COST BENEFIT REPORT
751 SOUTH PROJECT VOLUNTARY ANNEXATION PETITION
SUBMITTED 3-31-11 BY BMS

This report provides a cost benefit analysis of the petitioned project for 751 South. Four development scenarios are evaluated:

Scenario A – 100% of buildout proposed by developer
Scenario B – 48.1% of buildout proposed by developer
Scenario C – 21.9% of buildout proposed by developer
Scenario D – 0% of buildout proposed by developer

Scenarios B & C were prepared by the Planning Department following an analysis of tax valuation and buildout assumptions considering 1) overall regional economic conditions in the housing, retail and office products in the Southern Durham submarket, and 2) recent suburban mixed-use developments in Durham. Profiles of each scenario are provided.

The revenue analysis includes the following assumptions:

Fire: Annual inspection fees.

Parks & Recreation: Impact fees and corresponding developer credits are shown for Parks & Recreation Capital Facilities and Open Space. The CM Herndon Park, which is closest to this development, is currently beyond capacity. A new park similar to CM Herndon would be considered for construction in the general area south of South Pointe Mall.

Solid Waste: Annual cart fees.

Streets: Impact fees and corresponding developer credits are shown for streets associated with the development plan.

Transportation: Paratransit and fixed route passenger fares.

The cost analysis includes the following assumptions:

Fire: A summary line found at the bottom of the analysis reflects 4.3% of the total one-time, ongoing, capital and CIP costs to construct, equip and staff a new fire station, along with fire inspection, EMS and community education services. This percentage is a ratio of 751 South development acreage to the fire service district acreage. This excludes the costs for 3 proposed Battalion Chiefs and a vehicle.

NC 751 Widening: The CIP cost to widen a 0.9 mile section of NC 751 to a 4-lane divided highway is based on the MPO's adopted 2035 Long Range Transportation Plan. This is a primary access route to the development site from I-40.

Parks & Recreation: Annual operating costs for a new park are shown as ongoing expenses.

Police: A new "beat" for this district would be required to service this area. One-time and ongoing costs reflect personnel, vehicle and operating.

Public Works: One-time and ongoing costs are captured for personnel, street & equipment maintenance, and annual operations and materials.

Solid Waste: Costs to service the area include cart contracts, disposal, ongoing operations.

Transportation: Costs include required Paratransit services to residents, a new 30 minute fixed route service between South Pointe Mall and the development, and ongoing traffic control and street lighting.

The next potential effective annexation dates are June 30, September 30 and December 31. To realize the June 30 effective date, Council would need to hold a Public Hearing sometime in May or June, prior to the summer break in July. Available Council dates are 5/2, 5/16, 6/6, 6/20. BMS recommends setting the Public Hearing to occur before the 6/20 meeting.

COST-BENEFIT ANALYSIS

751 South Project - Scenario A (100% applicant buildout)

This version has partial park costs equal to impact fees, no battalion costs, & 4.3% of fire station costs.

Revised 5-19-11

Assumed buildout: March 2012 - 2022 - 10 YEARS

PROJECTED ANNEXATION TAX REVENUES												
GENERAL FUND REVENUES	**FY2010-11**	**FY2011-12**	**FY2012-13**	**FY2013-14**	**FY2014-15**	**FY2015-16**	**FY2016-17**	**FY2017-18**	**FY2018-19**	**FY2019-20**	**FY2020-21**	**FY2021-22**
Personal & Real Property Tax	$ 89,523	$ 92,092	$ 94,735	$ 412,494	$ 783,422	$ 1,155,461	$ 1,528,660	$ 1,903,070	$ 2,136,936	$ 2,371,405	$ 2,606,501	$ 2,842,248
Beer & Wine Tax	-	-	-	1,930	3,879	5,847	7,835	9,841	10,632	11,429	12,235	13,048
Gas Tax	-	980	3,058	13,407	24,212	35,490	47,257	59,532	66,006	72,771	78,443	84,318
Utility Franchise Tax	-	-	-	23,186	46,600	70,244	94,120	118,230	127,723	137,307	146,982	156,749
TOTAL TAX REVENUES	$ 89,523	$ 93,072	$ 97,793	$ 451,016	$ 858,112	$ 1,267,042	$ 1,677,872	$ 2,090,672	$ 2,341,297	$ 2,592,912	$ 2,844,160	$ 3,096,363
Civic Center Revenues - *No dedicated tax in FY11*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL TAX REVENUES LESS CIVIC CENTER	**$ 89,523**	**$ 93,072**	**$ 97,793**	**$ 451,016**	**$ 858,112**	**$ 1,267,042**	**$ 1,677,872**	**$ 2,090,672**	**$ 2,341,297**	**$ 2,592,912**	**$ 2,844,160**	**$ 3,096,363**
PROJECTED ANNUAL DEPARTMENTAL REVENUES												
Fire	$ -	$ -	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300
Planning	$ -	$ 20,000	$ -	$ 20,000	$ -	$ -	$ 20,000	$ -	$ -	$ -	$ -	$ -
Solid Waste	$ -	$ -	$ 871	$ 1,742	$ 2,613	$ 3,484	$ 4,355	$ 5,226	$ 6,260	$ 7,293	$ 8,327	$ 9,360
Transportation	$ -	$ -	$ 2,570	$ 2,741	$ 5,396	$ 5,822	$ 131,936	$ 133,368	$ 131,212	$ 131,765	$ 132,319	$ 134,382
TOTAL ANNUAL REVENUES	**$ -**	**$ 20,000**	**$ 15,741**	**$ 36,783**	**$ 20,309**	**$ 21,606**	**$ 168,591**	**$ 150,894**	**$ 149,771**	**$ 151,358**	**$ 152,945**	**$ 156,042**
TOTAL GENERAL FUND REVENUES	**$ 89,523**	**$ 113,072**	**$ 113,534**	**$ 487,799**	**$ 878,421**	**$ 1,288,648**	**$ 1,846,463**	**$ 2,241,566**	**$ 2,491,068**	**$ 2,744,270**	**$ 2,997,106**	**$ 3,252,406**

PROJECTED ONGOING DEPARTMENTAL EXPENDITURES												
GENERAL FUND EXPENDITURES	**FY2010-11**	**FY2011-12**	**FY2012-13**	**FY2013-14**	**FY2014-15**	**FY2015-16**	**FY2016-17**	**FY2017-18**	**FY2018-19**	**FY2019-20**	**FY2020-21**	**FY2021-22**
Fire ***WITHOUT BATTALION CHIEFS* 4.3% of cost**	$ -	$ 71,621	$ 73,054	$ 74,515	$ 76,005	$ 77,525	$ 79,075	$ 80,657	$ 82,270	$ 83,916	$ 85,594	$ 87,306
Parks & Recreation	$ -	$ 25,000	$ 25,500	$ 26,010	$ 26,530	$ 27,061	$ 27,602	$ 28,154	$ 28,717	$ 29,291	$ 29,877	$ 30,475
Police	$ -	$ 454,026	$ 463,107	$ 472,369	$ 481,816	$ 491,452	$ 501,281	$ 511,307	$ 521,533	$ 531,964	$ 542,603	$ 553,455
Public Works	$ -	$ -	$ 1,107	$ 1,107	$ 1,107	$ 1,107	$ 2,399	$ 72,401	$ 72,402	$ 75,077	$ 75,077	$ 75,077
Solid Waste	$ -	$ -	$ -	$ -	$ 19,793	$ 20,189	$ 20,593	$ 21,004	$ 21,425	$ 21,853	$ 22,290	$ 22,736
Transportation	$ -	$ -	$ 114	$ 227	$ 2,741	$ 568	$ 1,135	$ 559,590	$ 553,833	$ 554,387	$ 554,940	$ 557,004
TOTAL ONGOING EXPENDITURES	**$ -**	**$ 550,647**	**$ 562,881**	**$ 574,227**	**$ 607,992**	**$ 617,902**	**$ 632,086**	**$ 1,273,113**	**$ 1,280,180**	**$ 1,296,488**	**$ 1,310,382**	**$ 1,326,052**
Annual GAIN/(LOSS) General Fund no CAP/One-Time	**$ 89,523**	**$ (437,575)**	**$ (449,346)**	**$ (86,428)**	**$ 270,430**	**$ 670,746**	**$ 1,214,377**	**$ 968,453**	**$ 1,210,888**	**$ 1,447,783**	**$ 1,686,724**	**$ 1,926,353**
Annual Tax Rate Equivalent (in cents) for General Fund Net	0.04	(0.19)	(0.20)	(0.04)	0.12	0.29	0.53	0.42	0.53	0.64	0.74	0.85
Cumulative GAIN/(LOSS)	**$ 89,523**	**$ (348,052)**	**$ (797,399)**	**$ (883,827)**	**$ (613,397)**	**$ 57,349**	**$ 1,271,725**	**$ 2,240,179**	**$ 3,451,066**	**$ 4,898,849**	**$ 6,585,573**	**$ 8,511,926**
PROJECTED CAPITAL AND ONE-TIME EXPENDITURES												
Fire ***WITHOUT BATTALION CHIEFS* 4.3% of cost**	$ -	$ 66,967	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Police	$ -	$ 161,013	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Public Works	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,588	$ -	$ -	$ -	$ -
TOTAL CAPITAL AND ONE-TIME EXPENDITURES	**$ -**	**$ 227,980**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 8,588**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL GENERAL FUND EXPENDITURES	**$ -**	**$ 778,627**	**$ 562,881**	**$ 574,227**	**$ 607,992**	**$ 617,902**	**$ 632,086**	**$ 1,281,701**	**$ 1,280,180**	**$ 1,296,488**	**$ 1,310,382**	**$ 1,326,052**
Annual GAIN/(LOSS) General Fund with CAP/One-Time	**$ 89,523**	**$ (665,555)**	**$ (449,346)**	**$ (86,428)**	**$ 270,430**	**$ 670,746**	**$ 1,214,377**	**$ 959,865**	**$ 1,210,888**	**$ 1,447,783**	**$ 1,686,724**	**$ 1,926,353**
Annual Tax Rate Equivalent (in cents) for General Fund Net	0.04	(0.29)	(0.20)	(0.04)	0.12	0.29	0.53	0.42	0.53	0.64	0.74	0.85
Cumulative GAIN/(LOSS)	**$ 89,523**	**$ (576,033)**	**$ (1,025,379)**	**$ (1,111,807)**	**$ (841,378)**	**$ (170,632)**	**$ 1,043,745**	**$ 2,003,610**	**$ 3,214,498**	**$ 4,662,281**	**$ 6,349,005**	**$ 8,275,358**

PROJECTED IMPACT FEE REVENUES												
Parks & Recreation Facilities Fees	$ -	$ 67,400	$ -	$ 275,496	$ -	$ -	$ 105,764	$ -	$ -	$ -	$ -	$ -
Developer Credits for Parks & Recreation Facilities	$ -	$ (67,400)	$ -	$ (275,496)	$ -	$ -	$ (105,764)	$ -	$ -	$ -	$ -	$ -
Open Space Fees	$ -	$ 35,200	$ -	$ 143,882	$ -	$ -	$ 55,238	$ -	$ -	$ -	$ -	$ -
Developer Credits for Open Space	$ -	$ (35,200)	$ -	$ (143,882)	$ -	$ -	$ (55,238)	$ -	$ -	$ -	$ -	$ -
Streets Fees	$ -	$ 852,300	$ -	$ 1,722,681	$ -	$ -	$ 731,754	$ -	$ -	$ -	$ -	$ -
Developer Credits for Street Improvements	$ -	$ (852,300)	$ -	$ (1,722,681)	$ -	$ -	$ (731,754)	$ -	$ -	$ -	$ -	$ -
NET IMPACT FEE REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
PROJECTED CAPITAL IMPROVEMENT PROJECTS (CIP)												
Fire - **NOT IMPACT FEE SUPPORTED** 4.3% of total cost	$ -	$ 170,280	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transportation - Widening Hwy 751	$ -	$ 6,872,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL CAPITAL IMPROVEMENT PROJECTS	**$ -**	**$ 7,042,280**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
GAIN/(LOSS) IMPACT FEES & CIP	**$ -**	**$ (7,042,280)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Tax Rate Equivalent (in cents) for CIP only	-	(3.09)	-	-	-	-	-	-	-	-	-	-

Fire - 4.3% of all costs	**$ -**	**$ 308,868**	**$ 73,054**	**$ 74,515**	**$ 76,005**	**$ 77,525**	**$ 79,075**	**$ 80,657**	**$ 82,270**	**$ 83,916**	**$ 85,594**	**$ 87,306**

NOTES:

1. Property tax values are as of 1/1/10.
2. Assume one and one-half vehicles per household @ $ 9,000 per vehicle.
3. Property tax rate, Beer and Wine Tax, Gas Tax and Utility Franchise Tax are projected from FY10 estimates.
4. FY2011 Property tax rate for the General Fund = $ 0.005519
5. FY2011 Property tax rate for the Civic Center Enterprise Fund = $ -
6. Assumed tax growth per year = 2.87%
7. Agreement between City and County to hold sales tax revenues constant, therefore sales tax revenues are not included.
8. One penny on the current tax rate = $ 2,279,340
9. Paratransit is an unfunded federal mandate included in the Transit Fund and is 100% subsidized by the general fund.
10. Assumed annual PS & operational increase 2.00%

COST-BENEFIT ANALYSIS

This version has partial park costs equal to impact fees, no battalion costs, & 4.3% of fire station costs.

751 South Project - Scenario B (48.1% applicant buildout)

Revised 5-19-11
Assumed buildout: March 2012 - 2022 - 10 YEARS

PROJECTED ANNEXATION TAX REVENUES												
GENERAL FUND REVENUES	**FY2010-11**	**FY2011-12**	**FY2012-13**	**FY2013-14**	**FY2014-15**	**FY2015-16**	**FY2016-17**	**FY2017-18**	**FY2018-19**	**FY2019-20**	**FY2020-21**	**FY2021-22**
Personal & Real Property Tax	$ 89,523	$ 92,092	$ 94,735	$ 352,342	$ 492,096	$ 632,391	$ 773,248	$ 914,691	$ 1,056,745	$ 1,199,435	$ 1,342,787	$ 1,486,830
Beer & Wine Tax	-	-	-	1,930	2,788	3,654	4,529	5,413	6,305	7,206	8,115	9,033
Gas Tax	-	1,960	4,077	15,527	22,260	29,347	34,419	39,687	45,157	50,834	56,726	62,838
Utility Franchise Tax	-	-	-	23,186	33,494	43,903	54,413	65,026	75,743	86,563	97,488	108,519
TOTAL TAX REVENUES	$ 89,523	$ 94,052	$ 98,812	$ 392,984	$ 550,638	$ 709,295	$ 866,610	$ 1,024,817	$ 1,183,949	$ 1,344,037	$ 1,505,116	$ 1,667,220
Civic Center Revenues - *No dedicated tax in FY11*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL TAX REVENUES LESS CIVIC CENTER	**$ 89,523**	**$ 94,052**	**$ 98,812**	**$ 392,984**	**$ 550,638**	**$ 709,295**	**$ 866,610**	**$ 1,024,817**	**$ 1,183,949**	**$ 1,344,037**	**$ 1,505,116**	**$ 1,667,220**
PROJECTED ANNUAL DEPARTMENTAL REVENUES												
Fire	$ -	$ -	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300
Planning	$ -	$ 10,000	$ -	$ 10,000	$ -	$ -	$ 10,000	$ -	$ -	$ -	$ -	$ -
Solid Waste	$ -	$ -	$ 780	$ 1,560	$ 2,340	$ 3,120	$ 3,900	$ 4,680	$ 5,850	$ 7,020	$ 8,190	$ 9,360
Transportation	$ -	$ -	$ 2,570	$ 2,570	$ 2,634	$ 2,868	$ 3,102	$ 3,821	$ 2,826	$ 3,251	$ 3,677	$ 4,829
TOTAL ANNUAL REVENUES	**$ -**	**$ 10,000**	**$ 15,650**	**$ 26,430**	**$ 17,274**	**$ 18,288**	**$ 29,302**	**$ 20,801**	**$ 20,976**	**$ 22,571**	**$ 24,167**	**$ 26,489**
TOTAL GENERAL FUND REVENUES	**$ 89,523**	**$ 104,052**	**$ 114,463**	**$ 419,415**	**$ 567,912**	**$ 727,583**	**$ 895,912**	**$ 1,045,618**	**$ 1,204,925**	**$ 1,366,609**	**$ 1,529,284**	**$ 1,693,710**

PROJECTED ONGOING DEPARTMENTAL EXPENDITURES												
GENERAL FUND EXPENDITURES	**FY2010-11**	**FY2011-12**	**FY2012-13**	**FY2013-14**	**FY2014-15**	**FY2015-16**	**FY2016-17**	**FY2017-18**	**FY2018-19**	**FY2019-20**	**FY2020-21**	**FY2021-22**
Fire ***WITHOUT BATTALION CHIEFS* 4.3% of cost**	$ -	$ 71,621	$ 73,054	$ 74,515	$ 76,005	$ 77,525	$ 79,075	$ 80,657	$ 82,270	$ 83,916	$ 85,594	$ 87,306
Parks & Recreation	$ -	$ 25,000	$ 25,500	$ 26,010	$ 26,530	$ 27,061	$ 27,602	$ 28,154	$ 28,717	$ 29,291	$ 29,877	$ 30,475
Police	$ -	$ 454,026	$ 463,107	$ 472,369	$ 481,816	$ 491,452	$ 501,281	$ 511,307	$ 521,533	$ 531,964	$ 542,603	$ 553,455
Public Works	$ -	$ -	$ 851	$ 851	$ 851	$ 851	$ 1,371	$ 51,373	$ 51,373	$ 51,830	$ 51,830	$ 51,830
Solid Waste	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transportation	$ -	$ -	$ 114	$ 227	$ 2,741	$ 312	$ 624	$ 5,021	$ 383	$ 766	$ 1,150	$ 2,259
TOTAL ONGOING EXPENDITURES	**$ -**	**$ 550,647**	**$ 562,625**	**$ 573,971**	**$ 587,943**	**$ 597,201**	**$ 609,954**	**$ 676,512**	**$ 684,277**	**$ 697,767**	**$ 711,054**	**$ 725,325**
Annual GAIN/(LOSS) General Fund no CAP/One-Time	**$ 89,523**	**$ (446,595)**	**$ (448,162)**	**$ (154,557)**	**$ (20,030)**	**$ 130,382**	**$ 285,958**	**$ 369,106**	**$ 520,648**	**$ 668,842**	**$ 818,230**	**$ 968,385**
Annual Tax Rate Equivalent (in cents) for General Fund Net	0.04	(0.20)	(0.20)	(0.07)	(0.01)	0.06	0.13	0.16	0.23	0.29	0.36	0.42
Cumulative GAIN/(LOSS)	**$ 89,523**	**$ (357,072)**	**$ (805,234)**	**$ (959,791)**	**$ (979,821)**	**$ (849,439)**	**$ (563,481)**	**$ (194,375)**	**$ 326,273**	**$ 995,115**	**$ 1,813,344**	**$ 2,781,729**
PROJECTED CAPITAL AND ONE-TIME EXPENDITURES												
Fire ***WITHOUT BATTALION CHIEFS* 4.3% of cost**	$ -	$ 66,967	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Police	$ -	$ 161,013	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Public Works	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,122	$ -	$ -	$ -	$ -
TOTAL CAPITAL AND ONE-TIME EXPENDITURES	**$ -**	**$ 227,980**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 4,122**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL GENERAL FUND EXPENDITURES	**$ -**	**$ 778,627**	**$ 562,625**	**$ 573,971**	**$ 587,943**	**$ 597,201**	**$ 609,954**	**$ 680,634**	**$ 684,277**	**$ 697,767**	**$ 711,054**	**$ 725,325**
Annual GAIN/(LOSS) General Fund with CAP/One-Time	**$ 89,523**	**$ (674,575)**	**$ (448,162)**	**$ (154,557)**	**$ (20,030)**	**$ 130,382**	**$ 285,958**	**$ 364,984**	**$ 520,648**	**$ 668,842**	**$ 818,230**	**$ 968,385**
Annual Tax Rate Equivalent (in cents) for General Fund Net	0.04	(0.30)	(0.20)	(0.07)	(0.01)	0.06	0.13	0.16	0.23	0.29	0.36	0.42
Cumulative GAIN/(LOSS)	**$ 89,523**	**$ (585,053)**	**$ (1,033,215)**	**$ (1,187,771)**	**$ (1,207,802)**	**$ (1,077,419)**	**$ (791,462)**	**$ (426,477)**	**$ 94,171**	**$ 763,012**	**$ 1,581,242**	**$ 2,549,627**

PROJECTED IMPACT FEE REVENUES												
Parks & Recreation Facilities Fees	$ -	$ 67,400	$ -	$ 123,230	$ -	$ -	$ 123,230	$ -	$ -	$ -	$ -	$ -
Developer Credits for Parks & Recreation Facilities	$ -	$ (67,400)	$ -	$ (123,230)	$ -	$ -	$ (123,230)	$ -	$ -	$ -	$ -	$ -
Open Space Fees	$ -	$ 35,200	$ -	$ 64,360	$ -	$ -	$ 64,360	$ -	$ -	$ -	$ -	$ -
Developer Credits for Open Space	$ -	$ (35,200)	$ -	$ (64,360)	$ -	$ -	$ (64,360)	$ -	$ -	$ -	$ -	$ -
Streets Fees	$ -	$ 602,240	$ -	$ 779,120	$ -	$ -	$ 753,260	$ -	$ -	$ -	$ -	$ -
Developer Credits for Street Improvements	$ -	$ (602,240)	$ -	$ (779,120)	$ -	$ -	$ (753,260)	$ -	$ -	$ -	$ -	$ -
NET IMPACT FEE REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
PROJECTED CAPITAL IMPROVEMENT PROJECTS (CIP)												
Fire - **NOT** IMPACT FEE SUPPORTED 4.3% of total cost	$ -	$ 170,280	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transportation - Widening Hwy 751	$ -	$ 6,872,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL CAPITAL IMPROVEMENT PROJECTS	**$ -**	**$ 7,042,280**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
GAIN/(LOSS) IMPACT FEES & CIP	**$ -**	**$ (7,042,280)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Tax Rate Equivalent (in cents) for CIP only	-	(3.09)	-	-	-	-	-	-	-	-	-	-

Fire - 4.3% of all costs	**$ -**	**$ 308,868**	**$ 73,054**	**$ 74,515**	**$ 76,005**	**$ 77,525**	**$ 79,075**	**$ 80,657**	**$ 82,270**	**$ 83,916**	**$ 85,594**	**$ 87,306**

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2. Assume one and one-half vehicles per household @ $ 9,000 per vehicle.
3. Property tax rate, Beer and Wine Tax, Gas Tax and Utility Franchise Tax are projected from FY10 estimates.
4. FY2011 Property tax rate for the General Fund = $ 0.005519
5. FY2011 Property tax rate for the Civic Center Enterprise Fund = $ -
6. Assumed tax growth per year = 2.87%
7. Agreement between City and County to hold sales tax revenues constant, therefore sales tax revenues are not included.
8. One penny on the current tax rate = $ 2,279,340
9. Paratransit is an unfunded federal mandate included in the Transit Fund and is 100% subsidized by the general fund.
10. Assumed annual PS & operational increase 2.00%

COST-BENEFIT ANALYSIS

This version has partial park costs equal to impact fees, no battalion costs, & 4.3% of fire station costs.

Revised 5-19-11
Assumed buildout: March 2012 - 2022 - 10 YEARS

751 South Project - Scenario C (21.9% applicant buildout)

PROJECTED ANNEXATION TAX REVENUES												
GENERAL FUND REVENUES	**FY2010-11**	**FY2011-12**	**FY2012-13**	**FY2013-14**	**FY2014-15**	**FY2015-16**	**FY2016-17**	**FY2017-18**	**FY2018-19**	**FY2019-20**	**FY2020-21**	**FY2021-22**
Personal & Real Property Tax	$ 89,523	$ 92,092	$ 94,735	$ 200,148	$ 271,730	$ 343,747	$ 416,216	$ 489,156	$ 562,587	$ 636,528	$ 711,001	$ 786,027
Beer & Wine Tax	-	-	-	1,930	2,606	3,289	3,978	4,675	5,378	6,087	6,804	7,528
Gas Tax	-	3,267	6,795	19,767	23,589	27,559	31,684	35,966	40,413	45,028	49,816	54,783
Utility Franchise Tax	-	-	-	23,186	31,309	39,512	47,795	56,159	64,604	73,131	81,740	90,432
TOTAL TAX REVENUES	$ 89,523	$ 95,359	$ 101,530	$ 245,031	$ 329,234	$ 414,108	$ 499,673	$ 585,956	$ 672,981	$ 760,774	$ 849,361	$ 938,770
Civic Center Revenues - *No dedicated tax in FY11*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL TAX REVENUES LESS CIVIC CENTER	**$ 89,523**	**$ 95,359**	**$ 101,530**	**$ 245,031**	**$ 329,234**	**$ 414,108**	**$ 499,673**	**$ 585,956**	**$ 672,981**	**$ 760,774**	**$ 849,361**	**$ 938,770**
PROJECTED ANNUAL DEPARTMENTAL REVENUES												
Fire	$ -	$ -	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300	$ 12,300
Planning	$ -	$ 5,000	$ -	$ 5,000	$ -	$ -	$ 5,000	$ -	$ -	$ -	$ -	$ -
Solid Waste	$ -	$ -	$ 390	$ 780	$ 1,170	$ 1,560	$ 1,950	$ 2,340	$ 2,925	$ 3,510	$ 4,095	$ 4,680
Transportation	$ -	$ -	$ 1,314	$ 1,370	$ 1,285	$ 1,370	$ 1,455	$ 1,647	$ 1,285	$ 1,370	$ 1,455	$ 1,615
TOTAL ANNUAL REVENUES	**$ -**	**$ 5,000**	**$ 14,004**	**$ 19,450**	**$ 14,755**	**$ 15,230**	**$ 20,705**	**$ 16,287**	**$ 16,510**	**$ 17,180**	**$ 17,850**	**$ 18,595**
TOTAL GENERAL FUND REVENUES	**$ 89,523**	**$ 100,359**	**$ 115,534**	**$ 264,481**	**$ 343,990**	**$ 429,338**	**$ 520,379**	**$ 602,243**	**$ 689,491**	**$ 777,954**	**$ 867,211**	**$ 957,364**

PROJECTED ONGOING DEPARTMENTAL EXPENDITURES												
GENERAL FUND EXPENDITURES	**FY2010-11**	**FY2011-12**	**FY2012-13**	**FY2013-14**	**FY2014-15**	**FY2015-16**	**FY2016-17**	**FY2017-18**	**FY2018-19**	**FY2019-20**	**FY2020-21**	**FY2021-22**
Fire ***WITHOUT BATTALION CHIEFS* 4.3% of cost**	$ -	$ 71,621	$ 73,054	$ 74,515	$ 76,005	$ 77,525	$ 79,075	$ 80,657	$ 82,270	$ 83,916	$ 85,594	$ 87,306
Parks & Recreation	$ -	$ 25,000	$ 25,500	$ 26,010	$ 26,530	$ 27,061	$ 27,602	$ 28,154	$ 28,717	$ 29,291	$ 29,877	$ 30,475
Police	$ -	$ 454,026	$ 463,107	$ 472,369	$ 481,816	$ 491,452	$ 501,281	$ 511,307	$ 521,533	$ 531,964	$ 542,603	$ 553,455
Public Works	$ -	$ -	$ 166	$ 166	$ 166	$ 166	$ 870	$ 870	$ 870	$ 972	$ 972	$ 25,973
Solid Waste	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transportation	$ -	$ -	$ 114	$ 227	$ 1,541	$ 270	$ 539	$ 915	$ 319	$ 639	$ 958	$ 1,436
TOTAL ONGOING EXPENDITURES	**$ -**	**$ 550,647**	**$ 561,940**	**$ 573,286**	**$ 586,058**	**$ 596,474**	**$ 609,368**	**$ 621,903**	**$ 633,710**	**$ 646,781**	**$ 660,004**	**$ 698,645**
Annual GAIN/(LOSS) General Fund no CAP/One-Time	**$ 89,523**	**$ (450,288)**	**$ (446,406)**	**$ (308,805)**	**$ (242,068)**	**$ (167,136)**	**$ (88,989)**	**$ (19,660)**	**$ 55,782**	**$ 131,173**	**$ 207,207**	**$ 258,719**
Annual Tax Rate Equivalent (in cents) for General Fund Net	0.04	(0.20)	(0.20)	(0.14)	(0.11)	(0.07)	(0.04)	(0.01)	0.02	0.06	0.09	0.11
Cumulative GAIN/(LOSS)	**$ 89,523**	**$ (360,765)**	**$ (807,171)**	**$ (1,115,976)**	**$ (1,358,044)**	**$ (1,525,180)**	**$ (1,614,170)**	**$ (1,633,830)**	**$ (1,578,048)**	**$ (1,446,876)**	**$ (1,239,669)**	**$ (980,949)**
PROJECTED CAPITAL AND ONE-TIME EXPENDITURES												
Fire ***WITHOUT BATTALION CHIEFS* 4.3% of cost**	$ -	$ 66,967	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Police	$ -	$ 161,013	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Public Works	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,889
TOTAL CAPITAL AND ONE-TIME EXPENDITURES	**$ -**	**$ 227,980**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,889**
TOTAL GENERAL FUND EXPENDITURES	**$ -**	**$ 778,627**	**$ 561,940**	**$ 573,286**	**$ 586,058**	**$ 596,474**	**$ 609,368**	**$ 621,903**	**$ 633,710**	**$ 646,781**	**$ 660,004**	**$ 700,534**
Annual GAIN/(LOSS) General Fund with CAP/One-Time	**$ 89,523**	**$ (678,268)**	**$ (446,406)**	**$ (308,805)**	**$ (242,068)**	**$ (167,136)**	**$ (88,989)**	**$ (19,660)**	**$ 55,782**	**$ 131,173**	**$ 207,207**	**$ 256,830**
Annual Tax Rate Equivalent (in cents) for General Fund Net	0.04	(0.30)	(0.20)	(0.14)	(0.11)	(0.07)	(0.04)	(0.01)	0.02	0.06	0.09	0.11
Cumulative GAIN/(LOSS)	**$ 89,523**	**$ (588,746)**	**$ (1,035,151)**	**$ (1,343,957)**	**$ (1,586,025)**	**$ (1,753,161)**	**$ (1,842,150)**	**$ (1,861,810)**	**$ (1,806,028)**	**$ (1,674,856)**	**$ (1,467,649)**	**$ (1,210,819)**

PROJECTED IMPACT FEE REVENUES												
Parks & Recreation Facilities Fees	$ -	$ 67,400	$ -	$ 95,315	$ -	$ -	$ 95,315	$ -	$ -	$ -	$ -	$ -
Developer Credits for Parks & Recreation Facilities	$ -	$ (67,400)	$ -	$ (95,315)	$ -	$ -	$ (95,315)	$ -	$ -	$ -	$ -	$ -
Open Space Fees	$ -	$ 35,200	$ -	$ 49,780	$ -	$ -	$ 49,780	$ -	$ -	$ -	$ -	$ -
Developer Credits for Open Space	$ -	$ (35,200)	$ -	$ (49,780)	$ -	$ -	$ (49,780)	$ -	$ -	$ -	$ -	$ -
Streets Fees	$ -	$ 172,400	$ -	$ 475,760	$ -	$ -	$ 462,830	$ -	$ -	$ -	$ -	$ -
Developer Credits for Street Improvements	$ -	$ (172,400)	$ -	$ (475,760)	$ -	$ -	$ (462,830)	$ -	$ -	$ -	$ -	$ -
NET IMPACT FEE REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
PROJECTED CAPITAL IMPROVEMENT PROJECTS (CIP)												
Fire - **NOT** IMPACT FEE SUPPORTED 4.3% of total cost	$ -	$ 170,280	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transportation - Widening Hwy 751	$ -	$ 6,872,000	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL CAPITAL IMPROVEMENT PROJECTS	**$ -**	**$ 7,042,280**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
GAIN/(LOSS) IMPACT FEES & CIP	**$ -**	**$ (7,042,280)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Tax Rate Equivalent (in cents) for CIP only	-	(3.09)	-	-	-	-	-	-	-	-	-	-
Fire - 4.3% of all costs	**$ -**	**$ 308,868**	**$ 73,054**	**$ 74,515**	**$ 76,005**	**$ 77,525**	**$ 79,075**	**$ 80,657**	**$ 82,270**	**$ 83,916**	**$ 85,594**	**$ 87,306**

NOTES:

1. Property tax values are as of 1/1/10.
2. Assume one and one-half vehicles per household @ $ 9,000 per vehicle.
3. Property tax rate, Beer and Wine Tax, Gas Tax and Utility Franchise Tax are projected from FY10 estimates.
4. FY2011 Property tax rate for the General Fund = $ 0.005519
5. FY2011 Property tax rate for the Civic Center Enterprise Fund = $ -
6. Assumed tax growth per year = 2.87%
7. Agreement between City and County to hold sales tax revenues constant, therefore sales tax revenues are not included.
8. One penny on the current tax rate = $ 2,279,340
9. Paratransit is an unfunded federal mandate included in the Transit Fund and is 100% subsidized by the general fund.
10. Assumed annual PS & operational increase 2.00%

COST-BENEFIT ANALYSIS - WORKING FILE

751 South Project - Scenario D (0% applicant buildout)

Assumed buildout: March 2012 - 2022 - 10 YEARS

PROJECTED ANNEXATION TAX REVENUES												
GENERAL FUND REVENUES	**FY2010-11**	**FY2011-12**	**FY2012-13**	**FY2013-14**	**FY2014-15**	**FY2015-16**	**FY2016-17**	**FY2017-18**	**FY2018-19**	**FY2019-20**	**FY2020-21**	**FY2021-22**
Personal & Real Property Tax	$ 89,523	$ 92,092	$ 94,735	$ 97,454	$ 100,251	$ 103,128	$ 106,088	$ 109,133	$ 112,265	$ 115,487	$ 118,801	$ 122,211
Beer & Wine Tax	-	-	-	-	-	-	-	-	-	-	-	-
Gas Tax	-	-	-	-	-	-	-	-	-	-	-	-
Utility Franchise Tax	-	-	-	-	-	-	-	-	-	-	-	-
TOTAL TAX REVENUES	$ 89,523	$ 92,092	$ 94,735	$ 97,454	$ 100,251	$ 103,128	$ 106,088	$ 109,133	$ 112,265	$ 115,487	$ 118,801	$ 122,211
Civic Center Revenues - *No dedicated tax in FY11*	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL TAX REVENUES LESS CIVIC CENTER	**$ 89,523**	**$ 92,092**	**$ 94,735**	**$ 97,454**	**$ 100,251**	**$ 103,128**	**$ 106,088**	**$ 109,133**	**$ 112,265**	**$ 115,487**	**$ 118,801**	**$ 122,211**
PROJECTED ANNUAL DEPARTMENTAL REVENUES												
Fire	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Planning	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Solid Waste	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transportation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL ANNUAL REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL GENERAL FUND REVENUES	**$ 89,523**	**$ 92,092**	**$ 94,735**	**$ 97,454**	**$ 100,251**	**$ 103,128**	**$ 106,088**	**$ 109,133**	**$ 112,265**	**$ 115,487**	**$ 118,801**	**$ 122,211**

PROJECTED ONGOING DEPARTMENTAL EXPENDITURES												
GENERAL FUND EXPENDITURES	**FY2010-11**	**FY2011-12**	**FY2012-13**	**FY2013-14**	**FY2014-15**	**FY2015-16**	**FY2016-17**	**FY2017-18**	**FY2018-19**	**FY2019-20**	**FY2020-21**	**FY2021-22**
Fire	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fleet Management	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Parks & Recreation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Police	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Public Works	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Solid Waste	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Transportation	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL ONGOING EXPENDITURES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
GAIN/(LOSS) GENERAL FUND NO CAP/ONE-TIME	**$ 89,523**	**$ 92,092**	**$ 94,735**	**$ 97,454**	**$ 100,251**	**$ 103,128**	**$ 106,088**	**$ 109,133**	**$ 112,265**	**$ 115,487**	**$ 118,801**	**$ 122,211**
Tax Rate Equivalent (in cents) for General Fund Net	0.04	0.04	0.04	0.04	0.04	0.05	0.05	0.05	0.05	0.05	0.05	0.05
PROJECTED CAPITAL AND ONE-TIME EXPENDITURES												
Fire	$ -	$ 4,956	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Fleet Management	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Police	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Public Works	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Solid Waste	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL CAPITAL AND ONE-TIME EXPENDITURES	**$ -**	**$ 4,956**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
TOTAL GENERAL FUND EXPENDITURES	**$ -**	**$ 4,956**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
GAIN/(LOSS) GENERAL FUND WITH CAP/ONE-TIME	**$ 89,523**	**$ 87,136**	**$ 94,735**	**$ 97,454**	**$ 100,251**	**$ 103,128**	**$ 106,088**	**$ 109,133**	**$ 112,265**	**$ 115,487**	**$ 118,801**	**$ 122,211**
Tax Rate Equivalent (in cents) for General Fund Net	0.04	0.04	0.04	0.04	0.04	0.05	0.05	0.05	0.05	0.05	0.05	0.05

PROJECTED IMPACT FEE REVENUES												
Parks & Recreation Facilities Fees	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Open Space Fees	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Streets Fees	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Developer Credits for Street Improvements	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
NET IMPACT FEE REVENUES	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
PROJECTED CAPITAL IMPROVEMENT PROJECTS (CIP)												
Fire - **NOT** IMPACT FEE SUPPORTED	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Parks & Recreation - IMPACT FEE SUPPORTED	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL CAPITAL IMPROVEMENT PROJECTS	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
GAIN/(LOSS) IMPACT FEES & CIP	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Tax Rate Equivalent (in cents) for CIP only	-	-	-	-	-	-	-	-	-	-	-	-

NOTES:

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