

EVANS CREEK LLC ANNEXATION

Fiscal Impact Analysis

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EXECUTIVE SUMMARY

Ekey Economic Consultants, Inc. (EEC) of Reno, Nevada was retained to conduct an analysis of the fiscal impact of an annexation of the Evans Creek LLC property on the City of Reno. The fiscal impact analysis is based on the City of Reno Fiscal Impact Analysis Guidelines recently adopted by the City. Project buildout information and fiscal impact findings for the General and Street Funds are summarized below:

- The project includes four parcels totaling approximately 1,019 acres of vacant land currently located in Washoe County, Truckee Meadows Service Area, and City of Reno Sphere of Influence.
- The fiscal impact analysis assumes annexation is successful and the Washoe County entitlements conveyed upon annexation of 203 single family units generate impacts for the City of Reno.

General Fund Impacts

- County entitlements conveyed upon annexation of 203 units over a 20-year analysis period are estimated to generate a revenue surplus for the City of Reno's General Fund in the amount of \$9.4 million. This includes:
 - Estimated revenue for the City of Reno General Fund of \$12.9 million.
 - Expenditures for the General Fund estimated at \$3.5 million.

Street Fund Impacts

- The project is proposing to privately maintain any streets added by the development. As a result, no street maintenance costs are estimated.
- Revenue surplus for the City of Reno's Street Fund from the annexation is estimated at \$3.9 million over a 20-year analysis period.

The analysis finds annexation and the County entitled development of the Evans Creek LLC property will have a **positive** fiscal impact on the City of Reno's General and Street Funds.

Introduction

Evans Creek LLC Annexation Fiscal Impact Analysis

INTRODUCTION

Ekay Economic Consultants, Inc. (EEC) of Reno, Nevada was retained to conduct an analysis of the fiscal impact of an annexation of the Evans Creek LLC property on the City of Reno. The project includes four parcels totaling approximately 1,019 acres of vacant land currently located in Washoe County, Truckee Meadows Service Area, and City of Reno Sphere of Influence.

The fiscal impact analysis assumes annexation is successful and the Washoe County entitlements conveyed upon annexation of 203 single family units generate impacts for the City of Reno. The fiscal impact analysis is based on the City of Reno Fiscal Impact Analysis Guidelines adopted by the City of Reno, along with project-related information provided by project developers and existing market data.

Appendix 1 of the report provides a summary of the project's buildout, including number of residential units constructed and sold by year, estimated taxable value of project's land and improvements, and project residents. The remainder of the analysis is based on this information.

The analysis assumes the project will be constructed over a three-year period, consistent with similar residential projects in the area. Revenues and costs included in this fiscal impact analysis are estimated for a 10- and 20-year analysis period as recommended in the Fiscal Impact Analysis Guidelines ("Guidelines") for the City of Reno.

The analysis also assumes the project will be similar to the Villagio Della Montagna development located in close proximity to the Evans Creek LLC property and one of the most recent developments constructed in this area. Taxable land and building values for this development are used to estimate values for the subject property as shown in Appendix 1. These taxable values are used to estimate property tax revenue associated with the project (Appendix 2) using existing General and Street Fund property tax rates.

Residential units shown in Appendix 1 are used to estimate remaining General and Street Fund revenues (excluding property tax revenue) and all General and Street Fund costs

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based on revenue and cost factors provided in the Fiscal Impact Analysis Guidelines document.

Appendices at the end of this report present revenue and cost projections on an annual basis over 10- and 20-year analysis periods. Assumptions used in developing these estimates are described at the end of each appendix. Those appendices are:

- Appendix 1: Buildout and Resident Assumptions
- Appendix 2: City of Reno Estimated Real Property Tax Revenue
- Appendix 3: City of Reno Estimated General and Street Fund Revenues
- Appendix 4: City of Reno Estimated General and Street Fund Expenditures
- Appendix 5: City of Reno Comparison of Estimated General and Street Fund Revenues and Expenditures

FINDINGS

Findings of the fiscal impact analysis are presented below with summaries for estimated revenue and costs for each fund.

Table 1 summarizes the impact of the project on the City of Reno General Fund over 10- and 20-year analysis periods. Detailed information for City of Reno revenues and costs by line item, by year, as well as methodology for estimating these costs and revenues is found in Appendices 2-5. The table shows the project is estimated to result in a revenue surplus for the City of Reno General Fund in the amount of \$9.4 million over a 20-year analysis period.

Table 2 shows the estimated impact of the project on the City of Reno General Fund, by year. The table shows a positive fiscal impact of the project in every year of the analysis period.

Table 3 shows the estimated impact of the project on the Street Fund. Detailed information for these cost and revenue calculations can also be found in Appendices 2-5.

Findings

Evans Creek LLC Annexation Fiscal Impact Analysis

Table 1. Estimated City of Reno General Fund Impacts, 10- and 20-Year Total

	10-Year Total	20-Year Total
Estimated Revenue		
Property Tax	\$ 5,281,567	\$ 11,437,029
Consolidated Tax	196,569	415,098
Business/Liquor Licenses	122,416	272,062
Fees, Permits, Charges	351,901	782,076
TOTAL	\$ 5,952,454	\$12,906,266
Estimated Costs		
General Government	\$ 323,122	\$ 718,117
Police	460,115	1,275,854
Fire	509,294	1,295,870
Parks	89,057	197,923
TOTAL	\$ 1,381,589	\$ 3,487,764
Revenue Surplus/(Deficit)		
Estimated Surplus/(Deficit)	\$ 4,570,865	\$ 9,418,501

Table 2. Estimated City of Reno General Fund Impacts, by Year

Year	Estimated Project	Estimated Project Costs	Ann'l Revenue	Cumulative Surplus/
Year 1	\$ 213,687	\$ 43,219	\$ 170,468	\$ 170,468
Year 2	431,846	89,803	342,044	512,512
Year 3	651,316	139,289	512,027	1,024,539
Year 4	654,719	143,711	511,008	1,535,547
Year 5	658,142	148,309	509,833	2,045,380
Year 6	661,584	153,092	508,493	2,553,872
Year 7	665,046	158,066	506,980	3,060,852
Year 8	668,529	163,242	505,287	3,566,139
Year 9	672,031	168,627	503,404	4,069,543
Year 10	675,554	174,231	501,322	4,570,865
10-Year Total	\$ 5,952,454	\$ 1,381,589	\$ 4,570,865	
Year 11	\$ 679,096	\$ 180,064	\$ 499,033	5,069,898
Year 12	682,660	186,135	496,525	5,566,422
Year 13	686,244	192,455	493,789	6,060,211
Year 14	689,848	199,035	490,813	6,551,024
Year 15	693,474	205,887	487,587	7,038,611
Year 16	697,120	213,023	484,097	7,522,708
Year 17	700,788	220,455	480,333	8,003,041
Year 18	704,477	228,196	476,280	8,479,321
Year 19	708,187	236,261	471,926	8,951,247
Year 20	711,919	244,664	467,255	9,418,501
20-Year Total	\$12,906,266	\$ 3,487,764	\$ 9,418,501	

Findings

Evans Creek LLC Annexation Fiscal Impact Analysis

Table 3. Estimated City of Reno Street Fund Impacts, 10- and 20-Year Total

	10-Year Total	20-Year Total
Estimated Revenue		
Property Tax	\$ 1,662,608	\$ 3,600,314
Other Sources	150,608	334,715
Total Revenue	\$ 1,813,216	\$ 3,935,029
Estimated Costs		
Major Maintenance	\$ -	\$ -
Regular Maintenance	-	-
Total Costs	\$ -	\$ -
Revenue Surplus/(Deficit)		
Estimated Surplus/(Deficit)	\$ 1,813,216	\$ 3,935,029

Table 3 shows the project is estimated to result in a revenue surplus for the City of Reno Street Fund in the amount of \$3.9 million over a 20-year analysis period. This is because the project is not expected to add any public streets to the City of Reno and no street maintenance costs are estimated.

Overall, the project will result in a **positive** fiscal impact to the City of Reno, providing surplus revenues for the City's General and Street Funds.

LEVEL OF SERVICE TARGETS

The City of Reno Guidelines document also outlines a number of questions to be considered within the fiscal impact analysis. These questions are discussed below.

Police Protection

1. Estimated Annual Number of Officers

Using the methodology recommended within the Guidelines of 1.5 officers per 1,000 residents and estimated 508 project residents, 0.76 police officers will be required each year to provide services to the project at full buildout and over a 20-year analysis period.

2. Cost Mitigation Measures

The project is adjacent to existing City of Reno services. Due to this, and the project's significant density reduction from those provided by the City of Reno's Master Plan, no

Findings

Evans Creek LLC Annexation Fiscal Impact Analysis

considerable staffing or capital costs associated with the project are expected for the Police department and therefore, no mitigation measures are proposed. Additional operating costs of providing services to the project by the Police Department are estimated in the fiscal impact analysis.

3. Police Facilities

Due to the project's location near existing service areas and significant density reduction from those provided by the City of Reno's Master Plan, no additional police facilities are expected to be required.

Fire Protection

1. Annual Estimated Population Density

Given the project population, per County entitlements conveyed upon annexation of 203 single family units, of 508 residents and 1,019 project acres, the project's density as currently allowed is estimated at 0.50 residents per acre.

2. Proximity to Existing Fire Station

The project is located near the designated Central Fire Station Subarea, approximately 8 minutes away from existing City of Reno Station 7 located at 3050 Skyline Boulevard (Google Maps) using existing roads. The development is expected to add access to the property reducing the above travel time. With several access points available, it will likely allow response time to fall within the Department's desired 6.5 minutes response time on 85% of cases within suburban areas.

3. Existing Station Capacity

According to the 2019 Reno Fire Department Annual Report, Station 7 had 996 calls for service in 2018. This is an increase of 2.3% over the previous year. According to information provided by City of Reno Fire Department for past fiscal impact studies, a typical single-engine fire station can handle approximately 3,000 calls per year. This

Findings

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indicates the fire station is currently not at full capacity and will be able to handle additional calls for service generated by the project.

The 2019 Reno Fire Department Report shows 41,727 total calls for service in 2018. This is divided by the City of Reno average FY 2017-18 and FY 2018-19 population of 243,385¹ to arrive at average calls for service per capita of 0.17. Applying this ratio to the 508 residents estimated for the project at full buildout, results in a total fire calls for service of the project at full buildout of 87. This is approximately 9.0% of Station 7 2018 calls for services and 2.9% of the 3,000 calls for services of a fire station full capacity.

As a result, the project, upon annexation, will be served by available capacity in the existing fire station and no facility, apparatus, or staffing needs, in addition to the operating costs estimated in the fiscal impact analysis, are expected.

Parks and Recreation

1. Residents and Park Needs

The project is expected to add 508 residents to the City of Reno upon annexation. Based on City of Reno Fiscal Impact Analysis Guidelines, level of service target for new developments is 2.5 acres of park per 1,000 residents. The project is located adjacent to the Ballardini Open Space, which includes over 200 acres of open space and a 2.3-mile Ballardini Ranch Trail. The project is also located adjacent to the 467-acre Arrowcreek Open Space. The Toiyabe National Forest is also adjoining to the project parcels. The project is located within a half-mile of these existing parks and open space, exceeding the City's level of service target.

Public Works

1. Dedicated Streets

The project is expected to add a number of streets to provide access to and within the development. However, these streets are expected to be maintained privately, generating no additional costs for the City of Reno.

¹ City of Reno Budget document, FY 2019-20.

Limiting Conditions & Disclosures

Evans Creek LLC Annexation Fiscal Impact Analysis

LIMITING CONDITIONS & DISCLOSURES

In the preparation of this report, EEC asserts:

- The report is to be used in its entirety, and no part is to be used without the whole.
- In preparing this report, EEC relied on information provided by other individuals or found in previously existing records and/or documents. This information is assumed to be reliable. However, no warranty, either expressed or implied, is given by EEC for the accuracy of such information and EEC assumes no responsibility for information relied upon later found to have been inaccurate.
- EEC may amend this report in the event additional documents and/or other material discovered subsequent to the submission of this report and pertinent to the report and/or the conclusions contained herein are made available.
- EEC assumes no responsibility for economic, physical, or demographic factors, which may affect or alter the opinions of this report if said economic, physical or demographic factors were not present or known as of the date of this report.
- Possession of this report, or a copy of this report, does not carry with it the right of publication. Without the consent of EEC, this report may not be used for any purpose by any person other than the party for whom this report was prepared.

Appendices

Evans Creek LLC Annexation Fiscal Impact Analysis

APPENDICES

**APPENDIX 1
CITY OF RENO
BUILDOUT AND RESIDENT ASSUMPTIONS**

<u>YEAR</u>	<u># OF UNITS CONSTRUCTED</u>	<u>USE TYPE</u>	<u>TAXABLE LAND VALUE</u>	<u>TAXABLE IMPROVEMENTS VALUE</u>	<u>ESTIMATED # OF RESIDENTS</u>
Year 1	67	Single Family	\$ 14,474,108	\$ 59,856,757	168
Year 2	68	Single Family	14,690,140	60,750,141	170
Year 3	68	Single Family	14,690,140	60,750,141	170
TOTAL	203		\$ 43,854,388	\$ 181,357,040	508

APPENDIX 1, ASSUMPTIONS:

1. The following is project buildout information on which the analysis is based:

		Improvements	
	# of Units	Value/ Unit	Land Value/ Unit
Single Family	203	\$ 893,384	\$ 216,031

Source: Buildout information from developer, taxable land and improvement value from Washoe County Assessor's data for the nearby Villagio Della Montagna development. All data is provided in FY 2020-2021 dollars, no inflation factors are assumed.

2. Project-related residents are estimated at **2.50** residents per residential unit.
Source: City of Reno Fiscal Impact Analysis Guidelines, April 2019.

**APPENDIX 2
CITY OF RENO
ESTIMATED REAL PROPERTY TAX REVENUE**

YEAR	USE TYPE	TAXABLE		TAXABLE		CUMULATIVE ASSESSED		CITY OF RENO REVENUE					
		LAND	VALUE	IMPROVE.	VALUE	LAND	IMPROVE.	GENERAL	STREET				
			VALUE		VALUE		VALUE	FUND	FUND				
Year 1	Single Family	\$	14,474,108	\$	59,856,757	\$	5,065,938	\$	189,915	\$	59,784		
Year 2	Single Family		14,690,140		60,750,141		10,232,816		383,615		120,760		
Year 3	Single Family		14,690,140		60,750,141		15,425,529		578,283		182,040		
Year 4	Single Family		-		-		15,502,657		581,174		182,950		
Year 5	Single Family		-		-		15,580,170		584,080		183,865		
Year 6	Single Family		-		-		15,658,071		587,001		184,785		
Year 7	Single Family		-		-		15,736,362		589,936		185,708		
Year 8	Single Family		-		-		15,815,043		592,885		186,637		
Year 9	Single Family		-		-		15,894,119		595,850		187,570		
Year 10	Single Family		-		-		15,973,589		598,829		188,508		
10-Year Subtotal		\$	43,854,388	\$	181,357,040			\$	5,281,567	\$	1,662,608		
Year 11	Single Family	\$	-	\$	-	\$	16,053,457	\$	66,388,054		601,823		189,451
Year 12	Single Family		-		-		16,133,724		66,719,995		604,832		190,398
Year 13	Single Family		-		-		16,214,393		67,053,595		607,856		191,350
Year 14	Single Family		-		-		16,295,465		67,388,863		610,896		192,307
Year 15	Single Family		-		-		16,376,942		67,725,807		613,950		193,268
Year 16	Single Family		-		-		16,458,827		68,064,436		617,020		194,234
Year 17	Single Family		-		-		16,541,121		68,404,758		620,105		195,206
Year 18	Single Family		-		-		16,623,827		68,746,782		623,205		196,182
Year 19	Single Family		-		-		16,706,946		69,090,516		626,321		197,163
Year 20	Single Family		-		-		16,790,481		69,435,968		629,453		198,148
20-YEAR TOTAL		\$	43,854,388	\$	181,357,040			\$	11,437,029	\$	3,600,314		

APPENDIX 2, ASSUMPTIONS:

1. Project taxable values are estimated in Appendix 1.
2. Assessed land and improvement values are estimating by adjusting taxable values to 35%.
3. Cumulative assessed value is increased by 0.5% per year. Source: City of Reno Fiscal Impact Analysis Guidelines, April 2019.
4. Operating tax rate is assumed to remain constant at FY 2019-20 amount per City of Reno Fiscal Impact Analysis Guidelines, April 2019.

	<u>General Fund</u>	<u>Street Fund</u>	<u>Total Rate</u>
City of Reno	\$ 0.7300	\$ 0.2298	\$ 0.9598

**APPENDIX 3
CITY OF RENO
ESTIMATED GENERAL AND STREET FUND REVENUES**

YEAR	USE TYPE	GENERAL FUND					STREET FUND		
		PROPERTY TAX	CTAX	LICENSES	FEES & PERMITS	TOTAL	PROPERTY TAX	FEES & PERMITS	TOTAL
Year 1	Single Family	\$ 189,915	\$ 7,213	\$ 4,274	\$ 12,285	\$ 213,687	\$ 59,784	\$ 5,258	\$ 65,042
Year 2	Single Family	383,615	14,533	8,697	25,002	431,846	120,760	10,700	131,460
Year 3	Single Family	578,283	21,853	13,209	37,971	651,316	182,040	16,251	198,291
Year 4	Single Family	581,174	21,853	13,341	38,351	654,719	182,950	16,413	199,364
Year 5	Single Family	584,080	21,853	13,475	38,734	658,142	183,865	16,578	200,443
Year 6	Single Family	587,001	21,853	13,609	39,121	661,584	184,785	16,743	201,528
Year 7	Single Family	589,936	21,853	13,745	39,513	665,046	185,708	16,911	202,619
Year 8	Single Family	592,885	21,853	13,883	39,908	668,529	186,637	17,080	203,717
Year 9	Single Family	595,850	21,853	14,022	40,307	672,031	187,570	17,251	204,821
Year 10	Single Family	598,829	21,853	14,162	40,710	675,554	188,508	17,423	205,931
10-Year Subtotal		\$ 5,281,567	\$ 196,569	\$ 122,416	\$ 351,901	\$ 5,952,454	\$ 1,662,608	\$ 150,608	\$ 1,813,216
Year 11	Single Family	\$ 601,823	\$ 21,853	\$ 14,303	\$ 41,117	\$ 679,096	\$ 189,451	\$ 17,597	\$ 207,048
Year 12	Single Family	604,832	21,853	14,446	41,528	682,660	190,398	17,773	208,171
Year 13	Single Family	607,856	21,853	14,591	41,943	686,244	191,350	17,951	209,301
Year 14	Single Family	610,896	21,853	14,737	42,363	689,848	192,307	18,131	210,437
Year 15	Single Family	613,950	21,853	14,884	42,787	693,474	193,268	18,312	211,580
Year 16	Single Family	617,020	21,853	15,033	43,214	697,120	194,234	18,495	212,729
Year 17	Single Family	620,105	21,853	15,183	43,647	700,788	195,206	18,680	213,886
Year 18	Single Family	623,205	21,853	15,335	44,083	704,477	196,182	18,867	215,048
Year 19	Single Family	626,321	21,853	15,489	44,524	708,187	197,163	19,055	216,218
Year 20	Single Family	629,453	21,853	15,643	44,969	711,919	198,148	19,246	217,394
20-YEAR TOTAL		\$ 11,437,029	\$ 415,098	\$ 272,062	\$ 782,076	\$ 12,906,266	\$ 3,600,314	\$ 334,715	\$ 3,935,029

APPENDIX 3, ASSUMPTIONS:

1. For property tax revenue see Appendix 2.
2. Other General and Streets Fund revenues are estimated using the following factors applied to the project's buildout measurements shown in Appendix 1.

General Fund	Measurement	Factor	Street Fund	Measurement	Factor
Consolidated (Ctax)	per Unit	\$ 107.65	Fees, Licenses, Permits	per Unit	\$ 76.93
Business/Liquor License	per Unit	\$ 62.53			
Fees, Permits, Charges	per Unit	\$ 179.75			

Source: City of Reno Fiscal Impact Analysis Guidelines, April 2019.
Business/liquor license, fees, permits, charges for services, and miscellaneous revenues are inflated by 1% per year.

**APPENDIX 4
CITY OF RENO
ESTIMATED GENERAL AND STREET FUND EXPENDITURES**

YEAR	USE TYPE	GENERAL FUND					STREET FUND		
		GENERAL GOV'T	POLICE	FIRE	PARKS	TOTAL	MAJOR MAINT.	REGULAR MAINT.	TOTAL
Year 1	Single Family	\$ 11,281	\$ 13,141	\$ 15,688	\$ 3,109	\$ 43,219	\$ -	\$ -	\$ -
Year 2	Single Family	22,957	27,802	32,716	6,327	89,803	-	-	-
Year 3	Single Family	34,866	43,896	50,918	9,609	139,289	-	-	-
Year 4	Single Family	35,214	46,091	52,700	9,706	143,711	-	-	-
Year 5	Single Family	35,566	48,396	54,544	9,803	148,309	-	-	-
Year 6	Single Family	35,922	50,816	56,453	9,901	153,092	-	-	-
Year 7	Single Family	36,281	53,356	58,429	10,000	158,066	-	-	-
Year 8	Single Family	36,644	56,024	60,474	10,100	163,242	-	-	-
Year 9	Single Family	37,011	58,825	62,591	10,201	168,627	-	-	-
Year 10	Single Family	37,381	61,767	64,781	10,303	174,231	-	-	-
10-Year Subtotal		\$ 323,122	\$ 460,115	\$ 509,294	\$ 89,057	\$ 1,381,589	\$ -	\$ -	\$ -
Year 11	Single Family	\$ 37,754	\$ 64,855	\$ 67,049	\$ 10,406	\$ 180,064	\$ -	\$ -	\$ -
Year 12	Single Family	38,132	68,098	69,395	10,510	186,135	-	-	-
Year 13	Single Family	38,513	71,503	71,824	10,615	192,455	-	-	-
Year 14	Single Family	38,898	75,078	74,338	10,721	199,035	-	-	-
Year 15	Single Family	39,287	78,832	76,940	10,828	205,887	-	-	-
Year 16	Single Family	39,680	82,773	79,633	10,936	213,023	-	-	-
Year 17	Single Family	40,077	86,912	82,420	11,046	220,455	-	-	-
Year 18	Single Family	40,478	91,258	85,305	11,156	228,196	-	-	-
Year 19	Single Family	40,883	95,820	88,290	11,268	236,261	-	-	-
Year 20	Single Family	41,291	100,611	91,381	11,380	244,664	-	-	-
20-YEAR TOTAL		\$ 718,117	\$ 1,275,854	\$ 1,295,870	\$ 197,923	\$ 3,487,764	\$ -	\$ -	\$ -

APPENDIX 4, ASSUMPTIONS:

1. General and Streets Fund expenditures are estimated using the following factors applied to the project's buildout measurements shown in Appendix 1.

General Fund	Measurement	Factor	Inflation	Street Fund*	Measurement	Factor
General Government	per Unit	\$ 165.05	1.0%	Major Maintenance	per Sq.Ft.	\$ 0.31
Police	per Unit	\$ 177.90	5.0%	Regular Maintenance	per Sq.Ft.	\$ 0.08
Fire (Central)	per Unit	\$ 218.58	3.5%			
Parks (City)	per Unit	\$ 45.49	1.0%			

*The project proposes private maintenance of all project-related streets, no costs for the Street Fund are estimated.

Source: City of Reno Fiscal Impact Analysis Guidelines, April 2019.

**APPENDIX 5
CITY OF RENO
COMPARISON OF ESTIMATED GENERAL AND STREET FUND REVENUES AND EXPENDITURES**

<u>YEAR</u>	<u>USE TYPE</u>	<u>GENERAL FUND</u>			<u>STREET FUND</u>		
		<u>EST. REVENUE</u>	<u>EST. COSTS</u>	<u>SURPLUS/ (DEFICIT)</u>	<u>EST. REVENUE</u>	<u>EST. COSTS</u>	<u>SURPLUS/ (DEFICIT)</u>
Year 1	Single Family	\$ 213,687	\$ 43,219	\$ 170,468	\$ 65,042	\$ -	\$ 65,042
Year 2	Single Family	431,846	89,803	342,044	131,460	-	131,460
Year 3	Single Family	651,316	139,289	512,027	198,291	-	198,291
Year 4	Single Family	654,719	143,711	511,008	199,364	-	199,364
Year 5	Single Family	658,142	148,309	509,833	200,443	-	200,443
Year 6	Single Family	661,584	153,092	508,493	201,528	-	201,528
Year 7	Single Family	665,046	158,066	506,980	202,619	-	202,619
Year 8	Single Family	668,529	163,242	505,287	203,717	-	203,717
Year 9	Single Family	672,031	168,627	503,404	204,821	-	204,821
Year 10	Single Family	675,554	174,231	501,322	205,931	-	205,931
10-Year Subtotal		\$ 5,952,454	\$ 1,381,589	\$ 4,570,865	\$ 1,813,216	\$ -	\$ 1,813,216
Year 11	Single Family	\$ 679,096	\$ 180,064	\$ 499,033	\$ 207,048	\$ -	\$ 207,048
Year 12	Single Family	682,660	186,135	496,525	208,171	-	208,171
Year 13	Single Family	686,244	192,455	493,789	209,301	-	209,301
Year 14	Single Family	689,848	199,035	490,813	210,437	-	210,437
Year 15	Single Family	693,474	205,887	487,587	211,580	-	211,580
Year 16	Single Family	697,120	213,023	484,097	212,729	-	212,729
Year 17	Single Family	700,788	220,455	480,333	213,886	-	213,886
Year 18	Single Family	704,477	228,196	476,280	215,048	-	215,048
Year 19	Single Family	708,187	236,261	471,926	216,218	-	216,218
Year 20	Single Family	711,919	244,664	467,255	217,394	-	217,394
20-YEAR TOTAL		\$ 12,906,266	\$ 3,487,764	\$ 9,418,501	\$ 3,935,029	\$ -	\$ 3,935,029

APPENDIX 5, ASSUMPTIONS:

1. See Appendices 2 and 3 for estimated revenues and Appendix 4 for estimated costs.

EVANS CREEK LLC ANNEXATION Supplemental Fiscal Impact Analysis

FEBRUARY 2020

Prepared by:

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EXECUTIVE SUMMARY

This fiscal impact analysis is a supplemental report intended to provide information requested by the City of Reno. This supplemental report is not intended to replace, substitute, or correct the previous report submitted to the City in January 2020.

The supplemental report is based on the assumption the 1,019-acre Evans Creek LLC property is annexed to the City of Reno and developed to include 1,256 single family units, as requested by the City.

The fiscal impact analysis is based on the City of Reno Fiscal Impact Analysis Guidelines recently adopted by the City. Analysis findings for the General and Street Funds are summarized below:

General Fund Impacts

The analysis estimates a revenue surplus for the City of Reno's General Fund in the amount of \$31.7 million over the 20-year analysis period. This includes:

- Estimated revenue for the City of Reno General Fund of \$49.1 million.
- Expenditures for the General Fund estimated at \$17.5 million.

Street Fund Impacts

The analysis estimates a revenue surplus for the City of Reno's Street Fund in the amount of \$4.2 million over the 20-year analysis period. This includes:

- Estimated revenue for the City of Reno Street Fund of \$14.9 million.
- Expenditures for the Street Fund estimated at \$10.7 million.

The analysis finds the annexation and development of the Evans Creek LLC property, based on the assumption of 1,256 single family units, will have a **positive** fiscal impact on the City of Reno's General and Street Funds.

Introduction

Evans Creek LLC Annexation Fiscal Impact Analysis-Supplemental Report

INTRODUCTION

Ekay Economic Consultants, Inc. (EEC) of Reno, Nevada was retained to conduct an analysis of the fiscal impact of an annexation of the Evans Creek LLC property on the City of Reno. This analysis was completed and submitted to the City of Reno in January 2020.

The fiscal impact analysis dated February 2020 is a supplemental report intended to provide additional information requested by the City of Reno and is not intended to replace, substitute, or correct the previous report submitted to the City in January 2020.

The Evans Creek LLC property includes four parcels totaling approximately 1,019 acres of vacant land currently located in Washoe County, Truckee Meadows Service Area, and City of Reno Sphere of Influence.

The supplemental fiscal impact analysis assumes the property is annexed to the City of Reno and developed to include 1,256 single family units, as requested by City staff. The analysis is based on the City of Reno Fiscal Impact Analysis Guidelines adopted by the City of Reno, along with information provided by Evans Creek LLC representatives and existing market data.

Appendix 1 of the report provides a summary of the number of residential units assumed constructed and sold by year, estimated taxable value of land and improvements, and estimated residents. The remainder of the analysis is based on this information.

The analysis assumes a twelve-year period buildout period, consistent with similar residential projects in the area. Revenues and costs included in this fiscal impact analysis are estimated for a 10- and 20-year analysis period as recommended in the Fiscal Impact Analysis Guidelines ("Guidelines") for the City of Reno.

The analysis also assumes the Evans Creek property can be developed into residential units similar to the Villagio Della Montagna and Evans Creek Estates developments located in close proximity to the Evans Creek LLC property. Average taxable land and building values for these developments are used to estimate values for the subject

Introduction

Evans Creek LLC Annexation Fiscal Impact Analysis-Supplemental Report

property as shown in Appendix 1. These taxable values are used to estimate property tax revenue associated with the property (Appendix 2) using existing General and Street Fund property tax rates.

Residential units shown in Appendix 1 are used to estimate remaining General and Street Fund revenues (excluding property tax revenue) and all General and Street Fund costs based on revenue and cost factors provided in the City's Fiscal Impact Analysis Guidelines document.

Appendices at the end of this report present revenue and cost projections on an annual basis over 10- and 20-year analysis periods. Assumptions used in developing these estimates are described at the end of each appendix. Those appendices are:

- Appendix 1: Buildout and Resident Assumptions
- Appendix 2: City of Reno Estimated Real Property Tax Revenue
- Appendix 3: City of Reno Estimated General and Street Fund Revenues
- Appendix 4: City of Reno Estimated General and Street Fund Expenditures
- Appendix 5: City of Reno Comparison of Estimated General and Street Fund Revenues and Expenditures

FINDINGS

Findings of the supplemental fiscal impact analysis are presented below with summaries for estimated revenue and costs for each fund.

Table 1 summarizes the impact of the Evans Creek property on the City of Reno General Fund over 10- and 20-year analysis periods. Detailed information for City of Reno revenues and costs by line item, by year, as well as methodology for estimating these costs and revenues is found in Appendices 2-5. The table shows the Evans Creek property is estimated to result in a revenue surplus for the City of Reno General Fund in the amount of \$31.7 million over a 20-year analysis period, if developed to include 1,256 single family units.

Findings

Evans Creek LLC Annexation Fiscal Impact Analysis-Supplemental Report

Table 1. Estimated City of Reno General Fund Impacts, 10- and 20-Year Total

	10-Year Total	20-Year Total
Estimated Revenue		
Property Tax	\$ 13,055,897	\$ 42,097,511
Consolidated Tax	621,679	1,962,890
Business/Liquor Licenses	391,147	1,309,918
Fees, Permits, Charges	1,124,399	3,765,515
TOTAL	\$15,193,121	\$49,135,834
Estimated Costs		
General Government	\$ 1,032,445	\$ 3,457,571
Police	1,528,520	6,543,389
Fire	1,668,022	6,501,355
Parks	284,556	952,953
TOTAL	\$ 4,513,543	\$17,455,267
Revenue Surplus/(Deficit)		
Estimated Surplus/(Deficit)	\$10,679,579	\$31,680,567

Table 2. Estimated City of Reno General Fund Impacts, by Year

Year	Estimated Project	Estimated Project Costs	Ann'l Revenue Surplus/	Cumulative Surplus/
Year 1	\$ 271,091	\$ 67,731	\$ 203,360	\$ 203,360
Year 2	543,870	139,693	404,177	607,538
Year 3	818,351	216,138	602,213	1,209,751
Year 4	1,094,548	297,333	797,216	2,006,966
Year 5	1,372,474	383,558	988,917	2,995,883
Year 6	1,652,144	475,112	1,177,032	4,172,915
Year 7	1,933,571	572,309	1,361,262	5,534,177
Year 8	2,216,771	675,484	1,541,287	7,075,464
Year 9	2,501,757	784,989	1,716,768	8,792,232
Year 10	2,788,544	901,196	1,887,347	10,679,579
10-Year Total	\$15,193,121	\$ 4,513,543	\$10,679,579	
Year 11	\$ 3,077,146	\$ 1,024,501	\$ 2,052,645	12,732,224
Year 12	3,357,138	1,151,652	2,205,486	14,937,710
Year 13	3,374,979	1,190,756	2,184,223	17,121,933
Year 14	3,392,927	1,231,470	2,161,458	19,283,390
Year 15	3,410,982	1,273,864	2,137,118	21,420,509
Year 16	3,429,145	1,318,013	2,111,132	23,531,640
Year 17	3,447,417	1,363,996	2,083,420	25,615,061
Year 18	3,465,798	1,411,895	2,053,903	27,668,964
Year 19	3,484,289	1,461,794	2,022,495	29,691,459
Year 20	3,502,891	1,513,783	1,989,108	31,680,567
20-Year Total	\$49,135,834	\$17,455,267	\$31,680,567	

Findings

Evans Creek LLC Annexation Fiscal Impact Analysis-Supplemental Report

Table 2 shows the estimated impact of the property on the City of Reno General Fund, by year. The table shows a positive fiscal impact of the Evans Creek property in every year of the analysis period.

Table 3 shows the estimated impact of the Evans Creek property on the Street Fund, if developed to include 1,256 single family units. Detailed information for these cost and revenue calculations can also be found in Appendices 2-5. The table shows the development is estimated to result in a revenue surplus for the City of Reno Street Fund in the amount of \$4.2 million over a 20-year analysis period.

Table 3. Estimated City of Reno Street Fund Impacts, 10- and 20-Year Total

	10-Year Total	20-Year Total
Estimated Revenue		
Property Tax	\$ 4,109,925	\$ 13,252,066
Other Sources	481,224	1,611,578
Total Revenue	\$ 4,591,149	\$ 14,863,644
Estimated Costs		
Major Maintenance	\$ 2,682,715	\$ 8,487,135
Regular Maintenance	692,314	2,190,228
Total Costs	\$ 3,375,029	\$ 10,677,364
Revenue Surplus/(Deficit)		
Estimated Surplus/(Deficit)	\$ 1,216,120	\$ 4,186,280

Overall, the Evans Creek property will result in a **positive** fiscal impact to the City of Reno, providing surplus revenues for the City's General and Street Funds, if annexed to the City and developed to include 1,256 single family units.

LEVEL OF SERVICE TARGETS

The City of Reno Guidelines document also outlines a number of questions to be considered within the fiscal impact analysis. These questions are discussed below.

Police Protection

1. Estimated Annual Number of Officers

Using the staffing methodology recommended by the Guidelines of 1.5 officers per 1,000 residents and estimated 3,140 residents, 4.71 police officers will be required each year to

Findings

Evans Creek LLC Annexation Fiscal Impact Analysis-Supplemental Report

provide services to the Evans Creek property at full buildout, if annexed and developed to include 1,256 residential units.

2. Cost Mitigation Measures

The Evans Creek property is located adjacent to existing City of Reno services. Due to this, and the relatively small number of additional uniformed personnel estimated to be required (4.71 officers), no considerable capital costs associated with the assumed 1,256-unit development are expected for the Police department and therefore, no mitigation measures are proposed. Operating costs of providing police services to the Evans Creek property by the Police Department are estimated in the fiscal impact analysis.

3. Police Facilities

Due to the Evans Creek property's location near existing service areas and relatively low additional staffing requirements, no additional police facilities are expected to be required.

Fire Protection

1. Annual Estimated Population Density

The assumed 1,256 single family units results in an estimated population of 3,140 residents over the 1,019 acres of the property. This results in a density of 3.1 residents per acre.

2. Proximity to Existing Fire Station

The Evans Creek property is located near the designated Central Fire Station Subarea, approximately 8 minutes away from existing City of Reno Station 7 located at 3050 Skyline Boulevard (Google Maps) using existing roads. Additional access to the property is expected to be added upon development, reducing the above travel time. With several access points available, property development will likely allow response time to fall within the Department's desired 6.5 minutes response time on 85% of cases within suburban areas.

Findings

Evans Creek LLC Annexation Fiscal Impact Analysis-Supplemental Report

3. Existing Station Capacity

According to the 2019 Reno Fire Department Annual Report, Station 7 had 996 calls for service in 2018. This is an increase of 2.3% over the previous year. According to information provided by City of Reno Fire Department for past fiscal impact studies, a typical single-engine fire station can handle approximately 3,000 calls per year. This indicates the fire station is currently not at full capacity and will be able to handle additional calls for service generated by the property, if developed to include 1,256 residential units.

The 2019 Reno Fire Department Report shows 41,727 total calls for service in 2018. This is divided by the City of Reno average FY 2017-18 and FY 2018-19 population of 243,385¹ to arrive at average calls for service per capita of 0.17. Applying this ratio to the 3,140 residents estimated if the property is developed to include 1,256 residential units results in a total fire calls for service at full buildout of 534. This is approximately 17.8% of the 3,000 calls for services of a fire station full capacity. Added to the existing 996 calls for service, Station 7 is expected to reach 1,530 calls for service with the addition of the 1,256 residential units, approximately 51% of its capacity.

As a result, if developed to include 1,256 residential units, the property can be served by available capacity in the existing fire station and no facility, apparatus, or staffing needs, in addition to the operating costs estimated in the fiscal impact analysis, are expected.

Parks and Recreation

1. Residents and Park Needs

The property is expected to add 3,140 residents to the City of Reno if annexed and developed with 1,256 residential units. According to the City of Reno Fiscal Impact Analysis Guidelines, the level of service target for new developments is 2.5 acres of park space per 1,000 residents, resulting in a need of 7.85 acres of park space if the Evans Creek property is annexed and developed to include 1,256 residential units.

¹ City of Reno Budget document, FY 2019-20.

Findings

Evans Creek LLC Annexation Fiscal Impact Analysis-Supplemental Report

The Evans Creek property is located adjacent to the Ballardini Open Space, which includes over 200 acres of open space and a 2.3-mile Ballardini Ranch Trail. The property is also located adjacent to the 467-acre Arrowcreek Open Space. The Toiyabe National Forest is also adjoining to the property. The Evans Creek property is located within a half-mile of these existing parks and open space, exceeding the City's level of service target.

Public Works

1. Dedicated Streets

The property does not include any existing streets to be annexed to the City of Reno. Costs for the City's maintenance of additional streets added to the City's inventory by the development of the 1,256 residential units are estimated in this fiscal impact report.

Limiting Conditions & Disclosures

Evans Creek LLC Annexation Fiscal Impact Analysis-Supplemental Report

LIMITING CONDITIONS & DISCLOSURES

In the preparation of this report, EEC asserts:

- The report is to be used in its entirety, and no part is to be used without the whole.
- In preparing this report, EEC relied on information provided by other individuals or found in previously existing records and/or documents. This information is assumed to be reliable. However, no warranty, either expressed or implied, is given by EEC for the accuracy of such information and EEC assumes no responsibility for information relied upon later found to have been inaccurate.
- EEC may amend this report in the event additional documents and/or other material discovered subsequent to the submission of this report and pertinent to the report and/or the conclusions contained herein are made available.
- EEC assumes no responsibility for economic, physical, or demographic factors, which may affect or alter the opinions of this report if said economic, physical or demographic factors were not present or known as of the date of this report.
- Possession of this report, or a copy of this report, does not carry with it the right of publication. Without the consent of EEC, this report may not be used for any purpose by any person other than the party for whom this report was prepared.

APPENDICES

**APPENDIX 1
CITY OF RENO
BUILDOUT AND RESIDENT ASSUMPTIONS**

<u>YEAR</u>	<u># OF UNITS CONSTRUCTED</u>	<u>USE TYPE</u>	<u>TAXABLE LAND VALUE</u>	<u>TAXABLE IMPROVEMENTS VALUE</u>	<u>ESTIMATED # OF RESIDENTS</u>
Year 1	105	Single Family	\$ 18,844,242	\$ 72,677,117	263
Year 2	105	Single Family	18,844,242	72,677,117	263
Year 3	105	Single Family	18,844,242	72,677,117	263
Year 4	105	Single Family	18,844,242	72,677,117	263
Year 5	105	Single Family	18,844,242	72,677,117	263
Year 6	105	Single Family	18,844,242	72,677,117	263
Year 7	105	Single Family	18,844,242	72,677,117	263
Year 8	105	Single Family	18,844,242	72,677,117	263
Year 9	105	Single Family	18,844,242	72,677,117	263
Year 10	105	Single Family	18,844,242	72,677,117	263
Year 11	105	Single Family	18,844,242	72,677,117	263
Year 12	101	Single Family	18,126,366	69,908,465	253
TOTAL	1,256		\$ 225,413,027	\$ 869,356,757	3,140

APPENDIX 1, ASSUMPTIONS:

1. The following is project buildout information on which the analysis is based:

	<u># of Units</u>	<u>Improvements Value/ Unit</u>	<u>Land Value/ Unit</u>
Single Family	1,256	\$ 692,163	\$ 179,469

Source: Buildout information from developer, taxable land and improvement value from Washoe County Assessor's data for the nearby Villagio Della Montagna and Evans Creek Estates developments. All data is provided in FY 2020-2021 dollars, no inflation factors are assumed.

2. Project-related residents are estimated at **2.50** residents per residential unit.
Source: City of Reno Fiscal Impact Analysis Guidelines, April 2019.

**APPENDIX 2
CITY OF RENO
ESTIMATED REAL PROPERTY TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>TAXABLE LAND VALUE</u>	<u>TAXABLE IMPROVE. VALUE</u>	<u>CUMULATIVE ASSESSED</u>		<u>CITY OF RENO REVENUE</u>	
				<u>LAND VALUE</u>	<u>IMPROVE. VALUE</u>	<u>GENERAL FUND</u>	<u>STREET FUND</u>
Year 1	Single Family	\$ 18,844,242	\$ 72,677,117	\$ 6,595,485	\$ 25,436,991	\$ 233,837	\$ 73,611
Year 2	Single Family	18,844,242	72,677,117	13,223,947	51,001,167	468,843	147,589
Year 3	Single Family	18,844,242	72,677,117	19,885,551	76,693,164	705,025	221,938
Year 4	Single Family	18,844,242	72,677,117	26,580,464	102,513,621	942,387	296,658
Year 5	Single Family	18,844,242	72,677,117	33,308,851	128,463,180	1,180,936	371,752
Year 6	Single Family	18,844,242	72,677,117	40,070,879	154,542,487	1,420,678	447,222
Year 7	Single Family	18,844,242	72,677,117	46,866,719	180,752,191	1,661,618	523,068
Year 8	Single Family	18,844,242	72,677,117	53,696,537	207,092,943	1,903,763	599,294
Year 9	Single Family	18,844,242	72,677,117	60,560,504	233,565,399	2,147,119	675,901
Year 10	Single Family	18,844,242	72,677,117	67,458,791	260,170,217	2,391,692	752,891
10-Year Subtotal		\$ 188,442,419	\$ 726,771,174			\$ 13,055,897	\$ 4,109,925
Year 11	Single Family	\$ 18,844,242	\$ 72,677,117	\$ 74,391,570	\$ 286,908,059	2,637,487	830,267
Year 12	Single Family	18,126,366	69,908,465	81,107,756	312,810,562	2,875,604	905,224
Year 13	Single Family	-	-	81,513,295	314,374,615	2,889,982	909,750
Year 14	Single Family	-	-	81,920,861	315,946,488	2,904,432	914,299
Year 15	Single Family	-	-	82,330,465	317,526,220	2,918,954	918,871
Year 16	Single Family	-	-	82,742,118	319,113,852	2,933,549	923,465
Year 17	Single Family	-	-	83,155,828	320,709,421	2,948,216	928,082
Year 18	Single Family	-	-	83,571,608	322,312,968	2,962,957	932,723
Year 19	Single Family	-	-	83,989,466	323,924,533	2,977,772	937,386
Year 20	Single Family	-	-	84,409,413	325,544,155	2,992,661	942,073
20-YEAR TOTAL		\$ 225,413,027	\$ 869,356,757			\$ 42,097,511	\$ 13,252,066

APPENDIX 2, ASSUMPTIONS:

1. Project taxable values are estimated in Appendix 1.
2. Assessed land and improvement values are estimating by adjusting taxable values to 35%.
3. Cumulative assessed value is increased by **0.5%** per year. Source: City of Reno Fiscal Impact Analysis Guidelines, April 2019.
4. Operating tax rate is assumed to remain constant at FY 2019-20 amount per City of Reno Fiscal Impact Analysis Guidelines, April 2019.

	General Fund	Street Fund	Total Rate
City of Reno	\$ 0.7300	\$ 0.2298	\$ 0.9598

**APPENDIX 3
CITY OF RENO
ESTIMATED GENERAL AND STREET FUND REVENUES**

<u>YEAR</u>	<u>USE TYPE</u>	<u>GENERAL FUND</u>					<u>STREET FUND</u>		
		<u>PROPERTY TAX</u>	<u>CTAX</u>	<u>LICENSES</u>	<u>FEES & PERMITS</u>	<u>TOTAL</u>	<u>PROPERTY TAX</u>	<u>FEES & PERMITS</u>	<u>TOTAL</u>
Year 1	Single Family	\$ 233,837	\$ 11,303	\$ 6,698	\$ 19,253	\$ 271,091	\$ 73,611	\$ 8,240	\$ 81,851
Year 2	Single Family	468,843	22,607	13,529	38,891	543,870	147,589	16,645	164,234
Year 3	Single Family	705,025	33,910	20,497	58,920	818,351	221,938	25,217	247,155
Year 4	Single Family	942,387	45,213	27,602	79,346	1,094,548	296,658	33,959	330,617
Year 5	Single Family	1,180,936	56,516	34,848	100,174	1,372,474	371,752	42,873	414,625
Year 6	Single Family	1,420,678	67,820	42,236	121,411	1,652,144	447,222	51,962	499,184
Year 7	Single Family	1,661,618	79,123	49,768	143,063	1,933,571	523,068	61,229	584,297
Year 8	Single Family	1,903,763	90,426	57,446	165,136	2,216,771	599,294	70,675	669,969
Year 9	Single Family	2,147,119	101,729	65,273	187,635	2,501,757	675,901	80,305	756,206
Year 10	Single Family	2,391,692	113,033	73,251	210,568	2,788,544	752,891	90,120	843,011
10-Year Subtotal		\$ 13,055,897	\$ 621,679	\$ 391,147	\$ 1,124,399	\$ 15,193,121	\$ 4,109,925	\$ 481,224	\$ 4,591,149
Year 11	Single Family	\$ 2,637,487	\$ 124,336	\$ 81,382	\$ 233,942	\$ 3,077,146	\$ 830,267	\$ 100,123	\$ 930,390
Year 12	Single Family	2,875,604	135,208	89,383	256,943	3,357,138	905,224	109,967	1,015,192
Year 13	Single Family	2,889,982	135,208	90,277	259,512	3,374,979	909,750	111,067	1,020,817
Year 14	Single Family	2,904,432	135,208	91,180	262,107	3,392,927	914,299	112,178	1,026,477
Year 15	Single Family	2,918,954	135,208	92,092	264,728	3,410,982	918,871	113,299	1,032,170
Year 16	Single Family	2,933,549	135,208	93,013	267,376	3,429,145	923,465	114,432	1,037,897
Year 17	Single Family	2,948,216	135,208	93,943	270,049	3,447,417	928,082	115,577	1,043,659
Year 18	Single Family	2,962,957	135,208	94,882	272,750	3,465,798	932,723	116,732	1,049,455
Year 19	Single Family	2,977,772	135,208	95,831	275,477	3,484,289	937,386	117,900	1,055,286
Year 20	Single Family	2,992,661	135,208	96,789	278,232	3,502,891	942,073	119,079	1,061,152
20-YEAR TOTAL		\$ 42,097,511	\$ 1,962,890	\$ 1,309,918	\$ 3,765,515	\$ 49,135,834	\$ 13,252,066	\$ 1,611,578	\$ 14,863,644

APPENDIX 3, ASSUMPTIONS:

- For property tax revenue see Appendix 2.
- Other General and Streets Fund revenues are estimated using the following factors applied to the project's buildout measurements shown in Appendix 1.

<u>General Fund</u>			<u>Street Fund</u>		
	<u>Measurement</u>	<u>Factor</u>		<u>Measurement</u>	<u>Factor</u>
Consolidated (CTax)	per Unit	\$ 107.65	Fees, Licenses, Permits	per Unit	\$ 76.93
Business/Liquor License	per Unit	\$ 62.53			
Fees, Permits, Charges	per Unit	\$ 179.75			
Source: City of Reno Fiscal Impact Analysis Guidelines, April 2019.					
Business/liquor license, fees, permits, charges for services, and miscellaneous revenues are inflated by				1%	per year.

**APPENDIX 4
CITY OF RENO
ESTIMATED GENERAL AND STREET FUND EXPENDITURES**

<u>YEAR</u>	<u>USE TYPE</u>	<u>GENERAL FUND</u>					<u>STREET FUND</u>		
		<u>GENERAL GOV'T</u>	<u>POLICE</u>	<u>FIRE</u>	<u>PARKS</u>	<u>TOTAL</u>	<u>MAJOR MAINT.</u>	<u>REGULAR MAINT.</u>	<u>TOTAL</u>
Year 1	Single Family	\$ 17,679	\$ 20,594	\$ 24,586	\$ 4,872	\$ 67,731	\$ 48,777	\$ 12,588	\$ 61,364
Year 2	Single Family	35,711	43,248	50,892	9,842	139,693	97,553	25,175	122,728
Year 3	Single Family	54,102	68,115	79,010	14,911	216,138	146,330	37,763	184,092
Year 4	Single Family	72,857	95,361	109,034	20,080	297,333	195,107	50,350	245,457
Year 5	Single Family	91,982	125,162	141,063	25,351	383,558	243,883	62,938	306,821
Year 6	Single Family	111,482	157,704	175,200	30,726	475,112	292,660	75,525	368,185
Year 7	Single Family	131,363	193,187	211,554	36,205	572,309	341,436	88,113	429,549
Year 8	Single Family	151,631	231,824	250,238	41,791	675,484	390,213	100,700	490,913
Year 9	Single Family	172,290	273,842	291,371	47,486	784,989	438,990	113,288	552,277
Year 10	Single Family	193,348	319,483	335,076	53,289	901,196	487,766	125,875	613,642
10-Year Subtotal		\$ 1,032,445	\$ 1,528,520	\$ 1,668,022	\$ 284,556	\$ 4,513,543	\$ 2,682,715	\$ 692,314	\$ 3,375,029
Year 11	Single Family	\$ 214,810	\$ 369,003	\$ 381,484	\$ 59,204	\$ 1,024,501	\$ 536,543	\$ 138,463	\$ 675,006
Year 12	Single Family	235,930	421,334	429,363	65,025	1,151,652	585,320	151,050	736,370
Year 13	Single Family	238,289	442,401	444,391	65,676	1,190,756	585,320	151,050	736,370
Year 14	Single Family	240,672	464,521	459,944	66,332	1,231,470	585,320	151,050	736,370
Year 15	Single Family	243,079	487,747	476,042	66,996	1,273,864	585,320	151,050	736,370
Year 16	Single Family	245,510	512,134	492,704	67,666	1,318,013	585,320	151,050	736,370
Year 17	Single Family	247,965	537,741	509,949	68,342	1,363,996	585,320	151,050	736,370
Year 18	Single Family	250,444	564,628	527,797	69,026	1,411,895	585,320	151,050	736,370
Year 19	Single Family	252,949	592,859	546,270	69,716	1,461,794	585,320	151,050	736,370
Year 20	Single Family	255,478	622,502	565,389	70,413	1,513,783	585,320	151,050	736,370
20-YEAR TOTAL		\$ 3,457,571	\$ 6,543,389	\$ 6,501,355	\$ 952,953	\$ 17,455,267	\$ 8,487,135	\$ 2,190,228	\$ 10,677,364

APPENDIX 4, ASSUMPTIONS:

1. General and Streets Fund expenditures are estimated using the following factors applied to the project's buildout measurements shown in Appendix 1.

<u>General Fund</u>	<u>Measurement</u>	<u>Factor</u>	<u>Inflation</u>	<u>Street Fund</u>	<u>Measurement</u>	<u>Factor</u>
General Government	per Unit	\$ 165.05	1.0%	Major Maintenance	per Sq.Ft.	\$ 0.31
Police	per Unit	\$ 177.90	5.0%	Regular Maintenance	per Sq.Ft.	\$ 0.08
Fire (Central)	per Unit	\$ 218.58	3.5%	The project is estimated to add 1,888,128 square feet of streets to the City of Reno inventory over the buildout period.		
Parks (City)	per Unit	\$ 45.49	1.0%			

Source: City of Reno Fiscal Impact Analysis Guidelines, April 2019.

**APPENDIX 5
CITY OF RENO
COMPARISON OF ESTIMATED GENERAL AND STREET FUND REVENUES AND EXPENDITURES**

<u>YEAR</u>	<u>USE TYPE</u>	<u>GENERAL FUND</u>			<u>STREET FUND</u>		
		<u>EST. REVENUE</u>	<u>EST. COSTS</u>	<u>SURPLUS/ (DEFICIT)</u>	<u>EST. REVENUE</u>	<u>EST. COSTS</u>	<u>SURPLUS/ (DEFICIT)</u>
Year 1	Single Family	\$ 271,091	\$ 67,731	\$ 203,360	\$ 81,851	\$ 61,364	\$ 20,486
Year 2	Single Family	543,870	139,693	404,177	164,234	122,728	41,506
Year 3	Single Family	818,351	216,138	602,213	247,155	184,092	63,062
Year 4	Single Family	1,094,548	297,333	797,216	330,617	245,457	85,160
Year 5	Single Family	1,372,474	383,558	988,917	414,625	306,821	107,804
Year 6	Single Family	1,652,144	475,112	1,177,032	499,184	368,185	130,999
Year 7	Single Family	1,933,571	572,309	1,361,262	584,297	429,549	154,748
Year 8	Single Family	2,216,771	675,484	1,541,287	669,969	490,913	179,056
Year 9	Single Family	2,501,757	784,989	1,716,768	756,206	552,277	203,929
Year 10	Single Family	2,788,544	901,196	1,887,347	843,011	613,642	229,370
10-Year Subtotal		\$ 15,193,121	\$ 4,513,543	\$ 10,679,579	\$ 4,591,149	\$ 3,375,029	\$ 1,216,120
Year 11	Single Family	\$ 3,077,146	\$ 1,024,501	\$ 2,052,645	\$ 930,390	\$ 675,006	\$ 255,384
Year 12	Single Family	3,357,138	1,151,652	2,205,486	1,015,192	736,370	278,822
Year 13	Single Family	3,374,979	1,190,756	2,184,223	1,020,817	736,370	284,447
Year 14	Single Family	3,392,927	1,231,470	2,161,458	1,026,477	736,370	290,107
Year 15	Single Family	3,410,982	1,273,864	2,137,118	1,032,170	736,370	295,800
Year 16	Single Family	3,429,145	1,318,013	2,111,132	1,037,897	736,370	301,527
Year 17	Single Family	3,447,417	1,363,996	2,083,420	1,043,659	736,370	307,289
Year 18	Single Family	3,465,798	1,411,895	2,053,903	1,049,455	736,370	313,085
Year 19	Single Family	3,484,289	1,461,794	2,022,495	1,055,286	736,370	318,916
Year 20	Single Family	3,502,891	1,513,783	1,989,108	1,061,152	736,370	324,782
20-YEAR TOTAL		\$ 49,135,834	\$ 17,455,267	\$ 31,680,567	\$ 14,863,644	\$ 10,677,364	\$ 4,186,280

APPENDIX 5, ASSUMPTIONS:

1. See Appendices 2 and 3 for estimated revenues and Appendix 4 for estimated costs.