
Police Calls For Service, 2023 ⁽¹⁾			37,558
Variable Cost Per Service Call			\$2,039
Calls for Service, Proposed Project	<u>Call Generation</u>	<u>Development</u>	<u>Estimated Calls for Service</u>
Market Rate Residential	0.1410 / unit	1,530 units	216 calls
Affordable Residential	0.3214 / unit	270 units	87 calls
Retail / Amenities	1.4912 / 1,000 SF	18,000 SF	<u>27 calls</u>
Total Calls			329 calls
Estimated Police Service Expense	= no. of calls x cost per call		\$672,000

(1) Represents 2023 calls for service that include police beat and location data but excluding traffic-related incidents that cannot be allocated to a specific land use.

Table A-10. Public Works Expense Estimate, Residential Only				
	<u>Budget</u>	<u>Direct Revenue</u>	<u>Percent Variable</u>	<u>Variable Cost</u>
Administrative Services	\$25,203,805	\$6,818,366	75%	\$13,789,079
Existing Daytime Service Population				196,597
Variable Cost Per Daytime Service Population				\$70.14
Less: Adjustment for Private Street Maintenance			25%	<u>(\$17.54)</u>
Adjusted Variable Cost Per Daytime Service Population				\$52.61
Daytime Service Population				3,926
Estimated Public Works Expense				\$207,000

Table A-11. Parks and Recreation Expenses, Residential Only				
	<u>Budget</u>	<u>Direct Revenue</u>	<u>Percent Variable</u>	<u>Variable Cost</u>
Administration Division	\$2,344,976	\$525,557	75%	\$1,364,564
Parks ⁽¹⁾	\$9,033,152	\$0	0%	\$0
Pools	\$1,405,285	\$0	75%	\$1,053,964
Buildings	\$1,320,398	\$0	75%	\$990,299
Operations	\$534,380	\$0	75%	\$400,785
Recreation Division	\$8,419,639	\$3,717,000	75%	\$3,526,979
			Total Variable Cost:	\$7,336,591
Existing Residents				132,476
Variable Cost Per Resident				\$55.38
New Residents				3,870
Estimated Parks and Recreation Expense				\$214,000

Source: City of Santa Clara FY 2024-25 budget.

(1) Park maintenance variable expense assumed to be \$0 since parks within the Project are to be privately maintained.

Table A-12. Other Expenses Estimated on Per Capita Basis, Residential Only				
Item	Residents or Daytime Population	Cost Factor	Cost Factor	Expense Estimate
General Government	3,926	\$43.77	per daytime population	\$172,000
Library	3,870	\$42.12	per resident	\$163,000
Community Development	3,926	\$6.70	per daytime population	\$26,000
Total				\$361,000

Source: Applicant FIA with Areas A to C Removed.

Table A-13. Santa Clara Unified School District Impacts, Residential Only					
		<u>Market Rate</u>	<u>Affordable</u>		<u>Total</u>
Number of Residential Units		1,530	270		1,800 Units
K-12 Student Generation Rate ⁽¹⁾		0.03	0.56		
Number of Added K-12 Students		45.9	151.2		197.1 Students
Estimated Increase in ADA	92.8%	ADA as share of enrollment			183 ADA
Revenues					
Property Tax	\$1,010,043,909	AV added	38.43%	of 1% tax	\$3,882,000
Other Local Revenue	\$3,212	per ADA			\$588,000
Federal Revenues	\$376	per ADA			\$69,000
Other State Revenue	\$2,370	per ADA			<u>\$434,000</u>
Total Revenue					\$4,973,000
Expenses	\$26,701	per ADA			\$4,886,000
Net Annual Fiscal Impact					\$87,000

(1) Student Generation Rates derived by Enrollment Projection Consultants for Santa Clara Unified, January 2020.

Source: Applicant FIA with Areas A to C Removed.

APPENDIX B: ANALYSIS OF OPTION B

The following tables provide the supporting analysis for findings in Tables 1 through 4 evaluating the fiscal impacts of Option B, which includes up to 2,600 residential units (800 more than the Option A) and a 790,000 square foot reduction in the Office/R&D component to 2.2 million square feet. Analysis of Option B reflects the Applicant FIA methodology and assumptions, without updating to reflect current budget information or tax rates, and incorporates the recommended modifications described in Section II. As shown in Table B-1, Option B is estimated to generate a net positive fiscal impact of approximately \$3.1 million to the City’s General Fund. Supporting analysis is provided in Appendix Tables B-2 to B-13.

Table B-1. General Fund Revenue and Expenses, Option B	
General Fund Revenues	
Property Tax	\$3,832,000
Property Tax In Lieu of VLF	\$1,286,000
Sales and Use Tax	\$971,000
SVP Transfers	\$498,000
Franchise Fees	\$250,000
Permits and Licenses	\$198,000
Transient Occupancy Tax	\$105,000
Document Transfer Tax	\$113,000
Business License Tax	\$66,000
Fines and Forfeitures	\$80,000
Total Revenues	\$7,399,000
General Fund Service Costs	
Fire/EMS	\$1,196,000
Police	\$1,496,000
Public Works	\$542,000
General Government	\$451,000
Parks & Recreation	\$310,000
Library	\$235,000
Planning & Inspection	\$69,000
Total Expenditures	\$4,299,000
Net Annual Fiscal Impact	\$3,100,000

Table B-2. Population and Employment, Option B										
Item	Development		Population / Employment Factor				Population	Employees	Daytime Pop ⁽¹⁾	
<u>Residential</u>										
BMR	390	units	2.15	population per unit	47	units/employee	839	8	843	
Market Rate	<u>2,210</u>	<u>units</u>	2.15	population per unit	47	units/employee	<u>4,752</u>	<u>47</u>	<u>4,775</u>	
Subtotal	2,600	units					5,590	55	5,618	
<u>Commercial</u>										
Office/R&D	2,210,000	sq.ft.	250	sq.ft./employee		employee/sq.ft.		8,840	4,420	
Retail/Amenities	100,000	sq.ft.	204	sq.ft./employee		employee/sq.ft.		490	245	
Childcare	<u>10,000</u>	<u>sq.ft.</u>	286	sq.ft./employee		employee/sq.ft.		<u>35</u>	<u>17</u>	
Subtotal	2,320,000	sq.ft.						9,365	4,683	
Total							5,590	9,420	10,300	

Source: Applicant FIA as adjusted to Option B

(1) Calculated as one per resident and 0.5 per employee.

Table B-3. Assessed Value, Option B					
<u>Residential</u>					
BMR	390	units			assume exempt
Market Rate	<u>2,210</u>	<u>units</u>	\$700,821	/unit	<u>\$1,548,815,147</u>
Subtotal	2,600	units			\$1,548,815,147
<u>Commercial</u>					
Office	2,210,000	sq.ft.	\$1,117	/sq.ft.	\$2,468,570,000
Retail/Amenities	100,000	sq.ft.	\$822	/sq.ft.	\$82,200,000
Childcare	<u>10,000</u>	<u>sq.ft.</u>	<u>\$372</u>	<u>/sq.ft.</u>	<u>\$3,720,000</u>
Subtotal	2,320,000	sq.ft.			\$2,554,490,000
Total Assessed Value					\$4,103,305,147
Less Existing Assessed Value					(\$290,034,923)
Net Increase in Assessed Value					<u>\$3,813,270,224</u>

Source: Applicant FIA as adjusted to Option B

Table B-4. Property Tax and Transfer Tax Estimates, Option B			
Property Taxes			
Net Value Increase			\$3,813,270,224
1% Property Tax			\$38,132,702
City Share of Property Taxes	10.1%	of 1% tax	\$3,832,000
Property Tax In Lieu of VLF			
Existing Citywide Property Tax in Lieu of VLF			\$19,200,000
Citywide Assessed Value			\$56,925,917,348
Net Assessed Value Increase with Project			6.699%
Property Tax In Lieu of VLF			\$1,286,000
Real Property Document Transfer Tax			
	<u>Value</u>	<u>%Turnover</u>	<u>Turnover Value</u>
Residential	\$1,548,815,147	5.0% per Year	\$77,440,757
Commercial	<u>\$2,554,490,000</u>	5.0% per Year	<u>\$127,724,500</u>
Total	\$4,103,305,147		\$205,165,257
Transfer Tax	\$0.55	per \$1,000 in AV	\$113,000

Source: Applicant FIA as adjusted to Option B

Table B-5. Silicon Valley Power Transfers, Option B				
Total Electricity Use: SVP Service Area ⁽¹⁾	4,382.10	Gigawatt Hours	14,952,000	Million BTUs per year
	3,412.14	Million BTUs per Gigawatt		
Project Electric use ⁽²⁾			254,284	M Btu per year
Less: Adjustment for Option B ⁽³⁾			(20,494)	M Btu per year
Less: Existing Site Electric use ⁽⁴⁾			<u>(1,636)</u>	M Btu per year
Net Increase in Electric use			232,154	
% of Total Project GSF			100%	
Percent Increase in Usage: SVP System			1.56%	
Existing 23-24 Budgeted SVP Transfers			\$32,000,000	
Estimated SVP Transfer Revenue			\$498,000	

(1) Per DEIR Table 3.5-2.

(2) Per DEIR Table 3.5-5.

(3) Adjustment for decrease in office/R&D and increase in residential use estimated based upon the U.S. Department of Energy, 2018 Commercial Buildings Energy Consumption Survey (CBECS), Pacific Region and 2020 Residential Energy Consumption Survey (RECS) data for apartments with five or more units, indicating residential units use approximately 7,612 kwh per year less energy than 1,000 square feet of office space.

(4) Per DEIR Table 3.5-3.

Table B-6. Sales Tax Estimate, Option B							
	<u>taxable sales per unit, worker or sq.ft.</u>		<u>Units/Workers</u>	<u>% Net New</u>	<u>% in Santa Clara</u>	<u>Total</u>	
Market Rate Units	\$33,173	Taxable Sales Per Unit	2,210	Units	100%	50%	\$36,656,476
Below Market Rate Units	\$25,958	Taxable Sales Per Unit	390	Units	100%	50%	\$5,061,810
Employee Spend	\$4,958	Taxable Sales Per Worker	9,420	Workers	100%	33.3%	\$15,570,101
Business Spend/Catering	\$1,600	Taxable Sales Per Worker	9,420	Workers	100%	100%	\$15,070,901
Retail	\$494	Avg. Taxable Sales Per Sq.ft.	100,000	sq.ft.	50%	100%	<u>\$24,694,800</u>
							\$97,054,088
Sales Tax Estimate				=1% taxable sales		\$971,000	

Source: Applicant FIA as adjusted to Option B

Table B-7. Silicon Valley Power Transfers, Option B						
Hotel Room Nights	2,210,000	sq.ft. office	5	per 1,000 office sq. ft.	11,050	room nights
Gross Daily Room Revenue	\$200	per night	50%	Captured in Santa Clara	\$1,105,000	room sales
Hotel Taxes	9.50%			\$105,000		

Source: Applicant FIA as adjusted to Option B. TOT rate was not adjusted to the current rate to remain consistent with the Applicant FIA assumptions and use of prior budget information.

Table B-8. Other Revenues Estimated on Per Capita Basis, Option B				
Item	Employment or Daytime Population		Allocation Factor	Revenue Estimate
Franchise Fees	10,300	\$24.31	per daytime population	\$250,000
Fines and Forfeitures	10,300	\$7.80	per daytime population	\$80,000
Permits and Licenses	10,300	\$19.19	per daytime population	\$198,000
Business License Tax	9,420	\$7.02	per employee	\$66,000
Total Revenues				\$594,000

Source: Applicant FIA as adjusted to Option B. Business license tax rate was not adjusted to the current rate to remain consistent with the Applicant FIA assumptions and use of prior budget information.

Table B-9. Fire/EMS Service Cost Estimate, Option B				
FY 23-24 Field Ops and EMS Division costs				\$57,020,592
Fire/EMS Calls For Service, 2023				10,586
Cost Per Service Call				\$5,386
Calls for Service, Proposed Project	<u>Call Generation</u>	<u>Development</u>	<u>Estimated Calls for Service</u>	
Market Rate Residential	0.0344	2,210	76	
Affordable Residential	0.0408	390	16	
Office ⁽¹⁾	0.0511	2,210,000	113	
Retail / Amenities	0.1563	110,000	<u>17</u>	
Total Calls				222
Estimated Fire/EMS Service Expense				\$1,196,000
= no. of calls x cost per call				

(1) Uses Santa Clara Gateway call generation rate.

Table B-10. Police Service Cost Estimate, Option B			
	<u>23-24 Budget</u>	<u>Percent Variable</u>	<u>Variable Cost</u>
Administrative Services	\$20,300,570	75%	\$15,225,428
Field Operations	\$45,311,222	100%	\$45,311,222
Investigations	\$16,060,444	100%	\$16,060,444
Special Operations	<u>\$3,926,326</u>	0%	<u>\$0</u>
Total	\$85,598,562		\$76,597,094
Police Calls For Service, 2023 ⁽¹⁾			37,558
Variable Cost Per Service Call			\$2,039
Calls for Service, Proposed Project	<u>Call Generation</u>	<u>Development</u>	<u>Estimated Calls for Service</u>
Market Rate Residential	0.1410	2,210	312
Affordable Residential	0.3214	390	125
Office ⁽²⁾	0.0600	2,210,000	133
Retail / Amenities	1.4912	110,000	<u>164</u>
Total Calls			734
Estimated Police Service Expense	= no. of calls x cost per call		\$1,496,000

(1) Represents calls for service with Police Beat and location, excluding traffic-related incidents.

(2) A comparison to pre-pandemic call generation rates indicates call volume to office uses dropped by half. Estimate based on double the 2023 call generation rate for Santa Clara Gateway.

Table B-11. Public Works Expense Estimate, Option B				
	<u>Budget</u>	<u>Direct Revenue</u>	<u>Percent Variable</u>	<u>Variable Cost</u>
Administrative Services	\$25,203,805	\$6,818,366	75%	\$13,789,079
Existing Daytime Service Population				196,597
Variable Cost Per Daytime Service Population				\$70.14
Less: Adjustment for Private Street Maintenance			25%	<u>(\$17.54)</u>
Adjusted Variable Cost Per Daytime Service Population				\$52.61
Daytime Service Population				10,300
Estimated Public Works Expense				\$542,000

Source: Applicant FIA as adjusted to Option B and modified adjustment for private maintenance.

Table B-12. Parks and Recreation Expenses, Option B				
	<u>Budget</u>	<u>Direct Revenue</u>	<u>Percent Variable</u>	<u>Variable Cost</u>
Administration Division	\$2,344,976	\$525,557	75%	\$1,364,564
Parks ⁽¹⁾	\$9,033,152	\$0	0%	\$0
Pools	\$1,405,285	\$0	75%	\$1,053,964
Buildings	\$1,320,398	\$0	75%	\$990,299
Operations	\$534,380	\$0	75%	\$400,785
Recreation Division	\$8,419,639	\$3,717,000	75%	<u>\$3,526,979</u>
			Total Variable Cost:	7,336,591
Existing Residents				132,476
Variable Cost Per Resident				\$55.38
New Residents				5,590
Estimated Parks and Recreation Expense				\$310,000

Source: City of Santa Clara FY 2024-25 budget.

(1) No variable cost assumed since new parks within project are to be privately maintained per the proposed DA.

Table B-13. Other Expenses Estimated on Per Capita Basis, Option B				
Item	Employment or Daytime Population	Cost Factor	Expense Estimate	
General Government	10,300	\$43.77 per daytime population	\$451,000	
Library	5,590	\$42.12 per resident	\$235,000	
Community Development	10,300	\$6.70 per daytime population	\$69,000	
Total Revenues			\$755,000	

Source: Applicant FIA as adjusted to Option B.

Table B-14. Santa Clara Unified School District Impacts, Option B					
		<u>Market Rate</u>	<u>Affordable</u>	<u>Total</u>	
Number of Residential Units		2,210	390	2,600	Units
K-12 Student Generation Rate ⁽¹⁾		0.03	0.56		
Number of Added K-12 Students		66.3	218.4	284.7	Students
Estimated Increase in ADA	92.8%	ADA as share of enrollment		264	ADA
Revenues					
Property Tax	\$3,813,270,224	AV added	38.43% of 1% tax	\$14,654,000	
Other Local Revenue	\$3,212	per ADA		\$848,000	
Federal Revenues	\$376	per ADA		\$99,000	
Other State Revenue	\$2,370	per ADA		<u>\$626,000</u>	
Total Revenue				\$16,227,000	
Expenses	\$26,701	per ADA		\$7,049,000	
Net Annual Fiscal Impact				\$9,178,000	

(1) Student Generation Rates derived by Enrollment Projection Consultants for Santa Clara Unified, January 2020.
Source: Applicant FIA as adjusted to Option B.