

Sphere of Influence Annexation Study Fiscal Analysis Technical Appendixes City of Chino

Prepared for:

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INTRODUCTION

These Technical Appendixes A through D provide the detailed phased land uses, detailed fiscal projections, the fiscal assumptions and the list of references for the August 20, 2019 *Sphere of Influence Annexation Study Fiscal Analysis* prepared by Stanley R. Hoffman Associates, Inc.

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APPENDIX A PHASED LAND USES BY SCENARIO

This appendix presents the detailed phased land uses proposed for the four land use scenarios for the SOI annexation. The phased Base Case, Alternative 1, Alternative 2 and Alternative 3 fiscal policies for property tax and property tax in-lieu VLF are included for each land use scenario. The phasing of this information is presented separately for the North and South SOI and for the Total SOI.

A.1 General Plan Scenario (Table A-1 through Table A-7)

The projected residential units, population, average value per unit, non-residential square feet, employment, service population, non-residential values and sales tax are the same for all four fiscal policies for the General Plan Scenario.

Residential Units and Population

Panel A of Table A-1 presents the General Plan Scenario proposed phasing of the residential units for the 2020 to 2040 period by 10-year increments. A total of 1,044 new units are projected over the 20-year period, with 266 new units projected for the North SOI and 778 new units planned for the South SOI under the General Plan Scenario.

Based on the January 1, 2019 citywide average estimate of 3.37 persons per household from the State Department of Finance, Total SOI population is projected to increase by 3,517 over the 20-year period, with the North SOI population increasing by 896 and the South SOI population increasing by 2,621, or about three times the increase for the North SOI.

Non-Residential Square Feet and Employment

As shown in Panel B of Table A-1, non-residential square feet for the Total SOI are projected to increase by 957,844 over the 2020 to 2040 period. Most of the total new square feet are industrial and projected for the North SOI. Of the total projected new retail space of 8,888 over the 2020 to 2040 period, about 2,220 square feet are projected for the North SOI and the remaining 6,648 retail square feet is projected for the South SOI. A total of 4,400 square feet of new office space is projected for the South SOI.

Total SOI employment is projected to increase by 664 over the 20-year period, with the North SOI employment increasing by 634 and the South SOI employment increasing by 30.

Service Population

As shown in Panel C of Table A-1, the service population for the General Plan Scenario is estimated at 3,822 for the Total SOI. Of this total, the service population is projected at 1,188 for the North SOI and the service population for the South SOI is projected at 2,635.

Assessed Valuation

Panels A and B of Table A-2 present the calculation of the projected residential and non-residential valuation for the General Plan Scenario, respectively. The values per residential unit

Table A-1 (page 1 of 2)
General Plan Scenario: Development Description
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	General Plan Scenario			
		2020	2030	2040	2020-2040 Change
A. RESIDENTIAL DEVELOPMENT					
<u>Units</u>					
<u>North SOI</u>					
RD 1		191	191	191	0
RD 2		242	282	322	80
RD 4.5		323	423	509	186
RD 8		236	236	236	0
RD 12		27	27	27	0
RD 20		35	35	35	0
RD-MU (20 du/ac)		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total North SOI Units		1,054	1,194	1,320	266
<u>South SOI</u>					
RD 1		135	135	135	0
RD 2		129	169	209	80
RD 4.5		253	353	428	175
RD 8		17	53	53	36
RD 12		18	18	18	0
RD 20		2	212	212	210
RD-MU (20 du/ac)		<u>1</u>	<u>251</u>	<u>278</u>	<u>277</u>
Total South SOI Units		555	1,191	1,333	778
<u>Total SOI</u>					
RD 1		326	326	326	0
RD 2		371	451	531	160
RD 4.5		576	776	937	361
RD 8		253	289	289	36
RD 12		45	45	45	0
RD 20		37	247	247	210
RD-MU (20 du/ac)		<u>1</u>	<u>251</u>	<u>278</u>	<u>277</u>
Total SOI Units		1,609	2,385	2,653	1,044
<u>Population</u>					
North SOI Population	3.37	3,550	4,021	4,446	896
South SOI Population	3.37	<u>1,869</u>	<u>4,011</u>	<u>4,490</u>	<u>2,621</u>
Total SOI Population		5,419	8,032	8,936	3,517
B. NON-RESIDENTIAL DEVELOPMENT					
<u>Square Feet</u>					
<u>North SOI</u>					
Retail		15,900	17,010	18,120	2,220
Office		0	0	0	0
Industrial		<u>506,020</u>	<u>978,308</u>	<u>1,450,596</u>	<u>944,576</u>
Total North SOI Square Feet		521,920	995,318	1,468,716	946,796
<u>South SOI</u>					
Retail		22,438	25,762	29,086	6,648
Office		16,916	19,116	21,316	4,400
Industrial		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total South SOI Square Feet		39,354	44,878	50,402	11,048
<u>Total SOI</u>					
Retail		38,338	42,772	47,206	8,868
Office		16,916	19,116	21,316	4,400
Industrial		<u>506,020</u>	<u>978,308</u>	<u>1,450,596</u>	<u>944,576</u>
Total SOI Square Feet		561,274	1,040,196	1,519,118	957,844

Table A-1 (page 2 of 2)
General Plan Scenario: Development Description
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	General Plan Scenario			2020-2040 Change
		2020	2030	2040	
Total Employment	Square Feet per Employee				
<u>North SOI</u>					
Retail	500	32	34	36	4
Office	250	0	0	0	0
Industrial	1,500	<u>337</u>	<u>652</u>	<u>967</u>	<u>630</u>
Total North SOI Employment		369	686	1,003	634
<u>South SOI</u>					
Retail	500	45	52	58	13
Office	250	68	76	85	17
Industrial	1,500	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total South SOI Employment		113	128	143	30
<u>Total SOI</u>					
Retail		77	86	94	17
Office		68	76	85	17
Industrial		<u>337</u>	<u>652</u>	<u>967</u>	<u>630</u>
Total SOI Employment		482	814	1,146	664
Employment Commuting into Chino	Share of Total Employment				
<u>North SOI</u>					
Retail	92%	29	31	33	4
Office	92%	0	0	0	0
Industrial	92%	<u>310</u>	<u>600</u>	<u>890</u>	<u>579</u>
Total North SOI Employment Commuting into Chino		340	631	923	583
<u>South SOI</u>					
Retail	92%	41	48	53	12
Office	92%	63	70	78	16
Industrial	92%	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total South SOI Employment Commuting into Chino		104	118	132	28
<u>Total SOI</u>					
Retail		71	79	87	16
Office		63	70	78	16
Industrial		<u>310</u>	<u>600</u>	<u>890</u>	<u>579</u>
Total SOI Employment Commuting into Chino		444	749	1,055	611
C. SERVICE POPULATION	Percent of Total				
<u>North SOI</u>					
Population	100%	3,550	4,021	4,446	896
Employment Commuting into Chino	50%	<u>170</u>	<u>316</u>	<u>462</u>	<u>292</u>
North SOI Service Population		3,720	4,337	4,907	1,188
<u>South SOI</u>					
Population	100%	1,869	4,011	4,490	2,621
Employment Commuting into Chino	50%	<u>52</u>	<u>59</u>	<u>66</u>	<u>14</u>
South SOI Service Population		1,921	4,070	4,556	2,635
<u>Total SOI</u>					
Population	100%	5,419	8,032	8,936	3,517
Employment Commuting into Chino	50%	<u>222</u>	<u>375</u>	<u>527</u>	<u>306</u>
Total SOI Service Population		5,641	8,407	9,463	3,822

Sources: Stanley R. Hoffman Associates, Inc.

Table A-2 (page 1 of 2)
General Plan Scenario: Projected Valuation
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	General Plan Scenario			
		2020	2030	2040	2020-2040 Change
A. NEW RESIDENTIAL VALUATION					
<u>North SOI</u>					
RD 1	\$1,095,626	\$62,932,015	\$62,932,015	\$62,932,015	\$0
RD 2	\$952,718	79,735,852	117,844,572	194,062,012	114,326,160
RD 4.5	\$889,530	106,424,298	195,377,318	360,829,935	254,405,637
RD 8	\$681,819	77,758,930	77,758,930	77,758,930	0
RD 12	\$407,993	8,896,149	8,896,149	8,896,149	0
RD 20	\$346,794	11,532,045	11,532,045	11,532,045	0
RD-MU (20 du/ac)	\$346,794	0	0	0	0
Total North SOI New Residential Valuation		\$347,279,288	\$474,341,028	\$716,011,085	\$368,731,797
Number of Units		1,054	1,194	1,320	266
Average Value per Unit		\$329,487	\$397,271	\$542,433	\$212,946
<u>South SOI</u>					
RD 1	\$1,095,626	\$54,955,709	\$54,955,709	\$54,955,709	\$0
RD 2	\$952,718	52,513,233	90,621,953	166,839,393	114,326,160
RD 4.5	\$889,530	102,991,070	191,944,090	347,611,875	244,620,805
RD 8	\$681,819	6,920,349	31,465,825	56,011,302	49,090,954
RD 12	\$407,993	7,327,428	7,327,428	7,327,428	0
RD 20	\$346,794	814,159	73,640,963	146,467,767	145,653,608
RD-MU (20 du/ac)	\$346,794	407,079	87,105,656	183,167,678	182,760,599
Total South SOI New Residential Valuation		\$225,929,026	\$537,061,623	\$962,381,151	\$736,452,125
Number of Units		555	1,191	1,333	778
Average Value per Unit		\$407,079	\$450,933	\$721,966	\$314,887
<u>Total SOI</u>					
RD 1	\$1,095,626	\$117,887,724	\$117,887,724	\$117,887,724	\$0
RD 2	\$952,718	132,249,085	208,466,525	360,901,405	228,652,320
RD 4.5	\$889,530	209,415,367	387,321,407	708,441,810	499,026,442
RD 8	\$681,819	84,679,278	109,224,755	133,770,232	49,090,954
RD 12	\$407,993	16,223,577	16,223,577	16,223,577	0
RD 20	\$346,794	12,346,203	85,173,007	157,999,811	145,653,608
RD-MU (20 du/ac)	\$346,794	407,079	87,105,656	183,167,678	182,760,599
Total SOI New Residential Valuation		\$573,208,314	\$1,011,402,651	\$1,678,392,237	\$1,105,183,923
Number of Units		1,609	2,385	2,653	1,044
Average Value per Unit		\$356,251	\$424,068	\$632,639	\$276,388
B. NEW NON-RESIDENTIAL VALUATION					
<u>North SOI</u>					
Retail	\$219	\$1,353,367	\$1,596,457	\$2,082,637	\$729,270
Office	\$161	0	0	0	0
Industrial	\$102	43,071,132	91,244,508	139,417,884	96,346,752
Total North SOI New Non-Residential Valuation		\$44,424,500	\$92,840,966	\$141,500,522	\$97,076,022
<u>South SOI</u>					
Retail	\$219	\$1,909,865	\$2,637,821	\$4,093,733	\$2,183,868
Office	\$161	1,439,847	1,794,047	2,148,247	708,400
Industrial	\$102	0	0	0	0
Total South SOI New Non-Residential Valuation		\$3,349,712	\$4,431,868	\$6,241,980	\$2,892,268
<u>Total SOI</u>					
Retail	\$219	\$3,263,233	\$4,234,279	\$6,176,371	\$2,913,138
Office	\$161	1,439,847	1,794,047	2,148,247	708,400
Industrial	\$102	43,071,132	91,244,508	139,417,884	96,346,752
Total SOI New Non-Residential Valuation		\$47,774,212	\$97,272,834	\$147,742,502	\$99,968,290

Table A-2 (page 2 of 2)
General Plan Scenario: Projected Valuation
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	General Plan Scenario			
		2020	2030	2040	2020-2040 Change
C. TOTAL VALUATION					
<u>North SOI</u>					
New Residential		\$347,279,288	\$474,341,028	\$716,011,085	\$368,731,797
New Non-Residential		<u>44,424,500</u>	<u>92,840,966</u>	<u>141,500,522</u>	<u>97,076,022</u>
Total North SOI New Valuation		\$391,703,788	\$567,181,994	\$857,511,607	\$465,807,819
<u>South SOI</u>					
New Residential		\$225,929,026	\$537,061,623	\$962,381,151	\$736,452,125
New Non-Residential		<u>3,349,712</u>	<u>4,431,868</u>	<u>6,241,980</u>	<u>2,892,268</u>
Total South SOI New Valuation		\$229,278,738	\$541,493,491	\$968,623,132	\$739,344,393
<u>Total SOI</u>					
New Residential		\$573,208,314	\$1,011,402,651	\$1,678,392,237	\$1,105,183,923
New Non-Residential		<u>47,774,212</u>	<u>97,272,834</u>	<u>147,742,502</u>	<u>99,968,290</u>
Total SOI New Valuation		\$620,982,526	\$1,108,675,485	\$1,826,134,739	\$1,205,152,213

Sources: Stanley R. Hoffman Associates, Inc.

and per non-residential square foot is based on the January 2019 Lisa Wise Consulting, Inc., *City of Chino Market Analysis – Sphere of Influence Annexation Analysis* and discussions with developers.

Net incremental assessed valuation the Total SOI for the General Plan Scenario is projected at about \$1.21 billion over the 2020-2040 period, as shown in Panel C of Table A-2. About \$1.11 billion of the new valuation is residential and the remaining \$1.00 billion is non-residential valuation.

Of the Total SOI increase in valuation of about \$1.21 billion, valuation for the North SOI is projected to increase by about \$465.81 million and the valuation for the South SOI is projected to increase by about \$739.34 million.

Projected Property Tax

Tables A-3 through A-6 present the projected property tax for the four fiscal policies for the General Plan Scenario over the 2020-2040 period. Property tax is projected to increase by \$956,847 for the Base Case and Alternative 2; and about \$1.30 million for Alternative 1 and Alternative 3.

Projected Property Tax In-Lieu of Vehicle License Fee (VLF)

The City will receive VLF-property tax in-lieu based on the change in its gross assessed valuation of taxable property for new development in the annexed area. As shown in Appendix Table C-3, the PT-VLF in the City is projected to increase at \$690 per million dollars of new assessed valuation (AV). As shown in Panel B of Tables A-3 through A-6, PT-VLF is projected to increase by \$831,555 over the 2020-2040 period.

Table A-3
General Plan Scenario: Base Case Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	General Plan Scenario: Base Case			
		2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX					
<u>Annual 1 Percent Property Tax Levy</u>					
North SOI		\$3,917,038	\$5,671,820	\$8,575,116	\$4,658,078
South SOI		<u>\$2,292,787</u>	<u>\$5,414,935</u>	<u>\$9,686,231</u>	<u>7,393,444</u>
Annual 1 Percent Property Tax Levy		\$6,209,825	\$11,086,755	\$18,261,347	\$12,051,522
<u>North SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$211,520	\$306,278	\$463,056	\$251,536
	<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands		\$44,508	\$141,740	\$325,713	\$281,205
	<i>equals</i>				
North SOI General Fund Property Tax		\$256,028	\$448,019	\$788,769	\$532,741
<u>South SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$123,811	\$292,406	\$523,056	\$399,246
	<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands		\$2,617	\$11,453	\$27,476	\$24,859
	<i>equals</i>				
South SOI General Fund Property Tax		\$126,428	\$303,860	\$550,533	\$424,105
<u>Total SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$335,331	\$598,685	\$986,113	\$650,782
	<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands		\$47,125	\$153,194	\$353,189	\$306,064
	<i>equals</i>				
Total SOI General Fund Property Tax		\$382,456	\$751,879	\$1,339,302	\$956,847
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU					
<u>Annual Valuation for VLF-Property Tax In Lieu</u>					
North SOI		\$0	\$175,478,206	\$465,807,819	\$465,807,819
South SOI		<u>\$0</u>	<u>\$312,214,753</u>	<u>\$739,344,393</u>	<u>739,344,393</u>
Total Annual Valuation for VLF-Property In Lieu		\$0	\$487,692,959	\$1,205,152,213	\$1,205,152,213
<u>Total Annual VLF-Property Tax In Lieu</u>					
(@ \$690 per \$1,000,000 Assessed Valuation)					
North SOI		\$0	\$121,080	\$321,407	\$321,407
South SOI		<u>\$0</u>	<u>\$215,428</u>	<u>\$510,148</u>	<u>510,148</u>
Total Annual VLF-Property Tax In Lieu		\$0	\$336,508	\$831,555	\$831,555
(@ \$690 per \$1,000,000 Assessed Valuation)					

Sources: Stanley R. Hoffman Associates, Inc.

Table A-4
General Plan Scenario: Alternative 1 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	General Plan Scenario: Alternative 1			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$3,917,038	\$5,671,820	\$8,575,116	\$4,658,078
South SOI	<u>\$2,292,787</u>	<u>\$5,414,935</u>	<u>\$9,686,231</u>	<u>7,393,444</u>
Annual 1 Percent Property Tax Levy	\$6,209,825	\$11,086,755	\$18,261,347	\$12,051,522
North SOI General Fund Property Tax (10.8% of 1 Percent)	\$423,040	\$612,557	\$926,113	\$503,072
South SOI General Fund Property Tax (10.8% of 1 Percent)	\$247,621	\$584,813	\$1,046,113	\$798,492
Total SOI General Fund Property Tax (10.8% of 1 Percent)	\$670,661	\$1,197,370	\$1,972,226	\$1,301,564
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$0	\$175,478,206	\$465,807,819	\$465,807,819
South SOI	<u>\$0</u>	<u>\$312,214,753</u>	<u>\$739,344,393</u>	<u>\$739,344,393</u>
Total Annual Valuation for VLF-Property In Lieu	\$0	\$487,692,959	\$1,205,152,213	\$1,205,152,213
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$0	\$121,080	\$321,407	\$321,407
South SOI	<u>\$0</u>	<u>\$215,428</u>	<u>\$510,148</u>	<u>\$510,148</u>
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)	\$0	\$336,508	\$831,555	\$831,555

Sources: Stanley R. Hoffman Associates, Inc.

Table A-5
General Plan Scenario: Alternative 2 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	General Plan Scenario: Alternative 2			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$3,917,038	\$5,671,820	\$8,575,116	\$4,658,078
South SOI	<u>\$2,292,787</u>	<u>\$5,414,935</u>	<u>\$9,686,231</u>	<u>7,393,444</u>
Annual 1 Percent Property Tax Levy	\$6,209,825	\$11,086,755	\$18,261,347	\$12,051,522
<u>North SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$211,520	\$306,278	\$463,056	\$251,536
Additional 5.4% of 1 Percent Levy for Islands	plus \$44,508	plus \$141,740	plus \$325,713	plus \$281,205
North SOI General Fund Property Tax	\$256,028	\$448,019	\$788,769	\$532,741
<u>South SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$123,811	\$292,406	\$523,056	\$399,246
Additional 5.4% of 1 Percent Levy for Islands	plus \$2,617	plus \$11,453	plus \$27,476	plus \$24,859
South SOI General Fund Property Tax	\$126,428	\$303,860	\$550,533	\$424,105
<u>Total SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$335,331	\$598,685	\$986,113	\$650,782
Additional 5.4% of 1 Percent Levy for Islands	plus \$47,125	plus \$153,194	plus \$353,189	plus \$306,064
Total SOI General Fund Property Tax	\$382,456	\$751,879	\$1,339,302	\$956,847
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$391,703,788	\$567,181,994	\$857,511,607	\$465,807,819
South SOI	<u>\$229,278,738</u>	<u>\$541,493,491</u>	<u>\$968,623,132</u>	<u>\$739,344,393</u>
Total Annual Valuation for VLF-Property In Lieu	\$620,982,526	\$1,108,675,485	\$1,826,134,739	\$1,205,152,213
<u>Total Annual VLF-Property Tax In Lieu</u>				
(@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$270,276	\$391,356	\$591,683	\$321,407
South SOI	<u>\$158,202</u>	<u>\$373,631</u>	<u>\$668,350</u>	<u>\$510,148</u>
Total Annual VLF-Property Tax In Lieu	\$428,478	\$764,986	\$1,260,033	\$831,555
(@ \$690 per \$1,000,000 Assessed Valuation)				

Sources: Stanley R. Hoffman Associates, Inc.

Table A-6
General Plan Scenario: Alternative 3 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	General Plan Scenario: Alternative 3			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$3,917,038	\$5,671,820	\$8,575,116	\$4,658,078
South SOI	<u>\$2,292,787</u>	<u>\$5,414,935</u>	<u>\$9,686,231</u>	<u>\$7,393,444</u>
Annual 1 Percent Property Tax Levy	\$6,209,825	\$11,086,755	\$18,261,347	\$12,051,522
North SOI General Fund Property Tax (10.8% of 1 Percent)	\$423,040	\$612,557	\$926,113	\$503,072
South SOI General Fund Property Tax (10.8% of 1 Percent)	\$247,621	\$584,813	\$1,046,113	\$798,492
Total SOI General Fund Property Tax (10.8% of 1 Percent)	\$670,661	\$1,197,370	\$1,972,226	\$1,301,564
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$391,703,788	\$567,181,994	\$857,511,607	\$465,807,819
South SOI	<u>\$229,278,738</u>	<u>\$541,493,491</u>	<u>\$968,623,132</u>	<u>\$739,344,393</u>
Total Annual Valuation for VLF-Property In Lieu	\$620,982,526	\$1,108,675,485	\$1,826,134,739	\$1,205,152,213
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$270,276	\$391,356	\$591,683	\$321,407
South SOI	<u>\$158,202</u>	<u>\$373,631</u>	<u>\$668,350</u>	<u>\$510,148</u>
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)	\$428,478	\$764,986	\$1,260,033	\$831,555

Sources: Stanley R. Hoffman Associates, Inc.

Projected Sales and Use Tax Captured in Chino

Sales and use tax is projected for both the retail taxable sales generated by retail establishments in the annexation area and for the retail taxable sales that will be captured in the City from off-site purchases made by the future residents of the annexation area. Panels A and B of Table A-7 present the detailed projected sales and use tax. As shown in Panel C of Table A-7, Total SOI sales and use tax is projected to increase by \$499,496 over the 20-year period for the General Plan Scenario. Projected on-site retail sales and use tax is minimal at \$22,905 because of the small amount of retail space projected for the Total SOI.

Table A-7 (page 1 of 2)
General Plan Scenario: Projected Sales and Use Tax Captured in Chino
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	General Plan Scenario			2020-2040 Change
		2020	2030	2040	
A. ON-SITE RETAIL SALES AND USE TAX					
<u>Retail Square Feet</u>					
North SOI		15,900	17,010	18,120	2,220
South SOI		<u>22,438</u>	<u>25,762</u>	<u>29,086</u>	<u>6,648</u>
Total SOI Retail Square Feet		38,338	42,772	47,206	8,868
	Taxable Sales per Square Foot ¹				
<u>Retail Taxable Sales</u>					
North SOI	\$230	\$3,657,000	\$3,912,300	\$4,167,600	\$510,600
South SOI	\$230	<u>\$5,160,740</u>	<u>\$5,925,260</u>	<u>\$6,689,780</u>	<u>\$1,529,040</u>
Total SOI Retail Taxable Sales		\$8,817,740	\$9,837,560	\$10,857,380	\$2,039,640
<u>On-Site Retail Projected Sales and Use Tax to City</u>					
North SOI Sales Tax (Share of Taxable Sales)	1.0%	\$36,570	\$39,123	\$41,676	\$5,106
South SOI Sales Tax (Share of Taxable Sales)	1.0%	<u>\$51,607</u>	<u>\$59,253</u>	<u>\$66,898</u>	<u>\$15,290</u>
Total SOI Retail Sales Tax		\$88,177	\$98,376	\$108,574	\$20,396
	<i>plus</i>				
North SOI Use Tax (Share of Sales)	12.3%	\$4,498	\$4,812	\$5,126	\$628
South SOI Use Tax (Share of Sales Tax)	12.3%	<u>\$6,348</u>	<u>\$7,288</u>	<u>\$8,228</u>	<u>\$1,881</u>
Total SOI Use Tax		\$10,846	\$12,100	\$13,355	\$2,509
	<i>equals</i>				
North SOI Sales and Use Tax		\$41,068	\$43,935	\$46,802	\$5,734
South SOI Sales and Use Tax		<u>\$57,955</u>	<u>\$66,541</u>	<u>\$75,126</u>	<u>\$17,171</u>
Total Projected SOI Sales and Use Tax		\$99,023	\$110,476	\$121,928	\$22,905
B. OFF-SITE RESIDENTIAL SALES AND USE TAX					
<u>New Residential Valuation</u>					
North SOI		\$347,279,288	\$474,341,028	\$716,011,085	\$368,731,797
South SOI		<u>\$225,929,026</u>	<u>\$537,061,623</u>	<u>\$962,381,151</u>	<u>\$736,452,125</u>
Total SOI New Residential Valuation		\$573,208,314	\$1,011,402,651	\$1,678,392,237	\$1,105,183,923
<u>Household Income</u>					
North SOI (Share of Residential Valuation)	24.0%	\$83,347,029	\$113,841,847	\$171,842,660	\$88,495,631
South SOI (Share of Residential Valuation)	24.0%	<u>\$54,222,966</u>	<u>\$128,894,790</u>	<u>\$230,971,476</u>	<u>\$176,748,510</u>
Total SOI New Household Income		\$137,569,995	\$242,736,636	\$402,814,137	\$265,244,141
<u>Off-Site Retail Taxable Sales</u>					
North SOI (Share of Household Income)	32.0%	\$26,671,049	\$36,429,391	\$54,989,651	\$28,318,602
South SOI (Share of Household Income)	32.0%	<u>\$17,351,349</u>	<u>\$41,246,333</u>	<u>\$73,910,872</u>	<u>\$56,559,523</u>
Total Offsite Taxable Sales		\$44,022,399	\$77,675,724	\$128,900,524	\$84,878,125
<u>Off-Site Retail Projected Sales and Use Tax to City</u>					
North SOI Sales Tax (Share of Taxable Sales)	1.0%	\$266,710	\$364,294	\$549,897	\$283,186
South SOI Sales Tax (Share of Taxable Sales)	1.0%	<u>\$173,513</u>	<u>\$412,463</u>	<u>\$739,109</u>	<u>\$565,595</u>
Total SOI Retail Sales Tax		\$440,224	\$776,757	\$1,289,005	\$848,781
	<i>plus</i>				
North SOI Use Tax (Share of Sales Tax)	12.3%	\$32,805	\$44,808	\$67,637	\$34,832
South SOI Use Tax (Share of Sales Tax)	12.3%	<u>\$21,342</u>	<u>\$50,733</u>	<u>\$90,910</u>	<u>\$69,568</u>
Total SOI Use Tax		\$54,148	\$95,541	\$158,548	\$104,400
	<i>equals</i>				
North SOI Sales and Use Tax		\$299,516	\$409,102	\$617,534	\$318,018
South SOI Sales and Use Tax		<u>\$194,856</u>	<u>\$463,196</u>	<u>\$830,019</u>	<u>\$635,163</u>
Total Projected SOI Off-Site Sales and Use Tax		\$494,372	\$872,298	\$1,447,553	\$953,181
<u>Projected City Captured Off-Site Residential Retail Sales Tax</u>					
North SOI (Share of Projected Off-Site Sales and Use Tax)	50.0%	\$149,758	\$204,551	\$308,767	\$159,009
South SOI (Share of Projected Off-Site Sales and Use Tax)	50.0%	<u>\$97,428</u>	<u>\$231,598</u>	<u>\$415,010</u>	<u>\$317,582</u>
Total SOI Projected Off-Site Residential Retail Sales Tax		\$247,186	\$436,149	\$723,776	\$476,591

Table A-7 (page 2 of 2)
General Plan Scenario: Projected Sales and Use Tax Captured in Chino
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	General Plan Scenario			2020-2040 Change
		2020	2030	2040	
C. TOTAL SALES AND USE TAX					
<u>On-Site Retail Sales and Use Tax</u>					
North SOI		\$41,068	\$43,935	\$46,802	\$5,734
South SOI		<u>\$57,955</u>	<u>\$66,541</u>	<u>\$75,126</u>	<u>\$17,171</u>
Total SOI On-Site Sales and Use		\$99,023	\$110,476	\$121,928	\$22,905
	<i>plus</i>				
<u>Projected Captured Off-Site Residential Retail Sales Tax</u>					
North SOI		\$149,758	\$204,551	\$308,767	\$159,009
South SOI		<u>\$97,428</u>	<u>\$231,598</u>	<u>\$415,010</u>	<u>\$317,582</u>
Total Sales and Use Tax	<i>equals</i>	\$247,186	\$436,149	\$723,776	\$476,591
<u>Total Sales and Use Tax</u>					
North SOI		\$190,826	\$248,486	\$355,569	\$164,743
South SOI		<u>\$155,383</u>	<u>\$298,139</u>	<u>\$490,136</u>	<u>\$334,753</u>
Total SOI Sales and Use Tax		\$346,209	\$546,625	\$845,705	\$499,496

1. Taxable sales per square foot are provided by Lisa Wise Consulting, Inc., as cited below.

Sources: Stanley R. Hoffman Associates, Inc.

Lisa Wise Consulting, Inc., *City of Chino Market Analysis - Sphere of Influence Annexation Analysis, January 2019*

Bureau of Labor Statistics, Consumer Expenditure Survey

A.2 Market Trends Scenario (Table A-8 through Table A-14)

The projected residential units, population, average value per unit, non-residential square feet, employment, service population, non-residential values and sales tax are the same for all four fiscal policies for the Market Trends Scenario.

Residential Units and Population

Panel A of Table A-8 presents the Market Trends Scenario proposed phasing of the residential units for the 2020 to 2040 period by 10-year increments. A total of 2,847 new units are projected over the 20-year period, with 1,180 new units projected for the North SOI and 1,667 new units planned for the South SOI under the Market Trends Scenario.

Based on the January 1, 2019 citywide average estimate of 3.37 persons per household from the State Department of Finance, Total SOI population is projected to increase by 9,589 over the 20-year period, with the North SOI population increasing by 3,974 and the South SOI population increasing by 5,614.

Non-Residential Square Feet and Employment

As shown in Panel B of Table A-8, non-residential square feet for the Total SOI are projected to increase by 965,646 over the 2020 to 2040 period for the Market Trends Scenario. Most of the

Table A-8 (page 1 of 2)
Market Trends Scenario: Development Description
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Market Trends Scenario			
		2020	2030	2040	2020-2040 Change
A. RESIDENTIAL DEVELOPMENT					
Units					
<u>North SOI</u>					
RD 1		191	191	191	0
RD 2		242	282	322	80
RD 4.5		323	473	623	300
RD 8		236	636	1,036	800
RD 12		27	27	27	0
RD 20		35	35	35	0
RD-MU (20 du/ac)		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total North SOI Units		1,054	1,644	2,234	1,180
<u>South SOI</u>					
RD 1		135	135	135	0
RD 2		129	169	209	80
RD 4.5		253	403	553	300
RD 8		17	417	817	800
RD 12		18	18	18	0
RD 20		2	212	212	210
RD-MU (20 du/ac)		<u>1</u>	<u>251</u>	<u>278</u>	<u>277</u>
Total South SOI Units		555	1,605	2,222	1,667
<u>Total SOI</u>					
RD 1		326	326	326	0
RD 2		371	451	531	160
RD 4.5		576	876	1,176	600
RD 8		253	1,053	1,853	1,600
RD 12		45	45	45	0
RD 20		37	247	247	210
RD-MU (20 du/ac)		<u>1</u>	<u>251</u>	<u>278</u>	<u>277</u>
Total SOI Units		1,609	3,249	4,456	2,847
	Persons per Unit				
North SOI Population	3.37	3,550	5,537	7,524	3,974
South SOI Population	3.37	<u>1,869</u>	<u>5,406</u>	<u>7,484</u>	<u>5,614</u>
Total SOI Population		5,419	10,943	15,008	9,589
B. NON-RESIDENTIAL DEVELOPMENT					
Square Feet					
<u>North SOI</u>					
Retail		15,900	18,714	21,528	5,628
Office		0	0	0	0
Industrial		<u>506,020</u>	<u>978,308</u>	<u>1,450,596</u>	<u>944,576</u>
Total North SOI Square Feet		521,920	997,022	1,472,124	950,204
<u>South SOI</u>					
Retail		22,438	26,659	30,880	8,442
Office		16,916	20,416	23,916	7,000
Industrial		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total South SOI Square Feet		39,354	47,075	54,796	15,442
<u>Total SOI</u>					
Retail		38,338	45,373	52,408	14,070
Office		16,916	20,416	23,916	7,000
Industrial		<u>506,020</u>	<u>978,308</u>	<u>1,450,596</u>	<u>944,576</u>
Total SOI Square Feet		561,274	1,044,097	1,526,920	965,646

Table A-8 (page 2 of 2)
Market Trends Scenario: Development Description
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Market Trends Scenario			
		2020	2030	2040	2020-2040 Change
Total Employment	Square Feet per Employee				
<u>North SOI</u>					
Retail	500	32	37	43	11
Office	250	0	0	0	0
Industrial	1,500	<u>337</u>	<u>652</u>	<u>967</u>	<u>630</u>
Total North SOI Employment		369	689	1,010	641
<u>South SOI</u>					
Retail	500	45	53	62	17
Office	250	68	82	96	28
Industrial	1,500	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total South SOI Employment		113	135	158	45
<u>Total SOI</u>					
Retail		77	90	105	28
Office		68	82	96	28
Industrial		<u>337</u>	<u>652</u>	<u>967</u>	<u>630</u>
Total SOI Employment		482	824	1,168	686
	Share of Total Employment				
<u>Employment Commuting into Chino</u>					
<u>North SOI</u>					
Retail	92%	29	34	40	10
Office	92%	0	0	0	0
Industrial	92%	<u>310</u>	<u>600</u>	<u>890</u>	<u>580</u>
Total North SOI Employment Commuting into Chino		339	634	929	590
<u>South SOI</u>					
Retail	92%	41	49	57	16
Office	92%	63	75	88	26
Industrial	92%	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total South SOI Employment Commuting into Chino		104	124	145	41
<u>Total SOI</u>					
Retail		71	83	97	26
Office		63	75	88	26
Industrial		<u>310</u>	<u>600</u>	<u>890</u>	<u>580</u>
Total SOI Employment Commuting into Chino		443	758	1,075	631
	Percent of Total				
C. SERVICE POPULATION					
<u>North SOI</u>					
Population	100%	3,550	5,537	7,524	3,974
Employment Commuting into Chino	50%	<u>170</u>	<u>317</u>	<u>465</u>	<u>295</u>
North SOI Service Population		3,720	5,854	7,989	4,269
<u>South SOI</u>					
Population	100%	1,869	5,406	7,484	5,614
Employment Commuting into Chino	50%	<u>52</u>	<u>62</u>	<u>73</u>	<u>21</u>
South SOI Service Population		1,921	5,468	7,556	5,635
<u>Total SOI</u>					
Population	100%	5,419	10,943	15,008	9,589
Employment Commuting into Chino	50%	<u>222</u>	<u>379</u>	<u>537</u>	<u>316</u>
Total SOI Service Population		5,641	11,322	15,545	9,904

Sources: Stanley R. Hoffman Associates, Inc.

total new square feet is industrial (944,756 square feet) and is projected for the North SOI. Of the total projected new retail space of 14,070 over the 2020 to 2040 period, about 5,628 square feet are projected for the North SOI and the remaining 8,442 retail square feet is projected for the South SOI. A total of 7,000 square feet of new office space is projected for the South SOI.

Total SOI employment is projected to increase by 686 over the 20-year period, with the North SOI employment increasing by 641 and the South SOI employment increasing by 45.

Service Population

As shown in Panel C of Table A-8, the service population for the Market Trends Scenario is estimated at 9,904 for the Total SOI. Of this total, the service population is projected at 4,269 for the North SOI and the service population for the South SOI is projected at 5,635.

Assessed Valuation

Panels A and B of Table A-9 present the calculation of the projected residential and non-residential valuation for the Market Trends Scenario, respectively. The values per residential unit and per non-residential square foot are based on the January 2019 Lisa Wise Consulting, Inc., *City of Chino Market Analysis – Sphere of Influence Annexation Analysis* and discussions with developers.

Net incremental assessed valuation the Total SOI for the Market Trends Scenario is projected at about \$3.14 billion over the 2020-2040 period, as shown in Panel C of Table A-9. About \$2.99 billion of the new valuation is residential and the remaining \$150.83 million is non-residential valuation.

Of the Total SOI increase in valuation of about \$3.14 billion, valuation for the North SOI is projected to increase by about \$1.48 billion and the valuation for the South SOI is projected to increase by about \$1.67 billion.

Projected Property Tax

Tables A-10 through A-13 present the projected property tax for the four fiscal policies for the Market Trends Scenario over the 2020-2040 period. Property tax is projected to increase by \$2.00 million for the Base Case and Alternative 2; and about \$3.40 million for Alternative 1 and Alternative 3.

Projected Property Tax In-Lieu of Vehicle License Fee (VLF)

As shown in Panel B of Tables A-10 through A-13, PT-VLF is projected to increase by \$2.17 million over the 2020-2040 period for the Market Trends Scenario.

Projected Sales and Use Tax Captured in Chino

Panels A and B of Table A-14 present the detailed projected sales and use tax. As shown in Panel C of Table A-7, Total SOI sales and use tax is projected to increase by \$1.33 million over the 20-year period for the Market Trends Scenario. Projected on-site retail sales and use tax is minimal at \$36,341 because of the small amount of retail space projected for the Total SOI.

Table A-9 (page 1 of 2)
Market Trends Scenario: Projected Valuation
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Market Scenario			2020-2040 Change
		2020	2030	2040	
A. NEW RESIDENTIAL VALUATION					
<u>North SOI</u>					
	New Value per Unit				
RD 1	\$1,095,626	\$62,932,015	\$62,932,015	\$62,932,015	\$0
RD 2	\$952,718	79,735,852	117,844,572	194,062,012	114,326,160
RD 4.5	\$889,530	106,424,298	239,853,828	506,712,888	400,288,590
RD 8	\$681,819	77,758,930	350,486,450	895,941,490	818,182,560
RD 12	\$407,993	8,896,149	8,896,149	8,896,149	0
RD 20	\$346,794	11,532,045	11,532,045	11,532,045	0
RD-MU (20 du/ac)	\$346,794	0	0	0	0
Total North SOI New Residential Valuation		\$347,279,288	\$791,545,058	\$1,680,076,598	\$1,332,797,310
	<i>Number of Units</i>	<i>1,054</i>	<i>1,644</i>	<i>2,234</i>	<i>1,180</i>
	<i>Average Value per Unit</i>	<i>\$329,487</i>	<i>\$481,475</i>	<i>\$752,049</i>	<i>\$422,562</i>
<u>South SOI</u>					
RD 1	\$1,095,626	\$54,955,709	\$54,955,709	\$54,955,709	\$0
RD 2	\$952,718	52,513,233	90,621,953	166,839,393	114,326,160
RD 4.5	\$889,530	102,991,070	236,420,600	503,279,660	400,288,590
RD 8	\$681,819	6,920,349	279,647,869	825,102,909	818,182,560
RD 12	\$407,993	7,327,428	7,327,428	7,327,428	0
RD 20	\$346,794	814,159	73,640,963	146,467,767	145,653,608
RD-MU (20 du/ac)	\$346,794	407,079	87,105,656	183,167,678	182,760,599
Total South SOI New Residential Valuation		\$225,929,026	\$829,720,176	\$1,887,140,543	\$1,661,211,517
	<i>Number of Units</i>	<i>555</i>	<i>1,605</i>	<i>2,222</i>	<i>1,667</i>
	<i>Average Value per Unit</i>	<i>\$407,079</i>	<i>\$516,960</i>	<i>\$849,298</i>	<i>\$442,219</i>
<u>Total SOI</u>					
RD 1	\$1,095,626	\$117,887,724	\$117,887,724	\$117,887,724	\$0
RD 2	\$952,718	132,249,085	208,466,525	360,901,405	228,652,320
RD 4.5	\$889,530	209,415,367	476,274,427	1,009,992,547	800,577,180
RD 8	\$681,819	84,679,278	630,134,318	1,721,044,398	1,636,365,120
RD 12	\$407,993	16,223,577	16,223,577	16,223,577	0
RD 20	\$346,794	12,346,203	85,173,007	157,999,811	145,653,608
RD-MU (20 du/ac)	\$346,794	407,079	87,105,656	183,167,678	182,760,599
Total SOI New Residential Valuation		\$573,208,314	\$1,621,265,234	\$3,567,217,141	\$2,994,008,827
	<i>Number of Units</i>	<i>1,609</i>	<i>3,249</i>	<i>4,456</i>	<i>2,847</i>
	<i>Average Value per Unit</i>	<i>\$356,251</i>	<i>\$499,004</i>	<i>\$800,542</i>	<i>\$444,291</i>
B. NEW NON-RESIDENTIAL VALUATION					
<u>North SOI</u>					
Retail	\$219	\$1,353,367	\$1,969,633	\$3,202,165	\$1,848,798
Office	\$161	0	0	0	0
Industrial	\$102	43,071,132	91,244,508	187,591,260	144,520,128
Total North SOI New Non-Residential Valuation		\$44,424,500	\$93,214,142	\$190,793,426	\$146,368,926
<u>South SOI</u>					
Retail	\$219	\$1,909,865	\$2,834,264	\$4,683,062	\$2,773,197
Office	\$161	1,439,847	2,003,347	3,130,347	1,690,500
Industrial	\$102	0	0	0	0
Total South SOI New Non-Residential Valuation		\$3,349,712	\$4,837,611	\$7,813,409	\$4,463,697
<u>Total SOI</u>					
Retail	\$219	\$3,263,233	\$4,803,898	\$7,885,228	\$4,621,995
Office	\$161	1,439,847	2,003,347	3,130,347	1,690,500
Industrial	\$102	43,071,132	91,244,508	187,591,260	144,520,128
Total SOI New Non-Residential Valuation		\$47,774,212	\$98,051,753	\$198,606,835	\$150,832,623

Table A-9 (page 2 of 2)
Market Trends Scenario: Projected Valuation
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Market Scenario			2020-2040 Change
		2020	2030	2040	
C. TOTAL VALUATION					
<u>North SOI</u>					
New Residential		\$347,279,288	\$791,545,058	\$1,680,076,598	\$1,332,797,310
New Non-Residential		<u>44,424,500</u>	<u>93,214,142</u>	<u>190,793,426</u>	<u>146,368,926</u>
Total North SOI New Valuation		\$391,703,788	\$884,759,200	\$1,870,870,024	\$1,479,166,236
<u>South SOI</u>					
New Residential		\$225,929,026	\$829,720,176	\$1,887,140,543	\$1,661,211,517
New Non-Residential		<u>3,349,712</u>	<u>4,837,611</u>	<u>7,813,409</u>	<u>4,463,697</u>
Total South SOI New Valuation		\$229,278,738	\$834,557,787	\$1,894,953,952	\$1,665,675,214
<u>Total SOI</u>					
New Residential		\$573,208,314	\$1,621,265,234	\$3,567,217,141	\$2,994,008,827
New Non-Residential		<u>47,774,212</u>	<u>98,051,753</u>	<u>198,606,835</u>	<u>150,832,623</u>
Total SOI New Valuation		\$620,982,526	\$1,719,316,987	\$3,765,823,976	\$3,144,841,450

Sources: Stanley R. Hoffman Associates, Inc.

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Table A-10
Market Trends Scenario: Base Case Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Market Trends Scenario: Base Case			
		2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX					
<u>Annual 1 Percent Property Tax Levy</u>					
North SOI		\$3,917,038	\$8,847,592	\$18,708,700	\$14,791,662
South SOI		<u>\$2,292,787</u>	<u>\$8,345,578</u>	<u>\$18,949,540</u>	<u>16,656,752</u>
Annual 1 Percent Property Tax Levy		\$6,209,825	\$17,193,170	\$37,658,240	\$31,448,414
<u>North SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$211,520	\$477,770	\$1,010,270	\$798,750
	plus				
Additional 5.4% of 1 Percent Levy for Islands		\$44,508	\$141,740	\$325,713	\$281,205
	equals				
North SOI General Fund Property Tax		\$256,028	\$619,510	\$1,335,983	\$1,079,955
<u>South SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$123,811	\$450,661	\$1,023,275	\$899,465
	plus				
Additional 5.4% of 1 Percent Levy for Islands		\$2,617	\$11,453	\$27,476	\$24,859
	equals				
South SOI General Fund Property Tax		\$126,428	\$462,115	\$1,050,751	\$924,324
<u>Total SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$335,331	\$928,431	\$2,033,545	\$1,698,214
	plus				
Additional 5.4% of 1 Percent Levy for Islands		\$47,125	\$153,194	\$353,189	\$306,064
	equals				
Total SOI General Fund Property Tax		\$382,456	\$1,081,625	\$2,386,734	\$2,004,279
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU					
<u>Annual Valuation for VLF-Property Tax In Lieu</u>					
North SOI		\$0	\$493,055,412	\$1,479,166,236	\$1,479,166,236
South SOI		<u>\$0</u>	<u>\$605,279,049</u>	<u>\$1,665,675,214</u>	<u>1,665,675,214</u>
Total Annual Valuation for VLF-Property In Lieu		\$0	\$1,098,334,461	\$3,144,841,450	\$3,144,841,450
<u>Total Annual VLF-Property Tax In Lieu</u>					
(@ \$690 per \$1,000,000 Assessed Valuation)					
North SOI		\$0	\$340,208	\$1,020,625	\$1,020,625
South SOI		<u>\$0</u>	<u>\$417,643</u>	<u>\$1,149,316</u>	<u>1,149,316</u>
Total Annual VLF-Property Tax In Lieu		\$0	\$757,851	\$2,169,941	\$2,169,941
(@ \$690 per \$1,000,000 Assessed Valuation)					

Sources: Stanley R. Hoffman Associates, Inc.

Table A-11
Market Trends Scenario: Alternative 1 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Market Trends Scenario: Alternative 1			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$3,917,038	\$8,847,592	\$18,708,700	\$14,791,662
South SOI	<u>\$2,292,787</u>	<u>\$8,345,578</u>	<u>\$18,949,540</u>	<u>16,656,752</u>
Annual 1 Percent Property Tax Levy	\$6,209,825	\$17,193,170	\$37,658,240	\$31,448,414
North SOI General Fund Property Tax (10.8% of 1 Percent)	\$423,040	\$955,540	\$2,020,540	\$1,597,500
South SOI General Fund Property Tax (10.8% of 1 Percent)	\$247,621	\$901,322	\$2,046,550	\$1,798,929
Total SOI General Fund Property Tax (10.8% of 1 Percent)	\$670,661	\$1,856,862	\$4,067,090	\$3,396,429
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$0	\$493,055,412	\$1,479,166,236	\$1,479,166,236
South SOI	<u>\$0</u>	<u>\$605,279,049</u>	<u>\$1,665,675,214</u>	<u>\$1,665,675,214</u>
Total Annual Valuation for VLF-Property In Lieu	\$0	\$1,098,334,461	\$3,144,841,450	\$3,144,841,450
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$0	\$340,208	\$1,020,625	\$1,020,625
South SOI	<u>\$0</u>	<u>\$417,643</u>	<u>\$1,149,316</u>	<u>\$1,149,316</u>
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)	\$0	\$757,851	\$2,169,941	\$2,169,941

Sources: Stanley R. Hoffman Associates, Inc.

Table A-12
Market Trends Scenario: Alternative 2 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Market Trends Scenario: Alternative 2			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$3,917,038	\$8,847,592	\$18,708,700	\$14,791,662
South SOI	<u>\$2,292,787</u>	<u>\$8,345,578</u>	<u>\$18,949,540</u>	<u>16,656,752</u>
Annual 1 Percent Property Tax Levy	\$6,209,825	\$17,193,170	\$37,658,240	\$31,448,414
<u>North SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$211,520	\$477,770	\$1,010,270	\$798,750
Additional 5.4% of 1 Percent Levy for Islands	\$44,508	\$141,740	\$325,713	\$281,205
North SOI General Fund Property Tax	\$256,028	\$619,510	\$1,335,983	\$1,079,955
<u>South SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$123,811	\$450,661	\$1,023,275	\$899,465
Additional 5.4% of 1 Percent Levy for Islands	\$2,617	\$11,453	\$27,476	\$24,859
South SOI General Fund Property Tax	\$126,428	\$462,115	\$1,050,751	\$924,324
<u>Total SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$335,331	\$928,431	\$2,033,545	\$1,698,214
Additional 5.4% of 1 Percent Levy for Islands	\$47,125	\$153,194	\$353,189	\$306,064
Total SOI General Fund Property Tax	\$382,456	\$1,081,625	\$2,386,734	\$2,004,279
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$391,703,788	\$884,759,200	\$1,870,870,024	\$1,479,166,236
South SOI	<u>\$229,278,738</u>	<u>\$834,557,787</u>	<u>\$1,894,953,952</u>	<u>\$1,665,675,214</u>
Total Annual Valuation for VLF-Property In Lieu	\$620,982,526	\$1,719,316,987	\$3,765,823,976	\$3,144,841,450
<u>Total Annual VLF-Property Tax In Lieu</u>				
(@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$270,276	\$610,484	\$1,290,900	\$1,020,625
South SOI	<u>\$158,202</u>	<u>\$575,845</u>	<u>\$1,307,518</u>	<u>\$1,149,316</u>
Total Annual VLF-Property Tax In Lieu	\$428,478	\$1,186,329	\$2,598,419	\$2,169,941
(@ \$690 per \$1,000,000 Assessed Valuation)				

Sources: Stanley R. Hoffman Associates, Inc.

Table A-13
Market Trends Scenario: Alternative 3 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Market Trends Scenario: Alternative 3			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$3,917,038	\$8,847,592	\$18,708,700	\$14,791,662
South SOI	<u>\$2,292,787</u>	<u>\$8,345,578</u>	<u>\$18,949,540</u>	<u>\$16,656,752</u>
Annual 1 Percent Property Tax Levy	\$6,209,825	\$17,193,170	\$37,658,240	\$31,448,414
North SOI General Fund Property Tax (10.8% of 1 Percent)	\$423,040	\$955,540	\$2,020,540	\$1,597,500
South SOI General Fund Property Tax (10.8% of 1 Percent)	\$247,621	\$901,322	\$2,046,550	\$1,798,929
Total SOI General Fund Property Tax (10.8% of 1 Percent)	\$670,661	\$1,856,862	\$4,067,090	\$3,396,429
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$391,703,788	\$884,759,200	\$1,870,870,024	\$1,479,166,236
South SOI	<u>\$229,278,738</u>	<u>\$834,557,787</u>	<u>\$1,894,953,952</u>	<u>\$1,665,675,214</u>
Total Annual Valuation for VLF-Property In Lieu	\$620,982,526	\$1,719,316,987	\$3,765,823,976	\$3,144,841,450
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$270,276	\$610,484	\$1,290,900	\$1,020,625
South SOI	<u>\$158,202</u>	<u>\$575,845</u>	<u>\$1,307,518</u>	<u>\$1,149,316</u>
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)	\$428,478	\$1,186,329	\$2,598,419	\$2,169,941

Sources: Stanley R. Hoffman Associates, Inc.

Table A-14 (page 1 of 2)
Market Trends Scenario: Projected Sales and Use Tax Captured in Chino
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Market Scenario			2020-2040 Change
		2020	2030	2040	
A. ON-SITE RETAIL SALES AND USE TAX					
<u>Retail Square Feet</u>					
North SOI		15,900	18,714	21,528	5,628
South SOI		<u>22,438</u>	<u>26,659</u>	<u>30,880</u>	<u>8,442</u>
Total SOI Retail Square Feet		38,338	45,373	52,408	14,070
<u>Retail Taxable Sales</u>					
	Taxable Sales per Square Foot ¹				
North SOI	\$230	\$3,657,000	\$4,304,220	\$4,951,440	\$1,294,440
South SOI	\$230	<u>\$5,160,740</u>	<u>\$6,131,570</u>	<u>\$7,102,400</u>	<u>\$1,941,660</u>
Total SOI Retail Taxable Sales		\$8,817,740	\$10,435,790	\$12,053,840	\$3,236,100
<u>On-Site Retail Projected Sales and Use Tax to City</u>					
North SOI Sales Tax (Share of Taxable Sales)	1.0%	\$36,570	\$43,042	\$49,514	\$12,944
South SOI Sales Tax (Share of Taxable Sales)	1.0%	<u>\$51,607</u>	<u>\$61,316</u>	<u>\$71,024</u>	<u>\$19,417</u>
Total SOI Retail Sales Tax		\$88,177	\$104,358	\$120,538	\$32,361
	<i>plus</i>				
North SOI Use Tax (Share of Sales)	12.3%	\$4,498	\$5,294	\$6,090	\$1,592
South SOI Use Tax (Share of Sales Tax)	12.3%	<u>\$6,348</u>	<u>\$7,542</u>	<u>\$8,736</u>	<u>\$2,388</u>
Total SOI Use Tax		\$10,846	\$12,836	\$14,826	\$3,980
	<i>equals</i>				
North SOI Sales and Use Tax		\$41,068	\$48,336	\$55,605	\$14,537
South SOI Sales and Use Tax		<u>\$57,955</u>	<u>\$68,858</u>	<u>\$79,760</u>	<u>\$21,805</u>
Total Projected SOI Sales and Use Tax		\$99,023	\$117,194	\$135,365	\$36,341
B. OFF-SITE RESIDENTIAL SALES AND USE TAX					
<u>New Residential Valuation</u>					
North SOI		\$347,279,288	\$791,545,058	\$1,680,076,598	\$1,332,797,310
South SOI		<u>\$225,929,026</u>	<u>\$829,720,176</u>	<u>\$1,887,140,543</u>	<u>\$1,661,211,517</u>
Total SOI New Residential Valuation		\$573,208,314	\$1,621,265,234	\$3,567,217,141	\$2,994,008,827
<u>Household Income</u>					
North SOI (Share of Residential Valuation)	24.0%	\$83,347,029	\$189,970,814	\$403,218,384	\$319,871,354
South SOI (Share of Residential Valuation)	24.0%	<u>\$54,222,966</u>	<u>\$199,132,842</u>	<u>\$452,913,730</u>	<u>\$398,690,764</u>
Total SOI New Household Income		\$137,569,995	\$389,103,656	\$856,132,114	\$718,562,118
<u>Off-Site Retail Taxable Sales</u>					
North SOI (Share of Household Income)	32.0%	\$26,671,049	\$60,790,660	\$129,029,883	\$102,358,833
South SOI (Share of Household Income)	32.0%	<u>\$17,351,349</u>	<u>\$63,722,510</u>	<u>\$144,932,394</u>	<u>\$127,581,044</u>
Total Offsite Taxable Sales		\$44,022,399	\$124,513,170	\$273,962,276	\$229,939,878
<u>Off-Site Retail Projected Sales and Use Tax to City</u>					
North SOI Sales Tax (Share of Taxable Sales)	1.0%	\$266,710	\$607,907	\$1,290,299	\$1,023,588
South SOI Sales Tax (Share of Taxable Sales)	1.0%	<u>\$173,513</u>	<u>\$637,225</u>	<u>\$1,449,324</u>	<u>\$1,275,810</u>
Total SOI Retail Sales Tax		\$440,224	\$1,245,132	\$2,739,623	\$2,299,399
	<i>plus</i>				
North SOI Use Tax (Share of Sales Tax)	12.3%	\$32,805	\$74,773	\$158,707	\$125,901
South SOI Use Tax (Share of Sales Tax)	12.3%	<u>\$21,342</u>	<u>\$78,379</u>	<u>\$178,267</u>	<u>\$156,925</u>
Total SOI Use Tax		\$54,148	\$153,151	\$336,974	\$282,826
	<i>equals</i>				
North SOI Sales and Use Tax		\$299,516	\$682,679	\$1,449,006	\$1,149,490
South SOI Sales and Use Tax		<u>\$194,856</u>	<u>\$715,604</u>	<u>\$1,627,591</u>	<u>\$1,432,735</u>
Total Projected SOI Off-Site Sales and Use Tax		\$494,372	\$1,398,283	\$3,076,596	\$2,582,225
<u>Projected City Captured Off-Site Residential Retail Sales Tax</u>					
North SOI (Share of Projected Off-Site Sales and Use Tax)	50.0%	\$149,758	\$341,340	\$724,503	\$574,745
South SOI (Share of Projected Off-Site Sales and Use Tax)	50.0%	<u>\$97,428</u>	<u>\$357,802</u>	<u>\$813,795</u>	<u>\$716,368</u>
Total SOI Projected Off-Site Residential Retail Sales Tax		\$247,186	\$699,141	\$1,538,298	\$1,291,112

Table A-14 (page 2 of 2)
Market Trends Scenario: Projected Sales and Use Tax Captured in Chino
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Market Scenario			2020-2040 Change
		2020	2030	2040	
C. TOTAL SALES AND USE TAX					
<u>On-Site Retail Sales and Use Tax</u>					
North SOI		\$41,068	\$48,336	\$55,605	\$14,537
South SOI		<u>\$57,955</u>	<u>\$68,858</u>	<u>\$79,760</u>	<u>\$21,805</u>
Total SOI On-Site Sales and Use		\$99,023	\$117,194	\$135,365	\$36,341
	<i>plus</i>				
<u>Projected Captured Off-Site Residential Retail Sales Tax</u>					
North SOI		\$149,758	\$341,340	\$724,503	\$574,745
South SOI		<u>\$97,428</u>	<u>\$357,802</u>	<u>\$813,795</u>	<u>\$716,368</u>
Total Sales and Use Tax	<i>equals</i>	\$247,186	\$699,141	\$1,538,298	\$1,291,112
<u>Total Sales and Use Tax</u>					
North SOI		\$190,826	\$389,676	\$780,107	\$589,281
South SOI		<u>\$155,383</u>	<u>\$426,659</u>	<u>\$893,555</u>	<u>\$738,172</u>
Total SOI Sales and Use Tax		\$346,209	\$816,335	\$1,673,663	\$1,327,454

1. Taxable sales per square foot are provided by Lisa Wise Consulting, Inc., as cited below.

Sources: Stanley R. Hoffman Associates, Inc.

Lisa Wise Consulting, Inc., *City of Chino Market Analysis - Sphere of Influence Annexation Analysis, January 2019*

Bureau of Labor Statistics, Consumer Expenditure Survey

A.3 Islands Only Scenario (Table A-15 through Table A-21)

The projected residential units, population, average value per unit, non-residential square feet, employment, service population, non-residential values and sales tax are the same for all four fiscal policies for the Islands Only Scenario.

Residential Units and Population

Panel A of Table A-15 presents the Islands Only Scenario proposed phasing of the residential units for the 2020 to 2040 period by 10-year increments. A total of 407 new units are projected over the 20-year period, with 383 new units projected for the North SOI and 24 new units planned for the South SOI under the Islands Only Scenario.

Based on the January 1, 2019 citywide average estimate of 3.37 persons per household from the State Department of Finance, Total SOI population is projected to increase by 1,370 over the 20-year period, with the North SOI population increasing by 1,290 and the South SOI population increasing by 80.

Non-Residential Square Feet and Employment

As shown in Panel B of Table A-15, non-residential square feet for the Total SOI is projected to increase by 164,334 over the 2020 to 2040 period for the Islands Only Scenario. All of the total new square feet is industrial and is projected for the North SOI. Total SOI employment is projected to increase by 110 over the 20-year period.

Table A-15 (page 1 of 2)
Islands Only Scenario: Development Description
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Islands Only Scenario			2020-2040 Change
		2020	2030	2040	
A. RESIDENTIAL DEVELOPMENT					
<u>Units</u>					
<u>North SOI</u>					
RD 1		41	41	41	0
RD 2		37	37	37	0
RD 4.5		47	240	430	383
RD 8		131	131	131	0
RD 12		1	1	1	0
RD 20		0	0	0	0
RD-MU (20 du/ac)		0	0	0	0
Total North SOI Units		257	450	640	383
<u>South SOI</u>					
RD 1		2	2	2	0
RD 2		5	5	5	0
RD 4.5		0	0	0	0
RD 8		0	24	24	24
RD 12		0	0	0	0
RD 20		0	0	0	0
RD-MU (20 du/ac)		0	0	0	0
Total South SOI Units		7	31	31	24
<u>Total SOI</u>					
RD 1		43	43	43	0
RD 2		42	42	42	0
RD 4.5		47	240	430	383
RD 8		131	155	155	24
RD 12		1	1	1	0
RD 20		0	0	0	0
RD-MU (20 du/ac)		0	0	0	0
Total SOI Units		264	481	671	407
<u>Population</u>					
North SOI Population	3.37	866	1,516	2,156	1,290
South SOI Population	3.37	24	104	104	80
Total SOI Population		890	1,620	2,260	1,370
B. NON-RESIDENTIAL DEVELOPMENT					
<u>Square Feet</u>					
<u>North SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		33,260	115,427	197,594	164,334
Total North SOI Square Feet		33,260	115,427	197,594	164,334
<u>South SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		0	0	0	0
Total South SOI Square Feet		0	0	0	0
<u>Total SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		33,260	115,427	197,594	164,334
Total SOI Square Feet		33,260	115,427	197,594	164,334

Table A-15 (page 2 of 2)
Islands Only Scenario: Development Description
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Islands Only Scenario			2020-2040 Change
		2020	2030	2040	
Total Employment	Square Feet per Employee				
<u>North SOI</u>					
Retail	500	0	0	0	0
Office	250	0	0	0	0
Industrial	1,500	<u>22</u>	<u>77</u>	<u>132</u>	<u>110</u>
Total North SOI Employment		22	77	132	110
<u>South SOI</u>					
Retail	500	0	0	0	0
Office	250	0	0	0	0
Industrial	1,500	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total South SOI Employment		0	0	0	0
<u>Total SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		<u>22</u>	<u>77</u>	<u>132</u>	<u>110</u>
Total SOI Employment		22	77	132	110
Employment Commuting into Chino	Share of Total Employment				
<u>North SOI</u>					
Retail	92%	0	0	0	0
Office	92%	0	0	0	0
Industrial	92%	<u>20</u>	<u>71</u>	<u>121</u>	<u>101</u>
Total North SOI Employment Commuting into Chino		20	71	121	101
<u>South SOI</u>					
Retail	92%	0	0	0	0
Office	92%	0	0	0	0
Industrial	92%	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total South SOI Employment Commuting into Chino		0	0	0	0
<u>Total SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		<u>20</u>	<u>71</u>	<u>121</u>	<u>101</u>
Total SOI Employment Commuting into Chino		20	71	121	101
C. SERVICE POPULATION	Percent of Total				
<u>North SOI</u>					
Population	100%	866	1,516	2,156	1,290
Employment Commuting into Chino	50%	<u>10</u>	<u>35</u>	<u>61</u>	<u>51</u>
North SOI Service Population		876	1,551	2,216	1,341
<u>South SOI</u>					
Population	100%	24	104	104	80
Employment Commuting into Chino	50%	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
South SOI Service Population		24	104	104	80
<u>Total SOI</u>					
Population	100%	890	1,620	2,260	1,370
Employment Commuting into Chino	50%	<u>10</u>	<u>35</u>	<u>61</u>	<u>51</u>
Total SOI Service Population		900	1,655	2,321	1,421

Sources: Stanley R. Hoffman Associates, Inc.

Service Population

As shown in Panel C of Table A-15, the service population for the Islands Only Scenario is estimated at 1,421 for the Total SOI. Of this total, the service population is projected at 1,341 for the North SOI and the service population for the South SOI is projected at 80.

Assessed Valuation

Panels A and B of Table A-16 present the calculation of the projected residential and non-residential valuation for the Islands Only Scenario, respectively. The values per residential unit and per non-residential square foot are based on the January 2019 Lisa Wise Consulting, Inc., *City of Chino Market Analysis – Sphere of Influence Annexation Analysis* and discussions with developers.

Net incremental assessed valuation the Total SOI for the Islands Only Scenario is projected at about \$566.79 million over the 2020-2040 period, as shown in Panel C of Table A-16. About \$558.40 million of the new valuation is residential and the remaining \$8.38 million is non-residential valuation.

Of the Total SOI increase in valuation of about \$566.79 million, valuation for the North SOI is projected to increase by about \$520.75 million and the valuation for the South SOI is projected to increase by about \$46.04 million.

Projected Property Tax

Tables A-17 through A-20 present the projected property tax for the four fiscal policies for the Islands Only Scenario over the 2020-2040 period. Property tax is projected to increase by \$612,129 for the Islands Only Scenario.

Projected Property Tax In-Lieu of Vehicle License Fee (VLF)

As shown in Panel B of Tables A-17 through A-20, PT-VLF is projected to increase by \$391,082 million over the 2020-2040 period for the Islands Only Scenario.

Projected Sales and Use Tax Captured in Chino

Panels A and B of Table A-21 present the detailed projected sales and use tax. As shown in Panel C of Table A-21, Total SOI sales and use tax is projected to increase by \$240,802 over the 20-year period for the Islands Only Scenario.

Table A-16 (page 1 of 2)
Islands Only Scenario: Projected Valuation
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Islands Only Scenario			2020-2040 Change
		2020	2030	2040	
A. NEW RESIDENTIAL VALUATION					
<u>North SOI</u>					
	New Value per Unit				
RD 1	\$1,095,626	\$11,847,187	\$11,847,187	\$11,847,187	\$0
RD 2	\$952,718	10,691,364	10,691,364	10,691,364	0
RD 4.5	\$889,530	13,580,921	185,260,250	525,950,316	512,369,395
RD 8	\$681,819	37,853,206	37,853,206	37,853,206	0
RD 12	\$407,993	288,956	288,956	288,956	0
RD 20	\$346,794	0	0	0	0
RD-MU (20 du/ac)	\$346,794	0	0	0	0
Total North SOI New Residential Valuation		\$74,261,633	\$245,940,962	\$586,631,028	\$512,369,395
	<i>Number of Units</i>	257	450	640	383
	<i>Average Value per Unit</i>	\$288,956	\$546,535	\$916,611	\$627,655
<u>South SOI</u>					
RD 1	\$1,095,626	\$1,384,677	\$1,384,677	\$1,384,677	\$0
RD 2	\$952,718	3,461,692	3,461,692	3,461,692	0
RD 4.5	\$889,530	0	0	21,348,725	21,348,725
RD 8	\$681,819	0	16,363,651	16,363,651	16,363,651
RD 12	\$407,993	0	0	0	0
RD 20	\$346,794	0	0	0	0
RD-MU (20 du/ac)	\$346,794	0	0	8,323,063	8,323,063
Total South SOI New Residential Valuation		\$4,846,369	\$21,210,020	\$50,881,808	\$46,035,439
	<i>Number of Units</i>	7	31	31	24
	<i>Average Value per Unit</i>	\$692,338	\$684,194	\$1,641,349	\$949,010
<u>Total SOI</u>					
RD 1	\$1,095,626	\$13,231,863	\$13,231,863	\$13,231,863	\$0
RD 2	\$952,718	14,153,056	14,153,056	14,153,056	0
RD 4.5	\$889,530	13,580,921	185,260,250	547,299,041	533,718,120
RD 8	\$681,819	37,853,206	54,216,857	54,216,857	16,363,651
RD 12	\$407,993	288,956	288,956	288,956	0
RD 20	\$346,794	0	0	0	0
RD-MU (20 du/ac)	\$346,794	0	0	8,323,063	8,323,063
Total SOI New Residential Valuation		\$79,108,002	\$267,150,982	\$637,512,837	\$558,404,835
	<i>Number of Units</i>	264	481	671	407
	<i>Average Value per Unit</i>	\$299,652	\$555,407	\$950,094	\$650,442
B. NEW NON-RESIDENTIAL VALUATION					
<u>North SOI</u>					
Retail	\$219	\$0	\$0	\$0	\$0
Office	\$161	0	0	0	0
Industrial	\$102	8,160,399	16,541,433	16,541,433	8,381,034
Total North SOI New Non-Residential Valuation		\$8,160,399	\$16,541,433	\$16,541,433	\$8,381,034
<u>South SOI</u>					
Retail	\$219	\$0	\$0	\$0	\$0
Office	\$161	0	0	0	0
Industrial	\$102	0	0	0	0
Total South SOI New Non-Residential Valuation		\$0	\$0	\$0	\$0
<u>Total SOI</u>					
Retail	\$219	\$0	\$0	\$0	\$0
Office	\$161	0	0	0	0
Industrial	\$102	8,160,399	16,541,433	16,541,433	8,381,034
Total SOI New Non-Residential Valuation		\$8,160,399	\$16,541,433	\$16,541,433	\$8,381,034

Table A-16 (page 2 of 2)
Islands Only Scenario: Projected Valuation
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Islands Only Scenario			2020-2040 Change
		2020	2030	2040	
C. TOTAL VALUATION					
<u>North SOI</u>					
New Residential		\$74,261,633	\$245,940,962	\$586,631,028	\$512,369,395
New Non-Residential		<u>8,160,399</u>	<u>16,541,433</u>	<u>16,541,433</u>	<u>8,381,034</u>
Total North SOI New Valuation		\$82,422,032	\$262,482,395	\$603,172,461	\$520,750,429
<u>South SOI</u>					
New Residential		\$4,846,369	\$21,210,020	\$50,881,808	\$46,035,439
New Non-Residential		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total South SOI New Valuation		\$4,846,369	\$21,210,020	\$50,881,808	\$46,035,439
<u>Total SOI</u>					
New Residential		\$79,108,002	\$267,150,982	\$637,512,837	\$558,404,835
New Non-Residential		<u>8,160,399</u>	<u>16,541,433</u>	<u>16,541,433</u>	<u>8,381,034</u>
Total SOI New Valuation		\$87,268,401	\$283,692,415	\$654,054,270	\$566,785,869

Sources: Stanley R. Hoffman Associates, Inc.

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Table A-17
Islands Only Scenario: Base Case Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Islands Only Scenario: Base Case			
		2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX					
<u>Annual 1 Percent Property Tax Levy</u>					
North SOI		\$824,220	\$2,624,824	\$6,031,725	\$5,207,504
South SOI		\$48,464	\$212,100	\$508,818	460,354
Annual 1 Percent Property Tax Levy		\$872,684	\$2,836,924	\$6,540,543	\$5,667,859
<u>North SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$44,508	\$141,740	\$325,713	\$281,205
	<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands		\$44,508	\$141,740	\$325,713	\$281,205
	<i>equals</i>				
North SOI General Fund Property Tax		\$89,016	\$283,481	\$651,426	\$562,410
<u>South SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$2,617	\$11,453	\$27,476	\$24,859
	<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands		\$2,617	\$11,453	\$27,476	\$24,859
	<i>equals</i>				
South SOI General Fund Property Tax		\$5,234	\$22,907	\$54,952	\$49,718
<u>Total SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$47,125	\$153,194	\$353,189	\$306,064
	<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands		\$47,125	\$153,194	\$353,189	\$306,064
	<i>equals</i>				
Total SOI General Fund Property Tax		\$94,250	\$306,388	\$706,379	\$612,129
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU					
<u>Annual Valuation for VLF-Property Tax In Lieu</u>					
North SOI		\$0	\$180,060,363	\$520,750,429	\$520,750,429
South SOI		\$0	\$16,363,651	\$46,035,439	46,035,439
Total Annual Valuation for VLF-Property In Lieu		\$0	\$196,424,014	\$566,785,869	\$566,785,869
<u>Total Annual VLF-Property Tax In Lieu</u>					
(@ \$690 per \$1,000,000 Assessed Valuation)					
North SOI		\$0	\$124,242	\$359,318	\$359,318
South SOI		\$0	\$11,291	\$31,764	31,764
Total Annual VLF-Property Tax In Lieu		\$0	\$135,533	\$391,082	\$391,082
(@ \$690 per \$1,000,000 Assessed Valuation)					

Sources: Stanley R. Hoffman Associates, Inc.

Table A-18
Islands Only Scenario: Alternative 1 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Islands Only Scenario: Alternative 1			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$824,220	\$2,624,824	\$6,031,725	\$5,207,504
South SOI	\$48,464	\$212,100	\$508,818	460,354
Annual 1 Percent Property Tax Levy	\$872,684	\$2,836,924	\$6,540,543	\$5,667,859
North SOI General Fund Property Tax (10.8% of 1 Percent)				
	\$89,016	\$283,481	\$651,426	\$562,410
South SOI General Fund Property Tax (10.8% of 1 Percent)				
	\$5,234	\$22,907	\$54,952	\$49,718
Total SOI General Fund Property Tax (10.8% of 1 Percent)				
	\$94,250	\$306,388	\$706,379	\$612,129
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$0	\$180,060,363	\$520,750,429	\$520,750,429
South SOI	\$0	\$16,363,651	\$46,035,439	\$46,035,439
Total Annual Valuation for VLF-Property In Lieu	\$0	\$196,424,014	\$566,785,869	\$566,785,869
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$0	\$124,242	\$359,318	\$359,318
South SOI	\$0	\$11,291	\$31,764	\$31,764
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)	\$0	\$135,533	\$391,082	\$391,082

Sources: Stanley R. Hoffman Associates, Inc.

Table A-19
Islands Only Scenario: Alternative 2 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Islands Only Scenario: Alternative 2			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$824,220	\$2,624,824	\$6,031,725	\$5,207,504
South SOI	\$48,464	\$212,100	\$508,818	460,354
Annual 1 Percent Property Tax Levy	\$872,684	\$2,836,924	\$6,540,543	\$5,667,859
<u>North SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$44,508	\$141,740	\$325,713	\$281,205
Additional 5.4% of 1 Percent Levy for Islands	plus \$44,508	plus \$141,740	plus \$325,713	plus \$281,205
North SOI General Fund Property Tax	\$89,016	\$283,481	\$651,426	\$562,410
<u>South SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$2,617	\$11,453	\$27,476	\$24,859
Additional 5.4% of 1 Percent Levy for Islands	plus \$2,617	plus \$11,453	plus \$27,476	plus \$24,859
South SOI General Fund Property Tax	\$5,234	\$22,907	\$54,952	\$49,718
<u>Total SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$47,125	\$153,194	\$353,189	\$306,064
Additional 5.4% of 1 Percent Levy for Islands	plus \$47,125	plus \$153,194	plus \$353,189	plus \$306,064
Total SOI General Fund Property Tax	\$94,250	\$306,388	\$706,379	\$612,129
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$82,422,032	\$262,482,395	\$603,172,461	\$520,750,429
South SOI	\$4,846,369	\$21,210,020	\$50,881,808	\$46,035,439
Total Annual Valuation for VLF-Property In Lieu	\$87,268,401	\$283,692,415	\$654,054,270	\$566,785,869
<u>Total Annual VLF-Property Tax In Lieu</u>				
(@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$56,871	\$181,113	\$416,189	\$359,318
South SOI	\$3,344	\$14,635	\$35,108	\$31,764
Total Annual VLF-Property Tax In Lieu	\$60,215	\$195,748	\$451,297	\$391,082
(@ \$690 per \$1,000,000 Assessed Valuation)				

Sources: Stanley R. Hoffman Associates, Inc.

Table A-20
Islands Only Scenario: Alternative 3 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Islands Only Scenario: Alternative 3			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$824,220	\$2,624,824	\$6,031,725	\$5,207,504
South SOI	\$48,464	\$212,100	\$508,818	\$460,354
Annual 1 Percent Property Tax Levy	\$872,684	\$2,836,924	\$6,540,543	\$5,667,859
North SOI General Fund Property Tax (10.8% of 1 Percent)	\$89,016	\$283,481	\$651,426	\$562,410
South SOI General Fund Property Tax (10.8% of 1 Percent)	\$5,234	\$22,907	\$54,952	\$49,718
Total SOI General Fund Property Tax (10.8% of 1 Percent)	\$94,250	\$306,388	\$706,379	\$612,129
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$82,422,032	\$262,482,395	\$603,172,461	\$520,750,429
South SOI	\$4,846,369	\$21,210,020	\$50,881,808	\$46,035,439
Total Annual Valuation for VLF-Property In Lieu	\$87,268,401	\$283,692,415	\$654,054,270	\$566,785,869
<u>Total Annual VLF-Property Tax In Lieu</u> (@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$56,871	\$181,113	\$416,189	\$359,318
South SOI	\$3,344	\$14,635	\$35,108	\$31,764
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)	\$60,215	\$195,748	\$451,297	\$391,082
Sources: Stanley R. Hoffman Associates, Inc.				

Table A-21 (page 1 of 2)
Islands Only Scenario: Projected Sales and Use Tax Captured in Chino
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Islands Only Scenario			
		2020	2030	2040	2020-2040 Change
A. ON-SITE RETAIL SALES AND USE TAX					
<u>Retail Square Feet</u>					
North SOI		0	0	0	0
South SOI		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total SOI Retail Square Feet		0	0	0	0
	Taxable Sales per Square Foot ¹				
<u>Retail Taxable Sales</u>					
North SOI	\$230	\$0	\$0	\$0	\$0
South SOI	\$230	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total SOI Retail Taxable Sales		\$0	\$0	\$0	\$0
<u>On-Site Retail Projected Sales and Use Tax to City</u>					
North SOI Sales Tax (Share of Taxable Sales)	1.0%	\$0	\$0	\$0	\$0
South SOI Sales Tax (Share of Taxable Sales)	1.0%	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total SOI Retail Sales Tax		\$0	\$0	\$0	\$0
	<i>plus</i>				
North SOI Use Tax (Share of Sales)	12.3%	\$0	\$0	\$0	\$0
South SOI Use Tax (Share of Sales Tax)	12.3%	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total SOI Use Tax		\$0	\$0	\$0	\$0
	<i>equals</i>				
North SOI Sales and Use Tax		\$0	\$0	\$0	\$0
South SOI Sales and Use Tax		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total Projected SOI Sales and Use Tax		\$0	\$0	\$0	\$0
B. OFF-SITE RESIDENTIAL SALES AND USE TAX					
<u>New Residential Valuation</u>					
North SOI		\$74,261,633	\$245,940,962	\$586,631,028	\$512,369,395
South SOI		<u>\$4,846,369</u>	<u>\$21,210,020</u>	<u>\$50,881,808</u>	<u>\$46,035,439</u>
Total SOI New Residential Valuation		\$79,108,002	\$267,150,982	\$637,512,837	\$558,404,835
<u>Household Income</u>					
North SOI (Share of Residential Valuation)	24.0%	\$17,822,792	\$59,025,831	\$140,791,447	\$122,968,655
South SOI (Share of Residential Valuation)	24.0%	<u>\$1,163,129</u>	<u>\$5,090,405</u>	<u>\$12,211,634</u>	<u>\$11,048,505</u>
Total SOI New Household Income		\$18,985,920	\$64,116,236	\$153,003,081	\$134,017,160
<u>Off-Site Retail Taxable Sales</u>					
North SOI (Share of Household Income)	32.0%	\$5,703,293	\$18,888,266	\$45,053,263	\$39,349,970
South SOI (Share of Household Income)	32.0%	<u>\$372,201</u>	<u>\$1,628,930</u>	<u>\$3,907,723</u>	<u>\$3,535,522</u>
Total Offsite Taxable Sales		\$6,075,495	\$20,517,195	\$48,960,986	\$42,885,491
<u>Off-Site Retail Projected Sales and Use Tax to City</u>					
North SOI Sales Tax (Share of Taxable Sales)	1.0%	\$57,033	\$188,883	\$450,533	\$393,500
South SOI Sales Tax (Share of Taxable Sales)	1.0%	<u>\$3,722</u>	<u>\$16,289</u>	<u>\$39,077</u>	<u>\$35,355</u>
Total SOI Retail Sales Tax		\$60,755	\$205,172	\$489,610	\$428,855
	<i>plus</i>				
North SOI Use Tax (Share of Sales Tax)	12.3%	\$7,015	\$23,233	\$55,416	\$48,400
South SOI Use Tax (Share of Sales Tax)	12.3%	<u>\$458</u>	<u>\$2,004</u>	<u>\$4,806</u>	<u>\$4,349</u>
Total SOI Use Tax		\$7,473	\$25,236	\$60,222	\$52,749
	<i>equals</i>				
North SOI Sales and Use Tax		\$64,048	\$212,115	\$505,948	\$441,900
South SOI Sales and Use Tax		<u>\$4,180</u>	<u>\$18,293</u>	<u>\$43,884</u>	<u>\$39,704</u>
Total Projected SOI Off-Site Sales and Use Tax		\$68,228	\$230,408	\$549,832	\$481,604
<u>Projected City Captured Off-Site Residential Retail Sales Tax</u>					
North SOI (Share of Projected Off-Site Sales and Use Tax)	50.0%	\$32,024	\$106,058	\$252,974	\$220,950
South SOI (Share of Projected Off-Site Sales and Use Tax)	50.0%	<u>\$2,090</u>	<u>\$9,146</u>	<u>\$21,942</u>	<u>\$19,852</u>
Total SOI Projected Off-Site Residential Retail Sales Tax		\$34,114	\$115,204	\$274,916	\$240,802

Table A-21 (page 2 of 2)
Islands Only Scenario: Projected Sales and Use Tax Captured in Chino
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Islands Only Scenario			2020-2040 Change
		2020	2030	2040	
C. TOTAL SALES AND USE TAX					
<u>On-Site Retail Sales and Use Tax</u>					
North SOI		\$0	\$0	\$0	\$0
South SOI		\$0	\$0	\$0	\$0
Total SOI On-Site Sales and Use		\$0	\$0	\$0	\$0
	<i>plus</i>				
<u>Projected Captured Off-Site Residential Retail Sales Tax</u>					
North SOI		\$32,024	\$106,058	\$252,974	\$220,950
South SOI		\$2,090	\$9,146	\$21,942	\$19,852
Total SOI Sales and Use Tax	<i>equals</i>	\$34,114	\$115,204	\$274,916	\$240,802
<u>Total Sales and Use Tax</u>					
North SOI		\$32,024	\$106,058	\$252,974	\$220,950
South SOI		\$2,090	\$9,146	\$21,942	\$19,852
Total SOI Sales and Use Tax		\$34,114	\$115,204	\$274,916	\$240,802

1. Taxable sales per square foot are provided by Lisa Wise Consulting, Inc., as cited below.

Sources: Stanley R. Hoffman Associates, Inc.

Lisa Wise Consulting, Inc., *City of Chino Market Analysis - Sphere of Influence Annexation Analysis, January 2019*

Bureau of Labor Statistics, Consumer Expenditure Survey

A.4 Status Quo Scenario (Table A-22 through Table A-28)

The projected residential units, population, average value per unit, non-residential square feet, employment, service population, non-residential values and sales tax are the same for all four fiscal policies for the Status Quo Scenario.

Residential Units and Population

Panel A of Table A-22 presents the Status Quo Scenario proposed phasing of the residential units for the 2020 to 2040 period by 10-year increments. A total of 480 new units are projected over the 20-year period, with 280 new units projected for the North SOI and 280 new units projected for the South SOI under the Status Quo Scenario.

Total SOI population is projected to increase by 1,616 over the 20-year period, with the North SOI population increasing by 808 and the South SOI population increasing by 808.

Non-Residential Square Feet and Employment

As shown in Panel B of Table A-22, non-residential uses are not projected for the Status Quo Scenario.

Service Population

As shown in Panel C of Table A-22, the projected service population for the Status Quo Scenario is 1,616 for the Total SOI, which is the same as the projected population.

Table A-22 (page 1 of 2)
Status Quo Scenario: Development Description
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Status Quo Scenario			
		2020	2030	2040	2020-2040 Change
A. RESIDENTIAL DEVELOPMENT					
Units					
<u>North SOI</u>					
RD 1		0	0	0	0
RD 2		0	40	80	80
RD 4.5		0	80	160	160
RD 8		0	0	0	0
RD 12		0	0	0	0
RD 20		0	0	0	0
RD-MU (20 du/ac)		0	0	0	0
Total North SOI Units		0	120	240	240
<u>South SOI</u>					
RD 1		0	0	0	0
RD 2		0	40	80	80
RD 4.5		0	80	160	160
RD 8		0	0	0	0
RD 12		0	0	0	0
RD 20		0	0	0	0
RD-MU (20 du/ac)		0	0	0	0
Total South SOI Units		0	120	240	240
<u>Total SOI</u>					
RD 1		0	0	0	0
RD 2		0	80	160	160
RD 4.5		0	160	320	320
RD 8		0	0	0	0
RD 12		0	0	0	0
RD 20		0	0	0	0
RD-MU (20 du/ac)		0	0	0	0
Total SOI Units		0	240	480	480
Population					
	Persons per Unit				
North SOI Population	3.37	0	404	808	808
South SOI Population	3.37	0	404	808	808
Total SOI Population		0	808	1,616	1,616
B. NON-RESIDENTIAL DEVELOPMENT					
Square Feet					
<u>North SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		0	0	0	0
Total North SOI Square Feet		0	0	0	0
<u>South SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		0	0	0	0
Total South SOI Square Feet		0	0	0	0
<u>Total SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		0	0	0	0
Total SOI Square Feet		0	0	0	0

Table A-22 (page 2 of 2)
Status Quo Scenario: Development Description
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Status Quo Scenario			
		2020	2030	2040	2020-2040 Change
Total Employment	Square Feet per Employee				
<u>North SOI</u>					
Retail	500	0	0	0	0
Office	250	0	0	0	0
Industrial	1,500	0	0	0	0
Total North SOI Employment		0	0	0	0
<u>South SOI</u>					
Retail	500	0	0	0	0
Office	250	0	0	0	0
Industrial	1,500	0	0	0	0
Total South SOI Employment		0	0	0	0
<u>Total SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		0	0	0	0
Total SOI Employment		0	0	0	0
Employment Commuting into Chino	Share of Total Employment				
<u>North SOI</u>					
Retail	92%	0	0	0	0
Office	92%	0	0	0	0
Industrial	92%	0	0	0	0
Total North SOI Employment Commuting into Chino		0	0	0	0
<u>South SOI</u>					
Retail	92%	0	0	0	0
Office	92%	0	0	0	0
Industrial	92%	0	0	0	0
Total South SOI Employment Commuting into Chino		0	0	0	0
<u>Total SOI</u>					
Retail		0	0	0	0
Office		0	0	0	0
Industrial		0	0	0	0
Total SOI Employment Commuting into Chino		0	0	0	0
C. SERVICE POPULATION	Percent of Total				
<u>North SOI</u>					
Population	100%	0	404	808	808
Employment Commuting into Chino	50%	0	0	0	0
North SOI Service Population		0	404	808	808
<u>South SOI</u>					
Population	100%	0	404	808	808
Employment Commuting into Chino	50%	0	0	0	0
South SOI Service Population		0	404	808	808
<u>Total SOI</u>					
Population	100%	0	808	1,616	1,616
Employment Commuting into Chino	50%	0	0	0	0
Total SOI Service Population		0	808	1,616	1,616

Sources: Stanley R. Hoffman Associates, Inc.

Assessed Valuation

Panel A of Table A-23 presents the calculation of the projected residential valuation for the Status Quo Scenario. As shown in Panel B of Table A-23, non-residential valuation is \$0 because non-residential development is not projected for this scenario.

Net incremental assessed valuation the Total SOI for the Status Quo Scenario is projected at about \$655.63 million over the 2020-2040 period, as shown in Panel C of Table A-23. Of this Total SOI increase in valuation, valuation for the North SOI is projected to increase by about \$327.81 million and the valuation for the South SOI is projected to increase by about \$327.81 million.

Projected Property Tax

Tables A-24 through A-27 present the projected property tax for the four fiscal policies for the Status Quo Scenario over the 2020-2040 period. Property tax is projected to increase by \$354,038 for the Status Quo Scenario.

Projected Property Tax In-Lieu of Vehicle License Fee (VLF)

As shown in Panel B of Tables A-24 through A-27, PT-VLF is projected to increase by \$452,383 million over the 2020-2040 period for the Status Quo Scenario.

Projected Sales and Use Tax Captured in Chino

Panels A and B of Table A-28 present the detailed projected sales and use tax. As shown in Panel C of Table A-28, Total SOI sales and use tax is projected to increase by \$282,727 over the 20-year period for the Status Quo Scenario.

Table A-23 (page 1 of 2)
Status Quo Scenario: Projected Valuation
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Status Quo Scenario			2020-2040 Change
		2020	2030	2040	
A. NEW RESIDENTIAL VALUATION					
<u>North SOI</u>					
RD 1	\$1,095,626	\$0	\$0	\$0	\$0
RD 2	\$952,718	0	38,108,720	114,326,160	114,326,160
RD 4.5	\$889,530	0	71,162,416	213,487,248	213,487,248
RD 8	\$681,819	0	0	0	0
RD 12	\$407,993	0	0	0	0
RD 20	\$346,794	0	0	0	0
RD-MU (20 du/ac)	\$346,794	0	0	0	0
Total North SOI New Residential Valuation		\$0	\$109,271,136	\$327,813,408	\$327,813,408
<i>Number of Units</i>		0	120	240	240
<i>Average Value per Unit</i>		n/a	\$910,593	\$1,365,889	#VALUE!
<u>South SOI</u>					
RD 1	\$1,095,626	\$0	\$0	\$0	\$0
RD 2	\$952,718	0	38,108,720	114,326,160	114,326,160
RD 4.5	\$889,530	0	71,162,416	213,487,248	213,487,248
RD 8	\$681,819	0	0	0	0
RD 12	\$407,993	0	0	0	0
RD 20	\$346,794	0	0	0	0
RD-MU (20 du/ac)	\$346,794	0	0	0	0
Total South SOI New Residential Valuation		\$0	\$109,271,136	\$327,813,408	\$327,813,408
<i>Number of Units</i>		0	120	240	240
<i>Average Value per Unit</i>		n/a	\$910,593	\$1,365,889	#VALUE!
<u>Total SOI</u>					
RD 1	\$1,095,626	\$0	\$0	\$0	\$0
RD 2	\$952,718	0	76,217,440	228,652,320	228,652,320
RD 4.5	\$889,530	0	142,324,832	426,974,496	426,974,496
RD 8	\$681,819	0	0	0	0
RD 12	\$407,993	0	0	0	0
RD 20	\$346,794	0	0	0	0
RD-MU (20 du/ac)	\$346,794	0	0	0	0
Total SOI New Residential Valuation		\$0	\$218,542,272	\$655,626,816	\$655,626,816
<i>Number of Units</i>		0	240	480	480
<i>Average Value per Unit</i>		n/a	\$910,593	\$1,365,889	#VALUE!
B. NEW NON-RESIDENTIAL VALUATION					
<u>North SOI</u>					
Retail	\$219	\$0	\$0	\$0	\$0
Office	\$161	0	0	0	0
Industrial	\$102	0	0	0	0
Total North SOI New Non-Residential Valuation		\$0	\$0	\$0	\$0
<u>South SOI</u>					
Retail	\$219	\$0	\$0	\$0	\$0
Office	\$161	0	0	0	0
Industrial	\$102	0	0	0	0
Total South SOI New Non-Residential Valuation		\$0	\$0	\$0	\$0
<u>Total SOI</u>					
Retail	\$219	\$0	\$0	\$0	\$0
Office	\$161	0	0	0	0
Industrial	\$102	0	0	0	0
Total SOI New Non-Residential Valuation		\$0	\$0	\$0	\$0

Table A-23 (page 2 of 2)
Status Quo Scenario: Projected Valuation
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Status Quo Scenario			2020-2040 Change
		2020	2030	2040	
C. TOTAL VALUATION					
<u>North SOI</u>					
New Residential		\$0	\$109,271,136	\$327,813,408	\$327,813,408
New Non-Residential		0	0	0	0
Total North SOI New Valuation		\$0	\$109,271,136	\$327,813,408	\$327,813,408
<u>South SOI</u>					
New Residential		\$0	\$109,271,136	\$327,813,408	\$327,813,408
New Non-Residential		0	0	0	0
Total South SOI New Valuation		\$0	\$109,271,136	\$327,813,408	\$327,813,408
<u>Total SOI</u>					
New Residential		\$0	\$218,542,272	\$655,626,816	\$655,626,816
New Non-Residential		0	0	0	0
Total SOI New Valuation		\$0	\$218,542,272	\$655,626,816	\$655,626,816

Sources: Stanley R. Hoffman Associates, Inc.

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Table A-24
Status Quo Scenario: Base Case Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Status Quo Scenario: Base Case			
		2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX					
<u>Annual 1 Percent Property Tax Levy</u>					
North SOI		\$0	\$1,092,711	\$3,278,134	\$3,278,134
South SOI		\$0	<u>\$1,092,711</u>	<u>\$3,278,134</u>	<u>3,278,134</u>
Annual 1 Percent Property Tax Levy		\$0	\$2,185,423	\$6,556,268	\$6,556,268
<u>North SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$0	\$59,006	\$177,019	\$177,019
	<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands		\$0	\$0	\$0	\$0
	<i>equals</i>				
North SOI General Fund Property Tax		\$0	\$59,006	\$177,019	\$177,019
<u>South SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$0	\$59,006	\$177,019	\$177,019
	<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands		\$0	\$0	\$0	\$0
	<i>equals</i>				
South SOI General Fund Property Tax		\$0	\$59,006	\$177,019	\$177,019
<u>Total SOI General Fund Property Tax</u>					
5.4% of 1 Percent		\$0	\$118,013	\$354,038	\$354,038
	<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands		\$0	\$0	\$0	\$0
	<i>equals</i>				
Total SOI General Fund Property Tax		\$0	\$118,013	\$354,038	\$354,038
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU					
<u>Annual Valuation for VLF-Property Tax In Lieu</u>					
North SOI		\$0	\$109,271,136	\$327,813,408	\$327,813,408
South SOI		\$0	<u>\$109,271,136</u>	<u>\$327,813,408</u>	<u>327,813,408</u>
Total Annual Valuation for VLF-Property In Lieu		\$0	\$218,542,272	\$655,626,816	\$655,626,816
<u>Total Annual VLF-Property Tax In Lieu</u>					
(@ \$690 per \$1,000,000 Assessed Valuation)					
North SOI		\$0	\$75,397	\$226,191	\$226,191
South SOI		\$0	<u>\$75,397</u>	<u>\$226,191</u>	<u>226,191</u>
Total Annual VLF-Property Tax In Lieu		\$0	\$150,794	\$452,383	\$452,383
(@ \$690 per \$1,000,000 Assessed Valuation)					

Sources: Stanley R. Hoffman Associates, Inc.

Table A-25
Status Quo Scenario: Alternative 1 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Status Quo Scenario: Alternative 1			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$0	\$1,092,711	\$3,278,134	\$3,278,134
South SOI	\$0	<u>\$1,092,711</u>	<u>\$3,278,134</u>	<u>3,278,134</u>
Annual 1 Percent Property Tax Levy	\$0	\$2,185,423	\$6,556,268	\$6,556,268
North SOI General Fund Property Tax (10.8% of 1 Percent)	\$0	\$59,006	\$177,019	\$177,019
South SOI General Fund Property Tax (10.8% of 1 Percent)	\$0	\$59,006	\$177,019	\$177,019
Total SOI General Fund Property Tax (10.8% of 1 Percent)	\$0	\$118,013	\$354,038	\$354,038
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$0	\$109,271,136	\$327,813,408	\$327,813,408
South SOI	\$0	<u>\$109,271,136</u>	<u>\$327,813,408</u>	<u>\$327,813,408</u>
Total Annual Valuation for VLF-Property In Lieu	\$0	\$218,542,272	\$655,626,816	\$655,626,816
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$0	\$75,397	\$226,191	\$226,191
South SOI	\$0	<u>\$75,397</u>	<u>\$226,191</u>	<u>\$226,191</u>
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)	\$0	\$150,794	\$452,383	\$452,383

Sources: Stanley R. Hoffman Associates, Inc.

Table A-26
Status Quo Scenario: Alternative 2 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Status Quo Scenario: Alternative 2			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$0	\$1,092,711	\$3,278,134	\$3,278,134
South SOI	\$0	<u>\$1,092,711</u>	<u>\$3,278,134</u>	<u>3,278,134</u>
Annual 1 Percent Property Tax Levy	\$0	\$2,185,423	\$6,556,268	\$6,556,268
<u>North SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$0	\$59,006	\$177,019	\$177,019
<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands	\$0	\$0	\$0	\$0
<i>equals</i>				
North SOI General Fund Property Tax	\$0	\$59,006	\$177,019	\$177,019
<u>South SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$0	\$59,006	\$177,019	\$177,019
<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands	\$0	\$0	\$0	\$0
<i>equals</i>				
South SOI General Fund Property Tax	\$0	\$59,006	\$177,019	\$177,019
<u>Total SOI General Fund Property Tax</u>				
5.4% of 1 Percent	\$0	\$118,013	\$354,038	\$354,038
<i>plus</i>				
Additional 5.4% of 1 Percent Levy for Islands	\$0	\$0	\$0	\$0
<i>equals</i>				
Total SOI General Fund Property Tax	\$0	\$118,013	\$354,038	\$354,038
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$0	\$109,271,136	\$327,813,408	\$327,813,408
South SOI	\$0	<u>\$109,271,136</u>	<u>\$327,813,408</u>	<u>\$327,813,408</u>
Total Annual Valuation for VLF-Property In Lieu	\$0	\$218,542,272	\$655,626,816	\$655,626,816
<u>Total Annual VLF-Property Tax In Lieu</u>				
(@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$0	\$75,397	\$226,191	\$226,191
South SOI	\$0	<u>\$75,397</u>	<u>\$226,191</u>	<u>\$226,191</u>
Total Annual VLF-Property Tax In Lieu	\$0	\$150,794	\$452,383	\$452,383
(@ \$690 per \$1,000,000 Assessed Valuation)				

Sources: Stanley R. Hoffman Associates, Inc.

Table A-27
Status Quo Scenario: Alternative 3 Projected Property Tax
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Status Quo Scenario: Alternative 3			
	2020	2030	2040	2020-2040 Change
A. PROJECTED PROPERTY TAX				
<u>Annual 1 Percent Property Tax Levy</u>				
North SOI	\$0	\$1,092,711	\$3,278,134	\$3,278,134
South SOI	\$0	<u>\$1,092,711</u>	<u>\$3,278,134</u>	<u>\$3,278,134</u>
Annual 1 Percent Property Tax Levy	\$0	\$2,185,423	\$6,556,268	\$6,556,268
North SOI General Fund Property Tax (10.8% of 1 Percent)	\$0	\$59,006	\$177,019	\$177,019
South SOI General Fund Property Tax (10.8% of 1 Percent)	\$0	\$59,006	\$177,019	\$177,019
Total SOI General Fund Property Tax (10.8% of 1 Percent)	\$0	\$118,013	\$354,038	\$354,038
B. PROJECTED PROPERTY TAX VLF-PROPERTY TAX IN LIEU				
<u>Annual Valuation for VLF-Property Tax In Lieu</u>				
North SOI	\$0	\$109,271,136	\$327,813,408	\$327,813,408
South SOI	\$0	<u>\$109,271,136</u>	<u>\$327,813,408</u>	<u>\$327,813,408</u>
Total Annual Valuation for VLF-Property In Lieu	\$0	\$218,542,272	\$655,626,816	\$655,626,816
<u>Total Annual VLF-Property Tax In Lieu</u> (@ \$690 per \$1,000,000 Assessed Valuation)				
North SOI	\$0	\$75,397	\$226,191	\$226,191
South SOI	\$0	<u>\$75,397</u>	<u>\$226,191</u>	<u>\$226,191</u>
Total Annual VLF-Property Tax In Lieu (@ \$690 per \$1,000,000 Assessed Valuation)	\$0	\$150,794	\$452,383	\$452,383

Sources: Stanley R. Hoffman Associates, Inc.

Table A-28 (page 1 of 2)
Status Quo Scenario: Projected Sales and Use Tax Captured in Chino
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Status Quo Scenario			
		2020	2030	2040	2020-2040 Change
A. ON-SITE RETAIL SALES AND USE TAX					
<u>Retail Square Feet</u>					
North SOI		0	0	0	0
South SOI		0	0	0	0
Total SOI Retail Square Feet		0	0	0	0
	Taxable Sales per Square Foot ¹				
<u>Retail Taxable Sales</u>					
North SOI	\$230	\$0	\$0	\$0	\$0
South SOI	\$230	\$0	\$0	\$0	\$0
Total SOI Retail Taxable Sales		\$0	\$0	\$0	\$0
<u>On-Site Retail Projected Sales and Use Tax to City</u>					
North SOI Sales Tax (Share of Taxable Sales)	1.0%	\$0	\$0	\$0	\$0
South SOI Sales Tax (Share of Taxable Sales)	1.0%	\$0	\$0	\$0	\$0
Total SOI Retail Sales Tax		\$0	\$0	\$0	\$0
	<i>plus</i>				
North SOI Use Tax (Share of Sales)	12.3%	\$0	\$0	\$0	\$0
South SOI Use Tax (Share of Sales Tax)	12.3%	\$0	\$0	\$0	\$0
Total SOI Use Tax		\$0	\$0	\$0	\$0
	<i>equals</i>				
North SOI Sales and Use Tax		\$0	\$0	\$0	\$0
South SOI Sales and Use Tax		\$0	\$0	\$0	\$0
Total Projected SOI Sales and Use Tax		\$0	\$0	\$0	\$0
B. OFF-SITE RESIDENTIAL SALES AND USE TAX					
<u>New Residential Valuation</u>					
North SOI		\$0	\$109,271,136	\$327,813,408	\$327,813,408
South SOI		\$0	\$109,271,136	\$327,813,408	\$327,813,408
Total SOI New Residential Valuation		\$0	\$218,542,272	\$655,626,816	\$655,626,816
<u>Household Income</u>					
North SOI (Share of Residential Valuation)	24.0%	\$0	\$26,225,073	\$78,675,218	\$78,675,218
South SOI (Share of Residential Valuation)	24.0%	\$0	\$26,225,073	\$78,675,218	\$78,675,218
Total SOI New Household Income		\$0	\$52,450,145	\$157,350,436	\$157,350,436
<u>Off-Site Retail Taxable Sales</u>					
North SOI (Share of Household Income)	32.0%	\$0	\$8,392,023	\$25,176,070	\$25,176,070
South SOI (Share of Household Income)	32.0%	\$0	\$8,392,023	\$25,176,070	\$25,176,070
Total Offsite Taxable Sales		\$0	\$16,784,046	\$50,352,139	\$50,352,139
<u>Off-Site Retail Projected Sales and Use Tax to City</u>					
North SOI Sales Tax (Share of Taxable Sales)	1.0%	\$0	\$83,920	\$251,761	\$251,761
South SOI Sales Tax (Share of Taxable Sales)	1.0%	\$0	\$83,920	\$251,761	\$251,761
Total SOI Retail Sales Tax		\$0	\$167,840	\$503,521	\$503,521
	<i>plus</i>				
North SOI Use Tax (Share of Sales Tax)	12.3%	\$0	\$10,322	\$30,967	\$30,967
South SOI Use Tax (Share of Sales Tax)	12.3%	\$0	\$10,322	\$30,967	\$30,967
Total SOI Use Tax		\$0	\$20,644	\$61,933	\$61,933
	<i>equals</i>				
North SOI Sales and Use Tax		\$0	\$94,242	\$282,727	\$282,727
South SOI Sales and Use Tax		\$0	\$94,242	\$282,727	\$282,727
Total Projected SOI Off-Site Sales and Use Tax		\$0	\$188,485	\$565,455	\$565,455
<u>Projected City Captured Off-Site Residential Retail Sales Tax</u>					
North SOI (Share of Projected Off-Site Sales and Use Tax)	50.0%	\$0	\$47,121	\$141,364	\$141,364
South SOI (Share of Projected Off-Site Sales and Use Tax)	50.0%	\$0	\$47,121	\$141,364	\$141,364
Total SOI Projected Off-Site Residential Retail Sales Tax		\$0	\$94,242	\$282,727	\$282,727

Table A-28 (page 2 of 2)
Status Quo Scenario: Projected Sales and Use Tax Captured in Chino
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Factor	Status Quo Scenario			2020-2040 Change
		2020	2030	2040	
C. TOTAL SALES AND USE TAX					
<u>On-Site Retail Sales and Use Tax</u>					
North SOI		\$0	\$0	\$0	\$0
South SOI		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total SOI On-Site Sales and Use		\$0	\$0	\$0	\$0
	<i>plus</i>				
<u>Projected Captured Off-Site Residential Retail Sales Tax</u>					
North SOI		\$0	\$47,121	\$141,364	\$141,364
South SOI		<u>\$0</u>	<u>\$47,121</u>	<u>\$141,364</u>	<u>\$141,364</u>
Total SOI Sales and Use Tax		\$0	\$94,242	\$282,727	\$282,727
	<i>equals</i>				
<u>Total Sales and Use Tax</u>					
North SOI		\$0	\$47,121	\$141,364	\$141,364
South SOI		<u>\$0</u>	<u>\$47,121</u>	<u>\$141,364</u>	<u>\$141,364</u>
Total SOI Sales and Use Tax		\$0	\$94,242	\$282,727	\$282,727

1. Taxable sales per square foot are provided by Lisa Wise Consulting, Inc., as cited below.

Sources: Stanley R. Hoffman Associates, Inc.
Lisa Wise Consulting, Inc., *City of Chino Market Analysis - Sphere of Influence Annexation Analysis, January 2019*
Bureau of Labor Statistics, Consumer Expenditure Survey

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APPENDIX B DETAILED FISCAL IMPACTS OF ANNEXATION AREA

This appendix presents the detailed projected fiscal surplus or deficit to the City General Fund for the four land use scenarios by various property tax alternatives. Fiscal impacts are projected in constant 2019 dollars, with no adjustment for inflation. Projected state gas tax is also projected for each alternative.

B.1 Base Case: Current Property Tax Transfer Conditions for Annexation (Tables B-1 through B-4)

- Current property tax allocation of 5.4 percent of the basic one percent levy for annexing areas outside of Islands
- Island areas receive 10.8 percent of the basic one percent levy (the historic rate)
- Current valuation of annexing areas not included in the property tax-VLF calculation

Table B-1
Base Case Detailed Projected Fiscal Impacts: General Plan Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	General Plan Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$256,028	\$126,428	\$382,456	\$448,019	\$303,860	\$751,879	\$788,769	\$550,533	\$1,339,302
Property Tax - In Lieu of VLF	0	0	0	121,080	215,428	336,508	321,407	510,148	831,555
Franchise Fees	107,350	55,446	162,796	125,167	117,457	242,624	141,624	131,480	273,104
On-Site Retail Sales and Use Tax	41,068	57,955	99,023	43,935	66,541	110,476	46,802	75,126	121,928
Off-Site Retail Sales and Use Tax	149,758	97,428	247,186	204,551	231,598	436,149	308,767	415,010	723,776
Real Property Transfer Tax	8,617	5,044	13,662	12,478	11,913	24,391	18,865	21,310	40,175
Licenses, Permits, Fines and Fines	18,487	9,548	28,035	21,555	20,227	41,782	24,389	22,642	47,031
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	12,275	6,340	18,615	14,312	13,431	27,743	16,194	15,034	31,228
Other Revenue	21,477	11,309	32,786	24,329	24,267	48,596	26,897	27,165	54,062
Transfers in to General Fund	221,433	114,370	335,803	258,185	242,280	500,465	292,130	271,206	563,336
Interest Earnings	14,220	8,226	22,446	21,651	21,199	42,850	33,759	34,674	68,433
Total Recurring Revenues	\$850,713	\$492,094	\$1,342,807	\$1,295,262	\$1,268,201	\$2,563,463	\$2,019,604	\$2,074,327	\$4,093,931
General Fund Annual Recurring Costs									
General Government	\$135,303	\$70,022	\$205,325	\$157,316	\$148,551	\$305,867	\$177,646	\$166,331	\$343,977
Contribution to Chino Valley Independent Fire District	979	386	1,365	1,713	929	2,642	3,016	1,683	4,699
Police Protection	1,379,480	712,504	2,091,984	1,608,440	1,509,356	3,117,796	1,819,914	1,689,557	3,509,471
Development Services	73,203	37,810	111,013	85,353	80,095	165,448	96,575	89,658	186,233
Transfers to Other Funds	536,082	279,039	815,121	617,971	594,197	1,212,168	692,935	665,145	1,358,080
Total Recurring Costs	\$2,125,047	\$1,099,761	\$3,224,808	\$2,470,793	\$2,333,128	\$4,803,921	\$2,790,086	\$2,612,374	\$5,402,460
General Fund Annual Recurring Surplus	(\$1,274,334)	(\$607,667)	(\$1,882,001)	(\$1,175,531)	(\$1,064,927)	(\$2,240,458)	(\$770,482)	(\$538,047)	(\$1,308,529)
General Fund Revenue/Cost Ratio	0.40	0.45	0.42	0.52	0.54	0.53	0.72	0.79	0.76
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$89,137	\$46,937	\$136,074	\$100,977	\$100,716	\$201,693	\$111,633	\$112,744	\$224,377

1. State gas tax generated by future project residents accrues to the City Gas Tax Fund and is then transferred to the City Transportation Fund to pay for street related operations and maintenance costs.

Source: Stanley R. Hoffman Associates, Inc.

Table B-2
Base Case Detailed Projected Fiscal Impacts: Market Trends Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Market Trends Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$256,028	\$126,428	\$382,456	\$619,510	\$462,115	\$1,081,625	\$1,335,983	\$1,050,751	\$2,386,734
Property Tax - In Lieu of VLF	0	0	0	340,208	417,643	757,851	1,020,625	1,149,316	2,169,941
Franchise Fees	107,348	55,446	162,794	168,944	157,799	326,743	230,554	218,077	448,631
On-Site Retail Sales and Use Tax	41,068	57,955	99,023	48,336	68,858	117,194	55,605	79,760	135,365
Off-Site Retail Sales and Use Tax	149,758	97,428	247,186	341,340	357,802	699,141	724,503	813,795	1,538,298
Real Property Transfer Tax	8,617	5,044	13,662	19,465	18,360	37,825	41,159	41,689	82,848
Licenses, Permits, Fines and Fines	18,486	9,548	28,034	29,094	27,175	56,269	39,704	37,555	77,259
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	12,275	6,340	18,615	19,318	18,044	37,362	26,363	24,936	51,299
Other Revenue	21,477	11,309	32,786	33,499	32,704	66,203	45,521	45,276	90,797
Transfers in to General Fund	221,429	114,370	335,799	348,485	325,495	673,980	475,568	449,831	925,399
Interest Earnings	14,220	8,226	22,446	33,459	32,062	65,521	67,925	66,487	134,412
Total Recurring Revenues	\$850,706	\$492,094	\$1,342,800	\$2,001,659	\$1,918,056	\$3,919,714	\$4,063,509	\$3,977,473	\$8,040,982
General Fund Annual Recurring Costs									
General Government	\$135,300	\$70,022	\$205,322	\$212,788	\$199,654	\$412,442	\$290,383	\$276,060	\$566,443
Contribution to Chino Valley Independent Fire District	979	386	1,365	2,369	1,413	3,782	5,108	3,212	8,320
Police Protection	1,379,455	712,504	2,091,959	2,170,989	2,027,766	4,198,755	2,962,694	2,802,358	5,765,052
Development Services	73,202	37,810	111,012	115,205	107,605	222,810	157,218	148,709	305,927
Transfers to Other Funds	536,076	279,039	815,115	840,678	799,307	1,639,985	1,145,319	1,105,427	2,250,746
Total Recurring Costs	\$2,125,012	\$1,099,761	\$3,224,773	\$3,342,029	\$3,135,745	\$6,477,774	\$4,560,722	\$4,335,766	\$8,896,488
General Fund Annual Recurring Surplus	(\$1,274,306)	(\$607,667)	(\$1,881,973)	(\$1,340,370)	(\$1,217,689)	(\$2,558,060)	(\$497,213)	(\$358,293)	(\$855,506)
General Fund Revenue/Cost Ratio	0.40	0.45	0.42	0.60	0.61	0.61	0.89	0.92	0.90
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$89,137	\$46,937	\$136,074	\$139,034	\$135,736	\$274,769	\$188,930	\$187,916	\$376,846

1. State gas tax generated by future project residents accrues to the City Gas Tax Fund and is then transferred to the City Transportation Fund to pay for street related operations and maintenance costs.

Source: Stanley R. Hoffman Associates, Inc.

Table B-3
Base Case Detailed Projected Fiscal Impacts: Islands Only Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Islands Only Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$89,016	\$5,234	\$94,250	\$283,481	\$22,907	\$306,388	\$651,426	\$54,952	\$706,379
Property Tax - In Lieu of VLF	0	0	0	124,242	11,291	135,533	359,318	31,764	391,082
Franchise Fees	25,273	693	25,966	44,762	3,013	47,775	63,961	3,013	66,974
On-Site Retail Sales and Use Tax	0	0	0	0	0	0	0	0	0
Off-Site Retail Sales and Use Tax	32,024	2,090	34,114	106,058	9,146	115,204	252,974	21,942	274,916
Real Property Transfer Tax	1,813	107	1,920	5,775	467	6,241	13,270	1,119	14,389
Licenses, Permits, Fines and Fines	4,352	119	4,471	7,709	519	8,228	11,015	519	11,534
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	2,890	79	2,969	5,118	345	5,463	7,314	345	7,659
Other Revenue	5,237	145	5,382	9,169	632	9,801	13,041	632	13,673
Transfers in to General Fund	52,130	1,429	53,559	92,332	6,215	98,547	131,933	6,215	138,148
Interest Earnings	<u>3,616</u>	<u>168</u>	<u>3,785</u>	<u>11,537</u>	<u>927</u>	<u>12,464</u>	<u>25,572</u>	<u>2,049</u>	<u>27,621</u>
Total Recurring Revenues	\$216,352	\$10,064	\$226,415	\$690,182	\$55,462	\$745,644	\$1,529,824	\$122,551	\$1,652,375
General Fund Annual Recurring Costs									
General Government	\$31,983	\$878	\$32,861	\$56,609	\$3,820	\$60,429	\$80,911	\$3,827	\$84,738
Contribution to Chino Valley Independent Fire District	340	16	356	1,084	70	1,154	2,491	168	2,659
Police Protection	324,761	8,901	333,662	575,211	38,721	613,932	821,915	38,721	860,636
Development Services	17,234	472	17,706	30,524	2,055	32,579	43,616	2,055	45,671
Transfers to Other Funds	<u>128,004</u>	<u>3,525</u>	<u>131,529</u>	<u>225,665</u>	<u>15,334</u>	<u>240,999</u>	<u>321,842</u>	<u>15,334</u>	<u>337,176</u>
Total Recurring Costs	\$502,322	\$13,792	\$516,114	\$889,093	\$60,000	\$949,093	\$1,270,775	\$60,105	\$1,330,880
General Fund Annual Recurring Surplus	(\$285,970)	(\$3,728)	(\$289,698)	(\$198,911)	(\$4,538)	(\$203,449)	\$259,049	\$62,446	\$321,495
General Fund Revenue/Cost Ratio	0.43	0.73	0.44	0.78	0.92	0.79	1.20	2.04	1.24
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$21,735	\$603	\$22,337	\$38,057	\$2,622	\$40,678	\$54,125	\$2,622	\$56,747

1. State gas tax generated by future project residents accrues to the City Gas Tax Fund and is then transferred to the City Transportation Fund to pay for street related operations and maintenance costs.

Source: Stanley R. Hoffman Associates, Inc.

Table B-4
Base Case Detailed Projected Fiscal Impacts: Status Quo Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Status Quo Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$0	\$0	\$0	\$59,006	\$59,006	\$118,013	\$177,019	\$177,019	\$354,038
Property Tax - In Lieu of VLF	0	0	0	75,397	75,397	150,794	226,191	226,191	452,383
Franchise Fees	0	0	0	11,664	11,664	23,328	23,328	23,319	46,647
On-Site Retail Sales and Use Tax	0	0	0	0	0	0	0	0	0
Off-Site Retail Sales and Use Tax	0	0	0	47,121	47,121	94,242	141,364	141,364	282,727
Real Property Transfer Tax	0	0	0	2,404	2,404	4,808	7,212	7,212	14,424
Licenses, Permits, Fines and Fines	0	0	0	2,009	2,009	4,018	4,017	4,016	8,033
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	0	0	0	1,334	1,334	2,668	2,667	2,666	5,333
Other Revenue	0	0	0	2,445	2,445	4,890	4,890	4,888	9,778
Transfers in to General Fund	0	0	0	24,060	24,060	48,120	48,119	48,100	96,219
Interest Earnings	0	0	0	3,832	3,832	7,665	10,792	10,791	21,583
Total Recurring Revenues	\$0	\$0	\$0	\$229,273	\$229,273	\$458,546	\$645,599	\$645,566	\$1,291,165
General Fund Annual Recurring Costs									
General Government	\$0	\$0	\$0	\$14,785	\$14,782	\$29,567	\$29,585	\$29,564	\$59,149
Contribution to Chino Valley Independent Fire District	0	0	0	226	180	406	677	541	1,218
Police Protection	0	0	0	149,887	149,887	299,774	299,774	299,655	599,429
Development Services	0	0	0	7,954	7,954	15,908	15,908	15,901	31,809
Transfers to Other Funds	0	0	0	59,359	59,359	118,718	118,718	118,671	237,389
Total Recurring Costs	\$0	\$0	\$0	\$232,211	\$232,162	\$464,373	\$464,662	\$464,332	\$928,994
General Fund Annual Recurring Surplus	\$0	\$0	\$0	(\$2,938)	(\$2,889)	(\$5,827)	\$180,937	\$181,234	\$362,171
General Fund Revenue/Cost Ratio	n/a	n/a	n/a	0.99	0.99	0.99	1.39	1.39	1.39
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$0	\$0	\$0	\$10,148	\$10,148	\$20,297	\$20,297	\$20,289	\$40,586

1. State gas tax generated by future project residents accrues to the City Gas Tax Fund and is then transferred to the City Transportation Fund to pay for street related operations and maintenance costs.

Source: Stanley R. Hoffman Associates, Inc.

B.2 Alternative 1: Historic Property Tax Rate (Table B-5 through Table B-8)

- Property tax allocation assumed at the historic rate of 10.8 percent of the basic one percent levy for all annexing areas, including the islands
- Current valuation of annexing areas not included in the property tax-VLF calculation
- Only the General Plan Scenario remains fiscally negative by 2040.

Table B-5
Alternative 1 Detailed Projected Fiscal Impacts: General Plan Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	General Plan Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$423,040	\$247,621	\$670,661	\$612,557	\$584,813	\$1,197,370	\$926,113	\$1,046,113	\$1,972,226
Property Tax - In Lieu of VLF	0	0	0	121,080	215,428	336,508	321,407	510,148	831,555
Franchise Fees	107,350	55,446	162,796	125,167	117,457	242,624	141,624	131,480	273,104
On-Site Retail Sales and Use Tax	41,068	57,955	99,023	43,935	66,541	110,476	46,802	75,126	121,928
Off-Site Retail Sales and Use Tax	149,758	97,428	247,186	204,551	231,598	436,149	308,767	415,010	723,776
Real Property Transfer Tax	8,617	5,044	13,662	12,478	11,913	24,391	18,865	21,310	40,175
Licenses, Permits, Fines and Fines	18,487	9,548	28,035	21,555	20,227	41,782	24,389	22,642	47,031
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	12,275	6,340	18,615	14,312	13,431	27,743	16,194	15,034	31,228
Other Revenue	21,477	11,309	32,786	24,329	24,267	48,596	26,897	27,165	54,062
Transfers in to General Fund	221,433	114,370	335,803	258,185	242,280	500,465	292,130	271,206	563,336
Interest Earnings	17,060	10,286	27,346	24,449	25,975	50,424	36,094	43,099	79,193
Total Recurring Revenues	\$1,020,565	\$615,347	\$1,635,912	\$1,462,598	\$1,553,930	\$3,016,528	\$2,159,282	\$2,578,332	\$4,737,614
General Fund Annual Recurring Costs									
General Government	\$135,346	\$70,047	\$205,393	\$157,359	\$148,610	\$305,969	\$177,682	\$166,434	\$344,116
Contribution to Chino Valley Independent Fire District	1,618	757	2,375	2,342	1,788	4,130	3,541	3,198	6,739
Police Protection	1,379,480	712,504	2,091,984	1,608,440	1,509,356	3,117,796	1,819,914	1,689,557	3,509,471
Development Services	73,203	37,810	111,013	85,353	80,095	165,448	96,575	89,658	186,233
Transfers to Other Funds	536,082	279,039	815,121	617,971	594,197	1,212,168	692,935	665,145	1,358,080
Total Recurring Costs	\$2,125,729	\$1,100,157	\$3,225,886	\$2,471,465	\$2,334,046	\$4,805,511	\$2,790,647	\$2,613,992	\$5,404,639
General Fund Annual Recurring Surplus	(\$1,105,164)	(\$484,810)	(\$1,589,974)	(\$1,008,867)	(\$780,116)	(\$1,788,983)	(\$631,364)	(\$35,660)	(\$667,025)
General Fund Revenue/Cost Ratio	0.48	0.56	0.51	0.59	0.67	0.63	0.77	0.99	0.88
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$89,137	\$46,937	\$136,074	\$100,977	\$100,716	\$201,693	\$111,633	\$112,744	\$224,377

Source: Stanley R. Hoffman Associates, Inc.

Table B-6
Alternative 1 Detailed Projected Fiscal Impacts: Market Trends Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	Market Trends Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$423,040	\$247,621	\$670,661	\$955,540	\$901,322	\$1,856,862	\$2,020,540	\$2,046,550	\$4,067,090
Property Tax - In Lieu of VLF	0	0	0	340,208	417,643	757,851	1,020,625	1,149,316	2,169,941
Franchise Fees	107,348	55,446	162,794	168,944	157,799	326,743	230,554	218,077	448,631
On-Site Retail Sales and Use Tax	41,068	57,955	99,023	48,336	68,858	117,194	55,605	79,760	135,365
Off-Site Retail Sales and Use Tax	149,758	97,428	247,186	341,340	357,802	699,141	724,503	813,795	1,538,298
Real Property Transfer Tax	8,617	5,044	13,662	19,465	18,360	37,825	41,159	41,689	82,848
Licenses, Permits, Fines and Fines	18,486	9,548	28,034	29,094	27,175	56,269	39,704	37,555	77,259
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	12,275	6,340	18,615	19,318	18,044	37,362	26,363	24,936	51,299
Other Revenue	21,477	11,309	32,786	33,499	32,704	66,203	45,521	45,276	90,797
Transfers in to General Fund	221,429	114,370	335,799	348,485	325,495	673,980	475,568	449,831	925,399
Interest Earnings	<u>17,059</u>	<u>10,286</u>	<u>27,346</u>	<u>39,172</u>	<u>39,528</u>	<u>78,700</u>	<u>79,562</u>	<u>83,415</u>	<u>162,977</u>
Total Recurring Revenues	\$1,020,558	\$615,347	\$1,635,905	\$2,343,401	\$2,364,730	\$4,708,131	\$4,759,703	\$4,990,200	\$9,749,903
General Fund Annual Recurring Costs									
General Government	\$135,344	\$70,047	\$205,391	\$212,876	\$199,745	\$412,621	\$290,561	\$276,267	\$566,828
Contribution to Chino Valley Independent Fire District	1,618	757	2,375	3,654	2,755	6,409	7,726	6,256	13,982
Police Protection	1,379,455	712,504	2,091,959	2,170,989	2,027,766	4,198,755	2,962,694	2,802,358	5,765,052
Development Services	73,202	37,810	111,012	115,205	107,605	222,810	157,218	148,709	305,927
Transfers to Other Funds	<u>536,076</u>	<u>279,039</u>	<u>815,115</u>	<u>840,678</u>	<u>799,307</u>	<u>1,639,985</u>	<u>1,145,319</u>	<u>1,105,427</u>	<u>2,250,746</u>
Total Recurring Costs	\$2,125,695	\$1,100,157	\$3,225,852	\$3,343,402	\$3,137,178	\$6,480,580	\$4,563,518	\$4,339,017	\$8,902,535
General Fund Annual Recurring Surplus	(\$1,105,137)	(\$484,810)	(\$1,589,947)	(\$1,000,001)	(\$772,448)	(\$1,772,449)	\$196,185	\$651,183	\$847,368
General Fund Revenue/Cost Ratio	0.48	0.56	0.51	0.70	0.75	0.73	1.04	1.15	1.10
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$89,137	\$46,937	\$136,074	\$139,034	\$135,736	\$274,769	\$188,930	\$187,916	\$376,846

Source: Stanley R. Hoffman Associates, Inc.

Table B-7
Alternative 1 Detailed Projected Fiscal Impacts: Islands Only Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	Islands Only Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$89,016	\$5,234	\$94,250	\$283,481	\$22,907	\$306,388	\$651,426	\$54,952	\$706,379
Property Tax - In Lieu of VLF	0	0	0	124,242	11,291	135,533	359,318	31,764	391,082
Franchise Fees	25,273	693	25,966	44,762	3,013	47,776	63,961	3,013	66,974
On-Site Retail Sales and Use Tax	0	0	0	0	0	0	0	0	0
Off-Site Retail Sales and Use Tax	32,024	2,090	34,114	106,058	9,146	115,204	252,974	21,942	274,916
Real Property Transfer Tax	1,813	107	1,920	5,775	467	6,241	13,270	1,119	14,389
Licenses, Permits, Fines and Fines	4,352	119	4,471	7,709	519	8,227	11,015	519	11,534
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	2,890	79	2,969	5,118	345	5,463	7,314	345	7,659
Other Revenue	5,237	145	5,382	9,169	632	9,801	13,041	632	13,673
Transfers in to General Fund	52,130	1,429	53,559	92,332	6,215	98,548	131,933	6,215	138,148
Interest Earnings	<u>3,616</u>	<u>168</u>	<u>3,785</u>	<u>11,537</u>	<u>927</u>	<u>12,464</u>	<u>25,572</u>	<u>2,049</u>	<u>27,621</u>
Total Recurring Revenues	\$216,352	\$10,064	\$226,415	\$690,182	\$55,461	\$745,645	\$1,529,824	\$122,551	\$1,652,375
General Fund Annual Recurring Costs									
General Government	\$31,983	\$878	\$32,861	\$56,609	\$3,820	\$60,429	\$80,911	\$3,827	\$84,738
Contribution to Chino Valley Independent Fire District	340	16	356	1,084	70	1,154	2,491	168	2,659
Police Protection	324,761	8,901	333,662	575,211	38,721	613,932	821,915	38,721	860,636
Development Services	17,234	472	17,706	30,524	2,055	32,579	43,616	2,055	45,671
Transfers to Other Funds	<u>128,004</u>	<u>3,525</u>	<u>131,529</u>	<u>225,665</u>	<u>15,334</u>	<u>240,999</u>	<u>321,842</u>	<u>15,334</u>	<u>337,176</u>
Total Recurring Costs	\$502,322	\$13,792	\$516,114	\$889,093	\$60,000	\$949,093	\$1,270,775	\$60,105	\$1,330,880
General Fund Annual Recurring Surplus	(\$285,970)	(\$3,728)	(\$289,698)	(\$198,911)	(\$4,539)	(\$203,448)	\$259,049	\$62,446	\$321,495
General Fund Revenue/Cost Ratio	0.43	0.73	0.44	0.78	0.92	0.79	1.20	2.04	1.24
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$21,735	\$603	\$22,337	\$38,057	\$2,622	\$40,678	\$54,125	\$2,622	\$56,747

Source: Stanley R. Hoffman Associates, Inc.

Table B-8
Alternative 1 Detailed Projected Fiscal Impacts: Status Quo Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	Status Quo Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$0	\$0	\$0	\$59,006	\$59,006	\$118,013	\$177,019	\$177,019	\$354,038
Property Tax - In Lieu of VLF	0	0	0	75,397	75,397	150,794	226,191	226,191	452,383
Franchise Fees	0	0	0	11,664	11,664	23,328	23,328	23,319	46,647
On-Site Retail Sales and Use Tax	0	0	0	0	0	0	0	0	0
Off-Site Retail Sales and Use Tax	0	0	0	47,121	47,121	94,242	141,364	141,364	282,727
Real Property Transfer Tax	0	0	0	2,404	2,404	4,808	7,212	7,212	14,424
Licenses, Permits, Fines and Fines	0	0	0	2,009	2,009	4,017	4,017	4,016	8,033
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	0	0	0	1,334	1,334	2,667	2,667	2,666	5,333
Other Revenue	0	0	0	2,445	2,445	4,890	4,890	4,888	9,778
Transfers in to General Fund	0	0	0	24,060	24,060	48,119	48,119	48,100	96,219
Interest Earnings	0	0	0	3,832	3,832	7,665	10,792	10,791	21,583
Total Recurring Revenues	\$0	\$0	\$0	\$229,273	\$229,273	\$458,543	\$645,599	\$645,566	\$1,291,165
General Fund Annual Recurring Costs									
General Government	\$0	\$0	\$0	\$14,785	\$14,782	\$29,567	\$29,585	\$29,564	\$59,149
Contribution to Chino Valley Independent Fire District	0	0	0	226	180	406	677	541	1,218
Police Protection	0	0	0	149,887	149,887	299,774	299,774	299,655	599,429
Development Services	0	0	0	7,954	7,954	15,908	15,908	15,901	31,809
Transfers to Other Funds	0	0	0	59,359	59,359	118,718	118,718	118,671	237,389
Total Recurring Costs	\$0	\$0	\$0	\$232,211	\$232,162	\$464,373	\$464,662	\$464,332	\$928,994
General Fund Annual Recurring Surplus	\$0	\$0	\$0	(\$2,938)	(\$2,889)	(\$5,830)	\$180,937	\$181,234	\$362,171
General Fund Revenue/Cost Ratio	n/a	n/a	n/a	0.99	0.99	0.99	1.39	1.39	1.39
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$0	\$0	\$0	\$10,148	\$10,148	\$20,297	\$20,297	\$20,289	\$40,586

Source: Stanley R. Hoffman Associates, Inc.

**B.3 Alternative 2: Current Valuation of Annexation for PT In-Lieu of VLF
(Table B-9 through Table B-12)**

- Current valuation of the annexing area included in the property tax-VLF calculation
- Current property tax allocation of 5.4 percent of the basic one percent levy for annexing areas outside of islands
- Island areas receive 10.8 percent of the basic one percent levy

**Table B-9
Alternative 2 Detailed Projected Fiscal Impacts: General Plan Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)**

	General Plan Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$256,028	\$126,428	\$382,456	\$448,019	\$303,860	\$751,879	\$788,769	\$550,533	\$1,339,302
Property Tax - In Lieu of VLF	270,276	158,202	428,478	391,356	373,631	764,986	591,683	668,350	1,260,033
Franchise Fees	107,350	55,446	162,796	125,167	117,457	242,624	141,624	131,480	273,104
On-Site Retail Sales and Use Tax	41,068	57,955	99,023	43,935	66,541	110,476	46,802	75,126	121,928
Off-Site Retail Sales and Use Tax	149,758	97,428	247,186	204,551	231,598	436,149	308,767	415,010	723,776
Real Property Transfer Tax	8,617	5,044	13,662	12,478	11,913	24,391	18,865	21,310	40,175
Licenses, Permits, Fines and Fines	18,487	9,548	28,035	21,555	20,227	41,782	24,389	22,642	47,031
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	12,275	6,340	18,615	14,312	13,431	27,743	16,194	15,034	31,228
Other Revenue	21,477	11,309	32,786	24,329	24,267	48,596	26,897	27,165	54,062
Transfers in to General Fund	221,433	114,370	335,803	258,185	242,280	500,465	292,130	271,206	563,336
Interest Earnings	<u>18,815</u>	<u>10,915</u>	<u>29,730</u>	<u>26,246</u>	<u>23,888</u>	<u>50,134</u>	<u>38,354</u>	<u>37,364</u>	<u>75,718</u>
Total Recurring Revenues	\$1,125,584	\$652,985	\$1,778,569	\$1,570,133	\$1,429,093	\$2,999,225	\$2,294,475	\$2,235,219	\$4,529,693
General Fund Annual Recurring Costs									
General Government	\$135,303	\$70,022	\$205,325	\$157,316	\$148,551	\$305,867	\$177,646	\$166,331	\$343,977
Contribution to Chino Valley Independent Fire District	979	386	1,365	1,713	929	2,642	3,016	1,683	4,699
Police Protection	1,379,480	712,504	2,091,984	1,608,440	1,509,356	3,117,796	1,819,914	1,689,557	3,509,471
Development Services	73,203	37,810	111,013	85,353	80,095	165,448	96,575	89,658	186,233
Transfers to Other Funds	<u>536,082</u>	<u>279,039</u>	<u>815,121</u>	<u>617,971</u>	<u>594,197</u>	<u>1,212,168</u>	<u>692,935</u>	<u>665,145</u>	<u>1,358,080</u>
Total Recurring Costs	\$2,125,047	\$1,099,761	\$3,224,808	\$2,470,793	\$2,333,128	\$4,803,921	\$2,790,086	\$2,612,374	\$5,402,460
General Fund Annual Recurring Surplus	(\$999,463)	(\$446,776)	(\$1,446,239)	(\$900,661)	(\$904,035)	(\$1,804,696)	(\$495,611)	(\$377,156)	(\$872,767)
General Fund Revenue/Cost Ratio	0.53	0.59	0.55	0.64	0.61	0.62	0.82	0.86	0.84
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$89,137	\$46,937	\$136,074	\$100,977	\$100,716	\$201,693	\$111,633	\$112,744	\$224,377

Source: Stanley R. Hoffman Associates, Inc.

Table B-10
Alternative 2 Detailed Projected Fiscal Impacts: Market Trends Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	Market Trends Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$256,028	\$126,428	\$382,456	\$619,510	\$462,115	\$1,081,625	\$1,335,983	\$1,050,751	\$2,386,734
Property Tax - In Lieu of VLF	270,276	158,202	428,478	610,484	575,845	1,186,329	1,290,900	1,307,518	2,598,419
Franchise Fees	107,348	55,446	162,794	168,944	157,799	326,743	230,554	218,077	448,631
On-Site Retail Sales and Use Tax	41,068	57,955	99,023	48,336	68,858	117,194	55,605	79,760	135,365
Off-Site Retail Sales and Use Tax	149,758	97,428	247,186	341,340	357,802	699,141	724,503	813,795	1,538,298
Real Property Transfer Tax	8,617	5,044	13,662	19,465	18,360	37,825	41,159	41,689	82,848
Licenses, Permits, Fines and Fines	18,486	9,548	28,034	29,094	27,175	56,269	39,704	37,555	77,259
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	12,275	6,340	18,615	19,318	18,044	37,362	26,363	24,936	51,299
Other Revenue	21,477	11,309	32,786	33,499	32,704	66,203	45,521	45,276	90,797
Transfers in to General Fund	221,429	114,370	335,799	348,485	325,495	673,980	475,568	449,831	925,399
Interest Earnings	<u>18,815</u>	<u>10,915</u>	<u>29,730</u>	<u>38,054</u>	<u>34,751</u>	<u>72,805</u>	<u>72,520</u>	<u>69,176</u>	<u>141,696</u>
Total Recurring Revenues	\$1,125,577	\$652,985	\$1,778,562	\$2,276,529	\$2,078,948	\$4,355,477	\$4,338,379	\$4,138,365	\$8,476,745
General Fund Annual Recurring Costs									
General Government	\$135,300	\$70,022	\$205,322	\$212,788	\$199,654	\$412,442	\$290,383	\$276,060	\$566,443
Contribution to Chino Valley Independent Fire District	979	386	1,365	2,369	1,413	3,782	5,108	3,212	8,320
Police Protection	1,379,455	712,504	2,091,959	2,170,989	2,027,766	4,198,755	2,962,694	2,802,358	5,765,052
Development Services	73,202	37,810	111,012	115,205	107,605	222,810	157,218	148,709	305,927
Transfers to Other Funds	<u>536,076</u>	<u>279,039</u>	<u>815,115</u>	<u>840,678</u>	<u>799,307</u>	<u>1,639,984</u>	<u>1,145,319</u>	<u>1,105,427</u>	<u>2,250,746</u>
Total Recurring Costs	\$2,125,013	\$1,099,761	\$3,224,774	\$3,342,029	\$3,135,745	\$6,477,774	\$4,560,722	\$4,335,766	\$8,896,488
General Fund Annual Recurring Surplus	(\$999,436)	(\$446,776)	(\$1,446,212)	(\$1,065,500)	(\$1,056,797)	(\$2,122,297)	(\$222,343)	(\$197,401)	(\$419,743)
General Fund Revenue/Cost Ratio	0.53	0.59	0.55	0.68	0.66	0.67	0.95	0.95	0.95
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$89,137	\$46,937	\$136,074	\$139,034	\$135,736	\$274,769	\$188,930	\$187,916	\$376,846

Source: Stanley R. Hoffman Associates, Inc.

Table B-11
Alternative 2 Detailed Projected Fiscal Impacts: Islands Only Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	Islands Only Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$89,016	\$5,234	\$94,250	\$283,481	\$22,907	\$306,388	\$651,426	\$54,952	\$706,379
Property Tax - In Lieu of VLF	56,871	3,344	60,215	181,113	14,635	195,748	416,189	35,108	451,297
Franchise Fees	25,273	693	25,966	44,762	3,013	47,775	63,961	3,013	66,974
On-Site Retail Sales and Use Tax	0	0	0	0	0	0	0	0	0
Off-Site Retail Sales and Use Tax	32,024	2,090	34,114	106,058	9,146	115,204	252,974	21,942	274,916
Real Property Transfer Tax	1,813	107	1,920	5,775	467	6,241	13,270	1,119	14,389
Licenses, Permits, Fines and Fines	4,352	119	4,471	7,709	519	8,228	11,015	519	11,534
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	2,890	79	2,969	5,118	345	5,463	7,314	345	7,659
Other Revenue	5,237	145	5,382	9,169	632	9,801	13,041	632	13,673
Transfers in to General Fund	52,130	1,429	53,559	92,332	6,215	98,547	131,933	6,215	138,148
Interest Earnings	<u>4,583</u>	<u>225</u>	<u>4,808</u>	<u>12,504</u>	<u>984</u>	<u>13,488</u>	<u>26,539</u>	<u>2,105</u>	<u>28,644</u>
Total Recurring Revenues	\$274,190	\$13,465	\$287,654	\$748,020	\$58,863	\$806,883	\$1,587,662	\$125,951	\$1,713,614
General Fund Annual Recurring Costs									
General Government	\$31,983	\$878	\$32,861	\$56,609	\$3,820	\$60,429	\$80,911	\$3,827	\$84,738
Contribution to Chino Valley Independent Fire District	340	16	356	1,084	70	1,154	2,491	168	2,659
Police Protection	324,761	8,901	333,662	575,211	38,721	613,932	821,915	38,721	860,636
Development Services	17,234	472	17,706	30,524	2,055	32,579	43,616	2,055	45,671
Transfers to Other Funds	<u>128,004</u>	<u>3,525</u>	<u>131,529</u>	<u>225,665</u>	<u>15,334</u>	<u>240,999</u>	<u>321,842</u>	<u>15,334</u>	<u>337,176</u>
Total Recurring Costs	\$502,322	\$13,792	\$516,114	\$889,093	\$60,000	\$949,093	\$1,270,775	\$60,105	\$1,330,880
General Fund Annual Recurring Surplus	(\$228,132)	(\$327)	(\$228,460)	(\$141,073)	(\$1,137)	(\$142,210)	\$316,887	\$65,846	\$382,734
General Fund Revenue/Cost Ratio	0.55	0.98	0.56	0.84	0.98	0.85	1.25	2.10	1.29
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$21,735	\$603	\$22,337	\$38,057	\$2,622	\$40,678	\$54,125	\$2,622	\$56,747

Source: Stanley R. Hoffman Associates, Inc.

Table B-12
Alternative 2 Detailed Projected Fiscal Impacts: Status Quo Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	Status Quo Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$0	\$0	\$0	\$59,006	\$59,006	\$118,013	\$177,019	\$177,019	\$354,038
Property Tax - In Lieu of VLF	0	0	0	75,397	75,397	150,794	226,191	226,191	452,383
Franchise Fees	0	0	0	11,664	11,664	23,328	23,328	23,319	46,647
On-Site Retail Sales and Use Tax	0	0	0	0	0	0	0	0	0
Off-Site Retail Sales and Use Tax	0	0	0	47,121	47,121	94,242	141,364	141,364	282,727
Real Property Transfer Tax	0	0	0	2,404	2,404	4,808	7,212	7,212	14,424
Licenses, Permits, Fines and Fines	0	0	0	2,009	2,009	4,018	4,017	4,016	8,033
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	0	0	0	1,334	1,334	2,668	2,667	2,666	5,333
Other Revenue	0	0	0	2,445	2,445	4,890	4,890	4,888	9,778
Transfers in to General Fund	0	0	0	24,060	24,060	48,120	48,119	48,100	96,219
Interest Earnings	0	0	0	3,832	3,832	7,665	10,792	10,791	21,583
Total Recurring Revenues	\$0	\$0	\$0	\$229,273	\$229,273	\$458,546	\$645,599	\$645,566	\$1,291,165
General Fund Annual Recurring Costs									
General Government	\$0	\$0	\$0	\$14,785	\$14,782	\$29,567	\$29,585	\$29,564	\$59,149
Contribution to Chino Valley Independent Fire District	0	0	0	226	180	406	677	541	1,218
Police Protection	0	0	0	149,887	149,887	299,774	299,774	299,655	599,429
Development Services	0	0	0	7,954	7,954	15,908	15,908	15,901	31,809
Transfers to Other Funds	0	0	0	59,359	59,359	118,718	118,718	118,671	237,389
Total Recurring Costs	\$0	\$0	\$0	\$232,211	\$232,162	\$464,373	\$464,662	\$464,332	\$928,994
General Fund Annual Recurring Surplus	\$0	\$0	\$0	(\$2,938)	(\$2,889)	(\$5,827)	\$180,937	\$181,234	\$362,171
General Fund Revenue/Cost Ratio	n/a	n/a	n/a	0.99	0.99	0.99	1.39	1.39	1.39
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$0	\$0	\$0	\$10,148	\$10,148	\$20,297	\$20,297	\$20,289	\$40,586

Source: Stanley R. Hoffman Associates, Inc.

**B.4 Alternative 3: Combined Historic PT Rate and Base Valuation for PTVLF
(Table B-13 through Table B-16)**

- Property tax allocation assumed at the historic rate of 10.8 percent of the basic one percent levy all annexing areas, including the islands
- Current valuation of annexing areas included in the property tax-VLF calculation
- Under the combined alternatives, all scenarios become fiscally positive by 2040 with the Market Scenario significantly more fiscally positive than the other scenarios.

Table B-13
Alternative 3 Detailed Projected Fiscal Impacts: General Plan Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	General Plan Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$423,040	\$247,621	\$670,661	\$612,557	\$584,813	\$1,197,370	\$926,113	\$1,046,113	\$1,972,226
Property Tax - In Lieu of VLF	270,276	158,202	428,478	391,356	373,631	764,986	591,683	668,350	1,260,033
Franchise Fees	107,350	55,446	162,796	125,167	117,457	242,624	141,624	131,480	273,104
On-Site Retail Sales and Use Tax	41,068	57,955	99,023	43,935	66,541	110,476	46,802	75,126	121,928
Off-Site Retail Sales and Use Tax	149,758	97,428	247,186	204,551	231,598	436,149	308,767	415,010	723,776
Real Property Transfer Tax	8,617	5,044	13,661	12,478	11,913	24,391	18,865	21,310	40,175
Licenses, Permits, Fines and Fines	18,487	9,548	28,035	21,555	20,227	41,782	24,389	22,642	47,031
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	12,275	6,340	18,615	14,312	13,431	27,743	16,194	15,034	31,228
Other Revenue	21,477	11,309	32,786	24,329	24,267	48,596	26,897	27,165	54,062
Transfers in to General Fund	221,433	114,370	335,803	258,185	242,280	500,465	292,130	271,206	563,336
Interest Earnings	21,654	12,975	34,630	29,043	28,665	57,708	40,689	45,788	86,477
Total Recurring Revenues	\$1,295,435	\$776,239	\$2,071,674	\$1,737,468	\$1,714,822	\$3,452,289	\$2,434,153	\$2,739,223	\$5,173,376
General Fund Annual Recurring Costs									
General Government	\$135,346	\$70,047	\$205,393	\$157,359	\$148,610	\$305,969	\$177,682	\$166,434	\$344,116
Contribution to Chino Valley Independent Fire District	1,618	757	2,375	2,342	1,788	4,130	3,541	3,198	6,739
Police Protection	1,379,480	712,504	2,091,984	1,608,440	1,509,356	3,117,796	1,819,914	1,689,557	3,509,471
Development Services	73,203	37,810	111,013	85,353	80,095	165,448	96,575	89,658	186,233
Transfers to Other Funds	536,082	279,039	815,121	617,971	594,197	1,212,168	692,935	665,145	1,358,080
Total Recurring Costs	\$2,125,729	\$1,100,157	\$3,225,886	\$2,471,465	\$2,334,046	\$4,805,511	\$2,790,647	\$2,613,992	\$5,404,639
General Fund Annual Recurring Surplus	(\$830,294)	(\$323,918)	(\$1,154,212)	(\$733,997)	(\$619,224)	(\$1,353,222)	(\$356,494)	\$125,231	(\$231,263)
General Fund Revenue/Cost Ratio	0.61	0.71	0.64	0.70	0.73	0.72	0.87	1.05	0.96
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$89,137	\$46,937	\$136,074	\$100,977	\$100,716	\$201,693	\$111,633	\$112,744	\$224,377

Source: Stanley R. Hoffman Associates, Inc.

Table B-14
Alternative 3 Detailed Projected Fiscal Impacts: Market Trends Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	Market Trends Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$423,040	\$247,621	\$670,661	\$955,540	\$901,322	\$1,856,862	\$2,020,540	\$2,046,550	\$4,067,090
Property Tax - In Lieu of VLF	270,276	158,202	428,478	610,484	575,845	1,186,329	1,290,900	1,307,518	2,598,419
Franchise Fees	107,348	55,446	162,794	168,944	157,799	326,743	230,554	218,077	448,631
On-Site Retail Sales and Use Tax	41,068	57,955	99,023	48,336	68,858	117,194	55,605	79,760	135,365
Off-Site Retail Sales and Use Tax	149,758	97,428	247,186	341,340	357,802	699,141	724,503	813,795	1,538,298
Real Property Transfer Tax	8,617	5,044	13,661	19,465	18,360	37,825	41,159	41,689	82,848
Licenses, Permits, Fines and Fines	18,486	9,548	28,034	29,094	27,175	56,269	39,704	37,555	77,259
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	12,275	6,340	18,615	19,318	18,044	37,362	26,363	24,936	51,299
Other Revenue	21,477	11,309	32,786	33,499	32,704	66,203	45,521	45,276	90,797
Transfers in to General Fund	221,429	114,370	335,799	348,485	325,495	673,980	475,568	449,831	925,399
Interest Earnings	<u>21,654</u>	<u>12,975</u>	<u>34,630</u>	<u>43,767</u>	<u>42,218</u>	<u>85,984</u>	<u>84,157</u>	<u>86,105</u>	<u>170,262</u>
Total Recurring Revenues	\$1,295,428	\$776,239	\$2,071,667	\$2,618,271	\$2,525,622	\$5,143,893	\$5,034,574	\$5,151,093	\$10,185,666
General Fund Annual Recurring Costs									
General Government	\$135,344	\$70,047	\$205,391	\$212,876	\$199,745	\$412,621	\$290,561	\$276,267	\$566,828
Contribution to Chino Valley Independent Fire District	1,618	757	2,375	3,654	2,755	6,409	7,726	6,256	13,982
Police Protection	1,379,455	712,504	2,091,959	2,170,989	2,027,766	4,198,755	2,962,694	2,802,358	5,765,052
Development Services	73,202	37,810	111,012	115,205	107,605	222,810	157,218	148,709	305,927
Transfers to Other Funds	<u>536,076</u>	<u>279,039</u>	<u>815,115</u>	<u>840,678</u>	<u>799,307</u>	<u>1,639,985</u>	<u>1,145,319</u>	<u>1,105,427</u>	<u>2,250,746</u>
Total Recurring Costs	\$2,125,695	\$1,100,157	\$3,225,852	\$3,343,402	\$3,137,178	\$6,480,580	\$4,563,518	\$4,339,017	\$8,902,535
General Fund Annual Recurring Surplus	(\$830,267)	(\$323,918)	(\$1,154,185)	(\$725,131)	(\$611,556)	(\$1,336,687)	\$471,055	\$812,076	\$1,283,131
General Fund Revenue/Cost Ratio	0.61	0.71	0.64	0.78	0.81	0.79	1.10	1.19	1.14
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$89,137	\$46,937	\$136,074	\$139,034	\$135,736	\$274,769	\$188,930	\$187,916	\$376,846

Source: Stanley R. Hoffman Associates, Inc.

Table B-15
Alternative 3 Detailed Projected Fiscal Impacts: Islands Only Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	Islands Only Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$89,016	\$5,234	\$94,250	\$283,481	\$22,907	\$306,388	\$651,426	\$54,952	\$706,379
Property Tax - In Lieu of VLF	56,871	3,344	60,215	181,113	14,635	195,748	416,189	35,108	451,297
Franchise Fees	25,273	693	25,966	44,762	3,013	47,775	63,961	3,013	66,974
On-Site Retail Sales and Use Tax	0	0	0	0	0	0	0	0	0
Off-Site Retail Sales and Use Tax	32,024	2,090	34,114	106,058	9,146	115,204	252,974	21,942	274,916
Real Property Transfer Tax	5,775	107	5,881	5,775	467	6,242	13,270	1,119	14,389
Licenses, Permits, Fines and Fines	4,352	119	4,471	7,709	519	8,228	11,015	519	11,534
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	2,890	79	2,969	5,118	345	5,463	7,314	345	7,659
Other Revenue	5,237	145	5,382	9,169	632	9,801	13,041	632	13,673
Transfers in to General Fund	52,130	1,429	53,559	92,332	6,215	98,547	131,933	6,215	138,148
Interest Earnings	<u>4,651</u>	<u>225</u>	<u>4,876</u>	<u>12,504</u>	<u>984</u>	<u>13,488</u>	<u>26,539</u>	<u>2,105</u>	<u>28,644</u>
Total Recurring Revenues	\$278,218	\$13,465	\$291,683	\$748,021	\$58,863	\$806,884	\$1,587,662	\$125,952	\$1,713,614
General Fund Annual Recurring Costs									
General Government	\$31,983	\$878	\$32,861	\$56,609	\$3,820	\$60,429	\$80,911	\$3,827	\$84,738
Contribution to Chino Valley Independent Fire District	340	16	356	1,084	70	1,154	2,491	168	2,659
Police Protection	324,761	8,901	333,662	575,211	38,721	613,932	821,915	38,721	860,636
Development Services	17,234	472	17,706	30,524	2,055	32,579	43,616	2,055	45,671
Transfers to Other Funds	<u>128,004</u>	<u>3,525</u>	<u>131,529</u>	<u>225,665</u>	<u>15,334</u>	<u>240,999</u>	<u>321,842</u>	<u>15,334</u>	<u>337,176</u>
Total Recurring Costs	\$502,322	\$13,792	\$516,114	\$889,093	\$60,000	\$949,093	\$1,270,775	\$60,105	\$1,330,880
General Fund Annual Recurring Surplus	(\$224,104)	(\$327)	(\$224,431)	(\$141,072)	(\$1,138)	(\$142,210)	\$316,887	\$65,846	\$382,733
General Fund Revenue/Cost Ratio	0.55	0.98	0.57	0.84	0.98	0.85	1.25	2.10	1.29
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$21,735	\$603	\$22,337	\$38,057	\$2,622	\$40,678	\$54,125	\$2,622	\$56,747

Source: Stanley R. Hoffman Associates, Inc.

Table B-16
Alternative 3 Detailed Projected Fiscal Impacts: Status Quo Scenario
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

	Status Quo Scenario								
	2020			2030			2040		
	North SOI	South SOI	Total	North SOI	South SOI	Total	North SOI	South SOI	Total
A. GENERAL FUND									
General Fund Annual Recurring Revenues									
Property Taxes	\$0	\$0	\$0	\$59,006	\$59,006	\$118,013	\$177,019	\$177,019	\$354,038
Property Tax - In Lieu of VLF	0	0	0	75,397	75,397	150,794	226,191	226,191	452,382
Franchise Fees	0	0	0	11,664	11,664	23,328	23,328	23,319	46,647
On-Site Retail Sales and Use Tax	0	0	0	0	0	0	0	0	0
Off-Site Retail Sales and Use Tax	0	0	0	47,121	47,121	94,242	141,364	141,364	282,727
Real Property Transfer Tax	0	0	0	2,404	2,404	4,808	7,212	7,212	14,424
Licenses, Permits, Fines and Fines	0	0	0	2,009	2,009	4,017	4,017	4,016	8,033
Intergovernmental Revenue	0	0	0	0	0	0	0	0	0
Charges for Services (excluding one-time charges)	0	0	0	1,334	1,334	2,667	2,667	2,666	5,333
Other Revenue	0	0	0	2,445	2,445	4,890	4,890	4,888	9,778
Transfers in to General Fund	0	0	0	24,060	24,060	48,119	48,119	48,100	96,219
Interest Earnings	0	0	0	3,832	3,832	7,665	10,792	10,791	21,583
Total Recurring Revenues	\$0	\$0	\$0	\$229,273	\$229,273	\$458,543	\$645,599	\$645,566	\$1,291,165
General Fund Annual Recurring Costs									
General Government	\$0	\$0	\$0	\$14,785	\$14,782	\$29,567	\$29,585	\$29,564	\$59,149
Contribution to Chino Valley Independent Fire District	0	0	0	226	180	406	677	541	1,218
Police Protection	0	0	0	149,887	149,887	299,774	299,774	299,655	599,429
Development Services	0	0	0	7,954	7,954	15,908	15,908	15,901	31,809
Transfers to Other Funds	0	0	0	59,359	59,359	118,718	118,718	118,671	237,389
Total Recurring Costs	\$0	\$0	\$0	\$232,211	\$232,162	\$464,373	\$464,662	\$464,332	\$928,994
General Fund Annual Recurring Surplus	\$0	\$0	\$0	(\$2,938)	(\$2,889)	(\$5,830)	\$180,937	\$181,234	\$362,171
General Fund Revenue/Cost Ratio	n/a	n/a	n/a	0.99	0.99	0.99	1.39	1.39	1.39
B. GAS TAX FUND									
Annual Recurring State Gas Tax	\$0	\$0	\$0	\$10,148	\$10,148	\$20,297	\$20,297	\$20,289	\$40,586

Source: Stanley R. Hoffman Associates, Inc.

APPENDIX C CITY OF CHINO FISCAL ASSUMPTIONS

This chapter presents the revenue and cost assumptions for the fiscal analysis of the Chino Sphere of Influence (SOI) Annexation Study. The general demographic and economic assumptions used for calculating fiscal factors are first presented. The assumptions for projecting recurring revenues are then presented followed by the assumptions for projecting recurring costs. The fiscal assumptions for all development alternatives are based on the *City of Chino, Fiscal Year 2019-20 Budget* and discussions with key City staff.

C.1 City General Assumptions

Fiscal impacts that are not based on valuation and taxable sales are generally projected based on a per capita, per employee, or per service population basis. General fund revenue and cost factors are estimated by dividing the Fiscal Year (FY) 2019-20 Budget categories by the City's population, employment or total service population. Table C-1 provides the City's general assumptions for this fiscal analysis.

Population

Chino's total population of 89,829 is based on the State Department of Finance (DOF) estimate as of January 1, 2019. The City population estimate is used for projecting certain revenues and costs on a per capita basis, such as State subvented gas taxes.

Employment

The total City employment of 45,127 for the year 2019 is based on an interpolation of the 2012 and 2020 City employment estimates from the Southern California Association of Governments' (SCAG) *Adopted 2016 Regional Transportation Plan (RTP)*.

To account for the workers who live and work in the City, the estimated share of workers from outside the City is used as the employment estimate for the fiscal analysis. Based on the U.S. Census Bureau 2015 Longitudinal Employer-Household Dynamic (LEHD) report for the City, about 92 percent of the total workers in the City come from outside the City, as shown in Appendix Table C-2. When this share is applied to the total employment estimate of 45,127, workers that commute into the City are estimated at 41,517.

Estimated Service Population

Fiscal factors that are impacted by population and employment are estimated by allocating total budgeted revenues or costs to the estimated service population. Service population includes the City's total population plus 50 percent of the estimated City employment from outside the City. Employment from outside the City is weighted at 50 percent to account for the estimated less frequent use of City services by employment versus resident population.

As shown in Table C-1, the service population for the City is estimated at 110,588. The service population estimate includes the resident population of 89,829 and the weighted employment

Table C-1
City Population, Housing and Employment Assumptions
Chino Sphere of Influence Annexation Study

Assumption	Description
	<u>Population and Housing</u> ¹
84,122	Household Population
<u>5,707</u>	<u>Group Quarters Population</u>
89,829	Total Population
18,739	Single Family Units
<u>6,349</u>	<u>Multi-Family Units</u>
25,088	Total Housing Units
25,002	Occupied Housing Units
3.37	Average Citywide Household Size
	<u>Employment</u>
45,127	Total Employment in the City ²
<i>times</i>	
92%	Estimated Share of Total Employment Commuting into the City ³
<i>equals</i>	
41,517	Estimated Employment Commuting into the City ³
	<u>Estimated Service Population</u> ⁴
89,829	Total Population
<u>20,759</u>	<u>Estimated Employment (at 50 percent of 41,517 workers commuting into the City)</u>
110,588	Estimated Daily Total Service Population

1. Population and housing estimates are January 1, 2019 estimates from the California Department of Finance (DOF).
2. The total City employment estimate is for 2019 based on an interpolation of the 2012 and 2020 estimates from the Southern California Association of Governments (SCAG), *Adopted 2016 Regional Transportation Plan (RTP)* .
3. Residents that live and work in the City are removed from the total City employment estimate because the impacts from these workers are included in the impacts to residents. Based on the 2015 U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD) report for the City presented in Table C-2, about 92 percent of the total workers in the City come from outside the City, resulting in an estimate of 41,517 workers from outside the City.
4. The fiscal analysis defines the service population as an estimate of resident population plus 50 percent of employment from outside the City. Estimates of employment from outside the City are weighted at 50 percent to account for the estimated less frequent use of City services by employment versus resident population.

Sources: Stanley R. Hoffman Associates, Inc.

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State --*

January 1, 2011-2019, Sacramento, California, May 2019

Southern California Association of Governments (SCAG), *Adopted 2016 Regional Transportation Plan (RTP)*

U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD), *OnTheMap for Chino, California* , 2015

Table C-2
U.S. Census 2015 Live/Work Data
City of Chino

Category	2015	
	Count	Share
<u>Selection Area Labor Market Size (Primary Jobs)</u>		
Employed in the Selection Area	39,164	100.0%
Living in the Selection Area	31,793	81.2%
Net Job Inflow (+) or Outflow (-)	7,371	-
<u>In-Area Labor Force Efficiency (Primary Jobs)</u>		
Living in the Selection Area	31,793	100.0%
Living and Employed in the Selection Area	3,265	10.3%
Living in the Selection Area but Employed Outside	28,528	89.7%
<u>In-Area Employment Efficiency (Primary Jobs)</u>		
Employed in the Selection Area	39,164	100.0%
Employed and Living in the Selection Area	3,265	8.3%
Employed in the Selection Area but Living Outside	35,899	91.7%

Sources: Stanley R. Hoffman Associates, Inc.
U.S. Census Bureau, OnTheMap Application and Longitudinal Employer-Household Dynamics
(LEHD) Origin-Destination Employment Statistics, Chino, California, 2015

from outside the City of 20,759 (50 percent of 41,517). The self-employed are not included in the weighted employment estimate, because they are assumed to be represented in the resident population estimate.

C.2 City General Fund Revenue Assumptions

The revenue factors for the General Fund recurring revenues projected in the fiscal analysis are summarized in Table C-3. These revenue factors are based on the City's FY 2019-20 revenues presented in Table C-4 and the City's population and service population estimates that are presented in Table C-1.

As shown in Table C-3, projected General Fund revenues include property tax; vehicle license fees (VLF) - property tax in lieu; franchise fees; sales and use tax; real property transfer tax; licenses, permits, fines and fees; intergovernmental revenues; charges for services; other revenue; transfers in to the General fund; and interest earned on recurring revenues.

Property Tax

Property tax revenues are projected based on the City's share of the one percent property tax levy on the estimated assessed valuation for the proposed development in the Chino Sphere of Influence (SOI) Annexation Study. The City's historic share of the 1.0 percent basic levy is estimated at about 10.8 percent, as shown in the City's *Comprehensive Annual Financial Report*.

Table C-3
General Fund and Gas Tax Fund Recurring Revenue Factors
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Revenue Source	Fiscal Year 2019-2020 Revenues	Projection Basis ¹	Annual Projection Factors or Amounts
A. GENERAL FUND			
<u>Property Tax</u> ²	\$10,963,122	Case Study: Project Valuation	5.4% City General Fund share of 1% levy for areas outside islands 10.8% City General Fund share of 1% levy for island areas
<u>VLF - Property Tax In Lieu</u> ³	\$10,585,697	Case Study: New Valuation	\$690 per \$1,000,000 assessed valuation
<u>Franchise Fees</u>	\$3,192,000	Service Population = 110,588	\$28.86 per service population
<u>Sales and Use Tax</u>	\$28,367,000	Case Study: Taxable Sales Use Tax as Percent of Sales Tax	1% of taxable sales 12.3% of sales tax
<u>Real Property Transfer Tax</u>	\$540,000	Property Turnover and Valuation Assumptions	4.0% turnover rate \$0.55 per \$1,000
<u>Licenses, Permits, Fines and Fees</u>	\$550,015	Service Population = 110,588	\$4.97 per service population
<u>Intergovernmental Revenue</u>	\$50	Total Population = 89,829	\$0.00 per capita
<u>Charges for Services</u>	\$365,400	Service Population = 110,588	\$3.30 per service population
<u>Other Revenue</u>	\$543,217	Total Population = 89,829	\$6.05 per capita
<u>Transfers to General Fund</u> ⁴	\$6,583,752	Service Population = 110,588	\$59.53 per service population
<u>Interest Earnings</u>	\$1,050,000	Share of Non-Interest Recurring Revenues = \$63,140,253	1.7% of projected recurring revenues
B. GAS TAX FUND			
<u>Ongoing State Gasoline Tax</u> ⁵	\$2,255,914	Total Population = 89,829	\$25.11 per capita

1. For fiscal factors that are based on population and employment, an estimated service population factor is applied, which represents the City's population plus 50 percent of the estimated employment commuting into the City, as shown in Table C-1.
2. Based on discussion with the City Finance Director, the fiscal analysis projects property tax to the City General Fund at 5.4 percent of the basic one percent property tax levy on the estimated assessed valuation of the project. The 5.4 percent allocation represents 50 percent of the City's historic rate of 10.8 percent. The island areas in the sphere annexation will generate property tax to the General Fund at the historic rate of 10.8 percent of the one percent levy.
3. The State has lowered the amount of vehicle license fees (VLF) received by cities and counties. However, the State is providing property taxes to offset the VLF reduction. VLF is estimated to change according to the City's increase in assessed valuation, as shown in Table C-5.
4. Based on discussion with City Finance staff, the General Fund receives revenues from other funds for provision of services to the funds, such as enterprise funds (water, sewer, storm drain and sanitation). The revenue transfers to the General Fund that are considered ongoing are presented in detail in Table C-8.
5. The fiscal analysis does not project Gas Tax Section 2107.5 revenues, which do not increase at a one-to-one basis with population growth, but increase based on specific population levels for the total City. It is assumed that the proposed project will not impact this allocation. Also, interest earned on investments is not projected for the Gas Tax Fund.

Sources: Stanley R. Hoffman Associates, Inc.

City of Chino, *Fiscal Year 2019-20 Budget*

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State, January 1, 2011-2019*,

Sacramento, California, May 2019

Southern California Association of Governments (SCAG), *Adopted 2016 Regional Transportation Plan (RTP)*

City of Chino, Finance Department

Table C-4 (page 1 of 3)
General Fund Recurring Revenues
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Revenue Category	Fiscal Year 2019-2020 Budget Revenue	Revenues for SOI Annexation Area		
		Annual Processing Fees/Permits ¹	Not Projected ²	Projected Recurring Revenue ³
TAXES				
Franchise Fees				
Public Utility	\$800,000	\$0	\$0	\$800,000
Recycling/Waste	1,640,000	0	0	1,640,000
Telecommunication	<u>752,000</u>	<u>0</u>	<u>0</u>	<u>752,000</u>
Franchise Fees Total	\$3,192,000	\$0	\$0	\$3,192,000
Property Taxes				
Secured	\$10,473,748	\$0	\$0	\$10,473,748
Unsecured	489,374	0	0	489,374
Aircraft	313,252	0	313,252	0
Unitary Utilities	395,373	0	395,373	0
Supplemental	160,000	0	160,000	0
Prior Years	342,000	0	342,000	0
RDA Elimination	2,350,000	0	2,350,000	0
Property Tax In-Lieu of VLF	10,585,697	0	0	10,585,697
Property Tax-RDA S.B. 211	240,000	0	240,000	0
Homeowners Property Tax Relief	<u>106,460</u>	<u>0</u>	<u>106,460</u>	<u>0</u>
Property Taxes Total	\$25,455,904	\$0	\$3,907,085	\$21,548,819
Other Taxes				
Real Property Transfer Tax	\$540,000	\$0	\$0	\$540,000
Special Tax - Annual Tax - Preserve	1,380,000	0	1,380,000	0
City Services Special Tax - College	2,239,000	0	2,239,000	0
Transient Occupancy Tax	400,000	0	0	400,000
Business License Tax	<u>1,050,000</u>	<u>0</u>	<u>0</u>	<u>1,050,000</u>
Other Taxes Total	\$5,609,000	\$0	\$3,619,000	\$1,990,000
Sales Tax				
	\$28,367,000	\$0	\$0	\$28,367,000
TOTAL TAXES	\$62,623,904	\$0	\$7,526,085	\$55,097,819
LICENSES AND PERMITS				
Scup-Site	\$9,002	\$9,002	\$0	\$0
Special Conditional Use Permits	16,232	16,232	0	0
Home Occupation Permits	6,625	6,625	0	0
Building Permit	1,047,404	1,047,404	0	0
Plumbing Permit	100,684	100,684	0	0
Electrical Permits	57,435	57,435	0	0
Mechanical Permits	107,285	107,285	0	0
A.D.A. S.B. 1186	14,000	14,000	0	0
R.O.W. Encroachment Permits	28,000	28,000	0	0
Wide Overweight Vehicle Fees	22,000	22,000	0	0
Detour & Lane Closer Fees	35,000	35,000	0	0
Bicycle License Fee	15	0	0	15
Zone Restricted Parking Permit	100	100	0	0
Special Event Permit	2,700	2,700	0	0
Special Permit Investigation	6,000	6,000	0	0
Special Business/Comm Revenue	3,500	3,500	0	0
Fireworks Fines	45,000	45,000	0	0
Film Permits	<u>2,500</u>	<u>2,500</u>	<u>0</u>	<u>0</u>
TOTAL LICENSES AND PERMITS	\$1,503,482	\$1,503,467	\$0	\$15
RENTAL INCOME				
Rental Income	<u>\$91,290</u>	<u>\$0</u>	<u>\$91,290</u>	<u>\$0</u>
TOTAL RENTAL INCOME	\$91,290	\$0	\$91,290	\$0
INTERGOVERNMENTAL				
Peace Officer Standards Training	\$50	\$0	\$0	\$50
State Mandated Cost Reimbursement	40,000	0	40,000	0
School Resource Fee	700,000	0	700,000	0
Grant	<u>175,082</u>	<u>0</u>	<u>175,082</u>	<u>0</u>
TOTAL INTERGOVERNMENTAL	\$915,132	\$0	\$915,082	\$50

Table C-4 (page 2 of 3)
General Fund Recurring Revenues
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Revenue Category	Fiscal Year 2019-2020 Budget Revenue	Revenues for SOI Annexation Area		
		Annual Processing Fees/Permits ¹	Not Projected ²	Projected Recurring Revenue ³
CHARGES FOR SERVICES				
General Plan Update Fee	\$163,297	\$0	\$163,297	\$0
Tentative Tract Map Fee	21,519	21,519	0	0
Tentative Parcel Map Fee	0	0	0	0
Environmental Assessment Fee	20,912	20,912	0	0
Site Approval Fees	90,744	90,744	0	0
Developer Modification Fee	5,742	5,742	0	0
C.C. & R. Fee	2,020	2,020	0	0
Preserve Cost Recovery Fee	12,829	0	12,829	0
Specific Plan Amendment Fee	6,873	6,873	0	0
Design Review-College Park Preserve	11,605	0	11,605	0
Landscape/Lighting/Wall Plan Review	16,020	16,020	0	0
General Plan Amendment	5,640	5,640	0	0
Adm Approval Type 1 & 2 W/D R.C.	16,255	16,255	0	0
Adm Approval Type 1-3 W/O R.C.	25,260	25,260	0	0
Adm Approval Type 3 W/D R.C.	3,975	3,975	0	0
Public Notice-Mail	1,275	1,275	0	0
Public Notice-Newspaper	5,115	5,115	0	0
Sign Plan Review Fee	15,960	15,960	0	0
Sign Program Review	2,304	2,304	0	0
Temporary Banner/Sign	2,520	2,520	0	0
Developer Agreement	3,500	3,500	0	0
Developer Ext.-Adm. Review	3,387	3,387	0	0
Job Valuation	109,649	109,649	0	0
Green Building Standards	1,330	1,330	0	0
Building Plan Check Fee	699,884	699,884	0	0
New Construction Fees	236,288	236,288	0	0
Home Warranty Permit	35,100	35,100	0	0
Capital Administration Fees ⁴	3,371,811	0	3,371,811	0
Engineering Planning Development Fee-East Chino	600	600	0	0
Grading Plan Check Fees	80,000	80,000	0	0
Final Subdivision Map Fee	35,000	35,000	0	0
Engineering Plan Check	1,500,000	1,500,000	0	0
Public Improvement Inspection-Land Development	2,480,000	2,480,000	0	0
Public Utilities Inspection Fee	70,000	70,000	0	0
Engineering Plans Revision Fee	6,000	6,000	0	0
Intersection Design Fees	200	200	0	0
Crime Prevention Fee	200	0	0	200
Fire Alarm Fees	1,500	0	0	1,500
Special Event Fee	30,000	0	0	30,000
Accident Report Fees	10,000	0	0	10,000
Graffiti Abatement Recovery Fee	15,000	0	0	15,000
Fingerprint Fee	3,500	0	0	3,500
Photo Sales Fee	2,500	0	0	2,500
Vehicle Report Certification	4,000	0	0	4,000
Crime Report Fees	300	0	0	300
Vehicle Inspection Fees	6,000	0	0	6,000
Towing Ordinance	75,000	0	0	75,000
DUI Response Fees	15,000	0	0	15,000
False Alarm Response Fees	30,000	0	0	30,000
Records Clearance Check	1,000	0	0	1,000
Vehicle Release Fees	120,000	0	0	120,000
Public Safety Service Fee	15,000	0	0	15,000
Local Criminal History Record	100	0	0	100
Photocopy Sales	200	0	0	200
Research Service Fees	1,500	0	0	1,500
Document Printing	30	0	0	30
Return Check Charge	300	0	0	300
Public Meeting/DVD Copy	55	0	0	55
Business Licenses Duplication	300	0	0	300
Fireworks Cost Recovery Permit	30,000	0	0	30,000
City 5% Strong Motion Fee	<u>3,915</u>	<u>0</u>	<u>0</u>	<u>3,915</u>
TOTAL CHARGES FOR SERVICES	\$9,428,014	\$5,503,072	\$3,559,542	\$365,400

Table C-4 (page 3 of 3)
General Fund Recurring Revenues
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Revenue Category	Fiscal Year 2019-2020 Budget Revenue	Revenues for SOI Annexation Area		
		Annual Processing Fees/Permits ¹	Not Projected ²	Projected Recurring Revenue ³
INVESTMENT INCOME				
Interest Income Apportioned	\$1,050,000	\$0	\$0	\$1,050,000
Interest Income Loan Water	69,228	0	69,228	0
TOTAL INVESTMENT INCOME	\$1,119,228	\$0	\$69,228	\$1,050,000
FINES AND FORFEITURES				
Truck Route Citation	\$150,000	\$0	\$0	\$150,000
Parking Citation Fines	250,000	0	0	250,000
General Court Fines	120,000	0	0	120,000
Adm Citations Public Nuisance	30,000	0	0	30,000
TOTAL FINES AND FORFEITURES	\$550,000	\$0	\$0	\$550,000
OTHER REVENUE				
Advanced Expenditure Savings	\$2,424,940	\$0	\$2,424,940	\$0
Legal Address Change-Owner Required	88,757	0	0	88,757
Evidence/Other	1,000	0	0	1,000
Maps/Publications/Bid Spec	300	0	0	300
Cost Recovery Public Nuisance	220,000	0	0	220,000
Unclaimed Funds	1,000	0	0	1,000
Cell Site Rental	26,965	0	0	26,965
Recapture of Bad Debt	1,000	0	1,000	0
Property Abatement	2,500	0	0	2,500
Reimbursements & Contributions	165,000	0	0	165,000
Donations/Sponsorships	3,000	0	0	3,000
Senior Housing Leasing Payment	350,000	0	350,000	0
Other Revenue	25,000	0	0	25,000
CFD 2006-2 Reimbursed Adm Fee	10,334	0	10,334	0
CFD 99-1 Reimbursed Adm Fee	7,789	0	7,789	0
CFD 2000-1 Reimbursed Adm Fee	7,122	0	7,122	0
CFD 2001-1 Reimbursed Adm Fee	8,607	0	8,607	0
CFD 2003-1 Reimbursed Adm Fee	9,702	0	9,702	0
CFD 2003-2 Reimbursed Adm Fee	9,053	0	9,053	0
CFD 2003-3 Reimbursed Adm Fee	41,147	0	41,147	0
CFD 2003-4 Reimbursed Adm Fee	10,571	0	10,571	0
CFD 2005-1 Reimbursed Adm Fee	79,054	0	79,054	0
CFD 2005-2 Reimbursed Adm Fee	10,877	0	10,877	0
CFD 2009-1 Reimbursed Adm Fee	12,581	0	12,581	0
CFD 2006-1 Reimbursed Adm Fee	10,960	0	10,960	0
CFD 2006-3 Reimbursed Adm Fee	10,877	0	10,877	0
CFD 2006-2 Reimbursed Adm Fee	9,695	0	0	9,695
TOTAL OTHER REVENUE	\$3,547,831	\$0	\$3,004,614	\$543,217
Transfers In				
Enterprise Funds - Overhead Charges	\$2,617,898	\$0	\$0	\$2,617,898
Enterprise Funds - ROW Maintenance and Government Facilities Reimbursement	2,111,990	0	0	2,111,990
Other Transfers In	1,853,864	0	0	1,853,864
General Overhead Total	\$6,583,752	\$0	\$0	\$6,583,752
TOTAL GENERAL FUND OPERATING REVENUES	\$86,362,633	\$7,006,539	\$15,165,841	\$64,190,253

1. Revenues that occur on a one-time basis and revenues that occur as a fixed amount payment from other agencies are not projected.
2. Certain revenues, such as transient occupancy tax, are not projected because they are not impacted by the proposed annexation.
3. These are the recurring revenue categories projected for the proposed annexation.
4. Capital administration fees represent the one-time 12% administrative charge received by the General Fund from the Capital Improvement Budget, and are not projected for this study.

Sources: Stanley R. Hoffman Associates, Inc.
City of Chino, Fiscal Year 2019-20 Budget
City of Chino, Finance Department

The City Finance Director estimates that the City will receive 50 percent of its historic allocation, or 5.4 percent of the one percent levy upon annexation of the areas in the SOI outside the island areas. The City is assumed to receive the historic share of 10.8 percent of the one percent levy for the island areas in the SOI.

VLF - Property Tax in Lieu

Cities and counties began receiving additional property tax revenue to replace vehicle license fee (VLF) revenue that was lowered when the State reduced the vehicle license tax in 2004. This VLF - property tax in lieu is projected to grow with the change in the citywide gross assessed valuation (AV) of taxable property from the prior year. VLF - property tax in lieu revenue is allocated in addition to other property tax apportionments.

As shown in Table C-5, the VLF - property tax in lieu in the City is projected to increase at \$690 per million dollars of new assessed valuation (AV). This factor is based on the change in AV and the change in VLF - property tax in lieu in the City from one fiscal year to the next fiscal year over the fiscal years from 2014 through 2018.

Per State law, when an annexation occurs the existing valuation in the area that is being annexed cannot be used in adjusting the base amount of assessed valuation in the annexing City. The City will receive VLF - property tax in lieu based on the change in its gross assessed valuation of taxable property for new development in the annexed area.

Table C-5
Estimated Vehicle License Fees (VLF) - Property Tax In Lieu Factor
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Fiscal Year	VLF - Property Tax In Lieu ¹	Assessed Valuation (AV) ²	VLF per \$1,000,000 AV ³
2014	\$6,832,348	\$9,938,219,988	\$690
2015	\$7,474,613	\$10,671,272,880	\$700
2016	\$8,021,564	\$11,278,697,488	\$710
2017	\$8,476,860	\$12,216,798,332	\$690
2018	\$9,169,512	\$13,397,159,037	\$680
Average			\$690

1. The property tax in lieu VLF amounts are from the City's budget as cited below.
2. City assessed valuation is from the County Assessor report as cited below.
3. Estimated VLF per \$1,000,000 AV is rounded to the nearest tens.

Sources: Stanley R. Hoffman Associates, Inc.
City of Chino, *Fiscal Year 2019-20 Budget*
City of Chino, *Fiscal Year 2018-19 Budget*
County of San Bernardino, *Assessment Rolls, 2014, 2015, 2016, 2017 and 2018*

Franchise Fees

The City receives a franchise fee from telephone/mobile, natural gas, electricity, water, and cable/satellite and refuse businesses within Chino for use of public rights-of-way. Based on the City FY 2019-20 adopted budget revenues of \$3,192,000 and the City's estimated service population, franchise fees are projected at \$28.86 per service population.

Sales and Use Tax

As part of the total sales tax levied by the State, all cities and counties in the State generally receive a basic one percent (1.0 percent) sales tax and have the option to levy additional sales taxes under certain circumstances. The fiscal analysis projects sales and use tax based on the projected retail taxable sales made at retail establishments annexed to the City and the retail taxable sales made in the City by the future residents of the annexed area.

In addition to sales tax revenue, the City receives revenues from the use tax, which is levied on shipments into the state and on construction materials for new residential and non-residential development not allocated to a situs location. Use tax is allocated by the State Board of Equalization (BOE) to counties and cities based on each jurisdiction's proportion of countywide and statewide direct taxable sales.

Appendix Table C-6 presents the City sales and use tax for calendar year 2017 provided by Hinderliter de Llamas and Associates (HdL). HdL estimates that \$2,806,666 of total sales and use tax was made from levies designated as use tax and the remaining \$22,778,236 of the sales and use tax was point-of-sale sales tax. Therefore, use tax revenues to the City of Chino are estimated at an additional 12.3 percent of point-of-sale sales tax.

Table C-6
Calculation of Use Tax Factor
Chino Sphere of Influence Annexation Study

City of Chino	Amount
<u>Use Tax</u>	
County Pool	\$2,796,226
State Pool	<u>10,440</u>
Total Use Tax	\$2,806,666
	<i>divided by</i>
<u>Point-of-Sale</u>	\$22,778,236
	<i>equals</i>
Use Tax Rate ¹	12.3%

1. The use tax rate is the County Pool plus the State Pool divided by point-of-sale taxable sales tax.

Sources: Stanley R. Hoffman Associates, Inc.

The HdL Companies, *Sales Tax Allocation Totals, Calendar Year 2017*

Real Property Transfer Tax

Sales of real property are taxed by San Bernardino County at a rate of \$1.10 per \$1,000 of property value. For property located in the City, property transfer tax is divided equally between the City and the County, with the City receiving \$0.55 per \$1,000 of transferred property value. Based on the U.S. Census Bureau, 2013-2017 American Community Survey, residential development in the City is assumed to change ownership at an average rate of about 4.0 percent per year, as shown in Appendix Table C-7.

**Table C-7
Estimated Annual Residential Turnover
Chino Sphere of Influence Annexation Study**

City of Chino	Occupied Housing Units	Percent Turnover
Total Owner Occupied Units	12,466	
Moved in 2015 or later	478	
Moved in 2010 to 2014	2,737	
Moved in 2000 to 2009	4,534	
Total Moved 2000 to 2017	7,749	
Annual Turnover Rate: 2000 to 2017¹	456	4%

1. The annual turnover rate is based on the assumption of seventeen years for the 2000 to 2017 period.

Sources: Stanley R. Hoffman Associates, Inc.

U.S. Census Bureau, 2013-2017 American Community Survey (ACS) 5-Year Estimates, Tenure by Year Householder Moved Into Unit, Report B25038, Chino, California

Licenses, Permits, Fines and Fees

These fees are projected at \$4.97 per service population based on revenues of \$550,015 and the current city service population estimate of 110,588. Projected revenues in this category include recurring licenses, permits, parking citations, court fines and other fines as shown in Table C-4.

Intergovernmental Revenue

This category includes vehicle license fees and Peace Officer Standards Training (POST) which are allocated on a population basis. As shown in Table C-3, these revenues are projected at \$0.00 per capita based on the FY 2019-20 adopted revenues of \$50.00 and the City's estimated population of 89,829.

Charges for Services

Charges for services include sales of maps and publications; towing fees; false alarm fees; vehicle impound fees and miscellaneous services; as shown in Table C-4. Recurring charges for services are projected at \$3.30 per service population based on revenues of \$365,400 and the current city service population estimate of 110,588. Charges for services to other City funds are identified as transfers to the General Fund in the fiscal analysis.

Other Revenue

As shown in Table C-3, these revenues are projected at \$6.05 per capita based on FY 2019-20 revenues of \$543,217 and the City population estimate of 89,829. Revenues in this category include reimbursements, contributions and miscellaneous revenue.

Transfers to General Fund

As shown in Table C-3, transfers to the General Fund are projected at \$59.53 per service population based on FY 2019-20 budget revenues of \$6,583,752 and the City's estimated service population of 110,588. Transfers to the City General Fund from other City funds include provision of general government overhead services and ROW maintenance for enterprise funds for water, sewer, storm drain and sanitation. Detailed ongoing transfers to the General Fund are included in Table C-8.

Table C-8
Revenue Transfers to the General Fund
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Transfer From Category	Fiscal Year 2019-20 Ongoing Interfund Transfers to General Fund
Overhead	
Water - General and Department Reimbursement	\$1,860,174
Sewer - General and Department Reimbursement	340,806
Storm Drain - General and Department Reimbursement	241,889
Sanitation - General and Department Reimbursement	<u>175,029</u>
Total Overhead Transfer	\$2,617,898
Enterprise Allocation	
Water - ROW Maintenance and Govt. Facilities Reimbursement	\$963,849
Sewer - ROW Maintenance and Govt. Facilities Reimbursement	742,182
Storm Drain - ROW Maintenance and Govt. Facilities Reimbursement	<u>405,959</u>
Total Enterprise Allocation	\$2,111,990
Other Transfers in to General Fund	
From Successor Agency Adm	\$0
Local Public Safety - Reimburse General Fund Expenses	918,000
Traffic Safety - Reimburse General Fund Expenses	170,800
AB 3229 Public Safety Grant - Reimburse General Fund COPS Grant Projects	0
Transportation DIF Fee Update N7207	0
Law Enforcement DIF - FY 19-20 Sworn Position Equipment N4900	75,900
Water Development DIF Fee Update N7207	0
Sewer DIF Fee Update N7207	0
Storm Drain Development DIF Fee Update N7207	0
B/S/T Preserve DIF Fee Update N7207	8,837
Public Education Government (PEG) - Council Chambers Audio Visual Project C2005	125,986
Public Education Government (PEG) - City Hall Lobby Digital Screens C2006	5,000
RMP - Riverside Land Conservancy Project N6011	141,621
RMP - Transfer of Reserves for Bickmore and Kimball Basins N6026	0
Water - Transfer of Reserves to Repay Loan for Water Meter Replacement	<u>407,720</u>
Total Other Transfers in to General Fund	\$1,853,864
Total Transfers to General Fund	\$6,583,752

Sources: Stanley R. Hoffman Associates, Inc.
City of Chino, *Fiscal Year 2019-20 Budget*
City of Chino, Finance Department

Interest Earnings

These revenues represent about 1.5 percent of projected recurring General Fund revenues in the fiscal analysis, as shown in Table C-3.

C.3 City Gas Tax Fund

State gasoline taxes are projected at \$25.11 per capita based on the FY 2019-20 budget revenue amount of \$2,255,914 and the City population estimate of 89,829. State Gasoline tax accrues to the Gas Tax Fund, and is then transferred to the Transportation Fund. Gas tax revenues contribute to expenditures for street maintenance, including sidewalks, curbs, gutters and other street related maintenance.

C.4 City General Fund Cost Assumptions

The General Fund cost factors that are used in preparing the fiscal analysis for the Chino SOI Annexation Study are presented in Table C-9. These factors are based on the expenditures in the City's FY 2019-20 budget shown in Table C-10 and the City's population and service population estimates that were presented earlier in Table C-1.

Projected General Fund expenditures include general government, or overhead functions, and the following non-general government services of fire, police, development services, public works and ongoing transfers to other funds that provide ongoing direct departmental type services to the City.

General Government

General government costs such as Reserve Fund expenditures, Administration services (including Legislative, City Attorney, City Manager, City Clerk, Community Promotion, State of the City and Community Services Corps), Finance and Human Resources expenditures; provide overhead services that cannot be directly linked to a specific department. General government costs include administration and support of departmental line costs such as police, fire and public works. These General Government costs are usually viewed as citywide overhead and are projected using an overhead rate applied to direct departmental line costs. However, overhead costs are not assumed to increase on a one-to-one basis for the proposed annexation. General government costs are projected at a marginal rate of 75 percent of the current rate.

As shown in Panel B of Table C-10, FY 2019-20 adopted general government costs of \$6,955,045 represent about 9.1 percent of current direct line costs of \$76,268,135. A marginal increase of 75 percent of 9.1 percent is 6.8 percent. Therefore, general government costs for the proposed annexation are projected at 6.8 percent of direct recurring costs.

Table C-9
General Fund Recurring Cost Factors
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Cost Category	Fiscal Year 2019-2020 Expenditures	Net Cost	Projection Basis ¹	Annual Projection Factors
<u>General Government</u> ²	\$6,955,045	\$5,216,284	Case study	6.8% of direct department costs, at a 75% marginal rate
<u>Fire Service Contract</u> ³	\$11,150,000	n/a	Case study	0.38% City General Fund share of 1% levy, North SOI 0.31% City General Fund share of 1% levy, South SOI
<u>Police Protection</u>	\$41,012,522	\$41,012,522	Service population = 110,588	\$370.86 per service population
<u>Development Services</u> ⁴	\$9,182,514	\$2,175,975	Service population = 110,588	\$19.68 per service population
<u>Public Works</u> ⁵	\$274,777	\$274,777	Service population = 110,588	\$2.48 per service population
<u>Transfers to Other Funds</u> ⁶				
Community Services Fund	\$5,066,407	\$5,066,407	Resident Population = 84,122	\$60.23 per capita
Transportation Fund	\$3,568,453	\$3,568,453	Service population = 110,588	\$32.27 per service population
Landscape and Lighting Fund	\$5,051,811	\$5,051,811	Service population = 110,588	\$45.68 per service population
City's Portion for 50% Perimeter Fair Share	\$352,000	\$352,000	Service population = 110,588	\$3.18 per service population
Assessment District Backfill	<u>\$609,651</u>	<u>\$609,651</u>	Service population = 110,588	<u>\$5.51</u> per service population
Total Transfers to Other Funds	\$14,648,322	\$14,648,322		\$146.87 per service population

- For fiscal factors that are based on population and employment, an estimated service population factor is applied, which represents the City's resident population plus 50 percent of the estimated employment from outside the City, as shown in Table C-1.
- The calculation of the general government overhead rate is presented in Table C-4. General government (overhead) costs are not assumed to increase on a one-to-one basis with new growth. Therefore, the fiscal analysis projects general government at a marginal rate of 75 percent of the current estimated rate of 9.1 percent of non-general recurring costs, or at 6.8 percent of direct costs.
- The Chino Valley Independent Fire District (CVIFD) provides fire protection to the project site and will continue to provide service after annexation to the City of Chino. The CVIFD receives an allocation of the basic one percent property tax levy based on the tax rate area (TRA) in which the property is located. Based on discussion with the City Finance Director, if the TRA allocation to the CVIFD is below the citywide average of about 15.07 percent of the basic one percent levy the City has a contract to provide payments to the CVIFD to make up the difference between the specific TRA allocation for the annexed area and the citywide average of 15.07 percent. The detailed additional allocations by North SOI and South SOI are presented in the detailed fiscal projections in Appendix B.
- Initial development services costs are reduced by projected one-time revenues, as presented in Table C-11.
- Based on discussion with City Finance staff, certain ongoing transfers from the General Fund are made to other City funds for provision of direct departmental type City services (such as Community Services and Transportation), and are considered ongoing expenditures for the General Fund. Table C-12 presents all transfers from the General Fund and highlights those transfers that represent ongoing direct expenditures for City services.

Sources: Stanley R. Hoffman Associates, Inc.
City of Chino, *Fiscal Year 2019-20 Budget*
City of Chino, Finance Department
State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State, January 1, 2011-2019*,
Sacramento, California, May 2019
Southern California Association of Governments (SCAG), *Adopted 2016 Regional Transportation Plan (RTP)*

Table C-10
Calculation of City General Government Overhead Rate
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Ongoing General Fund Expenditures	Fiscal Year 2019-2020 Budget Expenditure	General Government	Non-General Government
<u>General Government</u>			
Internal Department - Reserve Fund	\$0	\$0	
Administration	4,380,845	4,380,845	
Finance	2,509,301	2,509,301	
Human Resources	<u>64,899</u>	<u>64,899</u>	
Total Overhead Administration	\$6,955,045	\$6,955,045	
<u>Non-General Government</u>			
Fire - Payments to Chino Valley Independent Fire District	\$11,150,000		\$11,150,000
Police	41,012,522		41,012,522
Development Services	9,182,514		9,182,514
Public Works	274,777		274,777
Ongoing Transfers Out To ¹ :			
Community Services Fund	5,066,407		5,066,407
Transportation Fund	3,568,453		3,568,453
Landscape and Lighting Fund	5,051,811		5,051,811
City's Portion for 50% Perimeter Fair Share	352,000		352,000
Assessment District Backfill	<u>609,651</u>		<u>609,651</u>
Subtotal Transfers Out	14,648,322		14,648,322
GRAND TOTAL GENERAL FUND	\$83,223,180	\$6,955,045	\$76,268,135
<u>Current General Government Overhead Rate</u>			
General Government Expenditures			\$6,955,045
Direct General Fund Expenditures		<i>divided by</i>	\$76,268,135
Current General Government Overhead Rate		<i>equals</i>	9.1%
Marginal Increase in General Government Costs @ 75% ²			6.8%

1. Total transfers out from the General Fund are presented in Table C-12. Based on discussion with City Finance staff, only the ongoing transfers from the General Fund to other City funds for provision city services are highlighted in Table C-12. These highlighted ongoing transfers are considered expenditures for the General Fund for the SOI annexation areas and are the expenditures included in this table.
2. General government costs for the project are not assumed to increase on a one-to-one basis. Therefore, the fiscal analysis projects general government at a marginal rate of 75 percent of the current 9.1 percent of non-general recurring costs, or at 6.8 percent of direct recurring costs.

Sources: Stanley R. Hoffman Associates, Inc.
City of Chino, *Fiscal Year 2019-20 Budget*
City of Chino, Finance Department

Fire Service Contract

The Chino Valley Independent Fire District (CVIFD) provides fire protection to the SOI and will continue to provide service after annexation to Chino. The CVIFD receives an allocation of the basic one percent property tax levy based on the tax rate area (TRA) in which the property is located. Based on discussion with the City Finance Director, if the TRA allocation to the CVIFD is below the citywide average of about 15.07 percent of the basic one percent levy, the City has a contract to provide payments to the CVIFD to make up the difference between the specific TRA allocation for the annexed area and the citywide average of 15.07 percent.

The North SOI allocates about 14.69 percent of the one percent property tax levy to the CVIFD. Therefore, the City will transfer an amount equal to about 0.38 percent (15.07 minus 14.69) of the basic one percent property tax levy for the North SOI annexation area to the CVIFD. The current average allocation to the SOI to the CVIFD is 14.76 percent of the one percent property tax levy. The City will allocate about 0.31 percent (15.07 minus 14.76) to the CVIFD for the South SOI annexation area.

Police Protection

Police costs are projected at \$370.86 per service population, as shown in Table C-3, based on FY 2019-20 budget expenditures of \$41,012,522 and the City's service population estimate of 110,588.

Development Services

The Development Services Department provides department administration, services for the City's Planning Commission, and planning, engineering, land development and code enforcement services. Based on FY 2019-20 net development services costs of \$2,175,975 and the City service population estimate of 110,588, non-fee supported costs for development services are estimated at \$19.68 per service population, as shown in Table C-9. The total General Fund development services costs of \$9,182,514 are offset by one-time processing permit and fee revenues of \$7,006,359, resulting in net development services costs of \$2,175,975, as shown in Table C-11.

Public Works

General Fund public works costs include department administration services. As shown in Table C-9, public works costs are projected AT \$2.48 per service population based on FY 2019-20 public works costs of \$274,777 and the City service population estimate of 110,588.

Transfers to Other Funds

Based on discussion with City Finance staff, the General Fund provides certain ongoing transfers to other City funds for provision of direct departmental type City services. In addition to these transfers, these other City funds also receive revenue from other sources.

Table C-12 presents all transfers from the General Fund and highlights those transfers that represent the following ongoing direct expenditures for City services:

Table C-11
General Fund Net Development Services and Public Works Cost Factors
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Category	Amount
<u>Development Services Costs</u>	
Administration	\$303,684
Planning Commission	19,076
Planning	1,873,520
Building	1,876,608
Code Enforcement	1,121,121
R.O.W. Permits and Inspections	1,404,876
ADA Accessibility	322,203
Development Engineering	<u>2,261,426</u>
Total Development Services Costs	\$9,182,514
	<i>minus</i>
<u>One-Time Development Processing Revenues</u>	
Permits and Fees	\$1,503,467
Charges for Development Services	<u>5,503,072</u>
Total One-Time Development Processing Revenues	\$7,006,539
	<i>equals</i>
<u>Recurring Net Development Services Costs</u>	
	\$2,175,975
	<i>divided by</i>
Service Population ¹	110,588
	<i>equals</i>
<u>Citywide Net Cost Factor per Service Population for Community Development</u>	\$19.68

1. For fiscal factors that are based on population and employment, an estimated service population factor is applied, which represents the City's resident population, plus 50 percent of the estimated employment from outside the City, as shown in Table C-1.

Sources: Stanley R. Hoffman Associates, Inc.
City of Chino, *Fiscal Year 2019-20 Budget*

Table C-12
Transfers from the General Fund to Other City Funds
Chino Sphere of Influence Annexation Study
(In Constant 2019 Dollars)

Transfer of Reserves to Other City Funds	Fiscal Year 2019-20		
	Interfund Transfers Out from General Fund		
	Ongoing ¹	Not Ongoing	Total
ROPS - Administrative Costs of the ROPS	\$0	\$0	\$0
Disaster Reserve - Maintain the 2.5% Reserve Policy ²	0	30,292	30,292
Transportation - Planning Program	0	0	0
Transportation - Backfill Transportation Maintenance	3,568,453	0	3,568,453
Transportation - Local Street Overlay Program-Maint MS181	0	1,702,500	1,702,500
Transportation - Traffic Signal Cabinet Project MS191	0	405,000	405,000
Transportation - Street Rehab FY15-16 #ST162	0	1,670,119	1,670,119
Transportation - Street Rehab FY16-17 #ST171	0	810,000	810,000
Transportation - ROW ADA Improvements ST173	0	296,000	296,000
Transportation - El Prado Rehab FY17-18 #ST181	0	1,842,840	1,842,840
Transportation - Bicycle, Pedestrian & Transit Improv. ST182	0	0	0
Transportation - 18-19 Street Rehab & TSM Riverside Drive ST183	0	1,893,929	1,893,929
Transportation - Street Rehab FY18-19 ST190	0	191,370	191,370
Transportation - Chino/Ramona Accessibility Imp. ST202	0	230,000	230,000
Transportation - ADA Upgrades-Carissa/Grant ST201	0	135,000	135,000
Transportation - Edison Ave TSM & Interconnect TR151	0	198,000	198,000
Transportation - CCTV Camera Installation TR162	0	10,000	10,000
Transportation - CCTV Camera Installation TR182	0	10,000	10,000
Transportation - TSM Ramona Ave/Schaefer TR172	0	25,000	25,000
Transportation - Chino Avenue Storm Drain #SD151	0	23,265	23,265
Transportation - Union Pacific Railroad Project N7209	0	98,000	98,000
Transportation - CDBG Streetlight Installation MS162	0	29,115	29,115
Transportation - SBCTA Traffic Signal Coord N7021	0	70,000	70,000
Transportation - Traffic Survey N7601 and Traffic Model N7602	0	0	0
Transportation - McBride RV Storage	0	0	0
Transportation - CIP Project Management Services MS163	0	1,988	1,988
Community Services - Community Services Fund	5,066,407	0	5,066,407
Park Fund - Monte Vista Restroom/Shade Structure PK183	0	154,922	154,922
Landscape/Lighting - Landscape and Lighting Fund	5,051,811	0	5,051,811
LLMD Maintenance District - City's Portion for 50% Perimeter Fair Share	352,000	0	352,000
Assessment District Backfill	609,651	0	609,651
Building Management Fund - Civic Center Master Plan N8074	0	275,000	275,000
Building Management Fund - Library Renovation/Parking Lot Project PF161	0	125,000	125,000
Building Management Fund - Ayala Park Restroom B&C ADA Upgrades IB208	0	52,000	52,000
Building Management Fund - Old School House Museum PF201	0	324,286	324,286
Building Management Fund - Senior Center Ph II ROW/Parking PF203	0	80,000	80,000
Building Management Fund - Library Imp Ph II ROW/Parking PF204	0	80,000	80,000
Total General Fund Transfers Out	\$14,648,322	\$10,763,627	\$25,411,948

1. Based on discussion with City Finance staff, the ongoing transfers from the General Fund to other City funds for provision of City services are highlighted. These transfers are considered ongoing expenditures for the General Fund for the proposed project.
2. While transfers to maintain the 2.5% reserve policy may be ongoing, they are not projected in the fiscal analysis based on discussion with City Finance staff.

Sources: Stanley R. Hoffman Associates, Inc.
City of Chino, *Fiscal Year 2019-20 Budget*
City of Chino, Finance Department

Community Services Fund. This fund provides revenue for the Community Service Department which provides community and neighborhood parks, trails, recreation facilities, and human services for youth and senior populations. As shown in Table C-3, the General Fund expenditures for the Community Services Fund are estimated at \$60.23 per capita based on the FY 2019-20 General Fund transfer amount of \$5,066,407 and the City resident population estimate of 84,122 (excluding group quarters).

Transportation Fund. The General Fund expenditures for the Transportation Fund are estimated at \$32.27 per service population based on the FY 2019-20 General Fund transfer amount of \$3,568,453 and the City service population estimate of 110,588.

This fund provides maintenance and operating services for the City's public rights-of-way, including streets, traffic signals, landscaping, street lighting, City vehicles and equipment and City facilities. Based on discussion with City Finance staff, these funds will cover any ongoing maintenance and operations costs associated with the public road improvements for annexation area.

Landscape and Lighting Fund. The General Fund cost for the Landscape and Lighting Fund is projected at \$45.68 per service population. This cost factor is based on the FY 2019-20 transfer of \$5,051,811 and the existing City service population estimate of 110,588.

City's Portion for 50% Perimeter Fair Share. Based on the General Fund transfer of \$352,000 and the City service population estimate, these costs are projected at \$3.18 per service population.

Assessment District Backfill. These General Fund costs are projected at \$5.51 per service population based on FY 2019-20 transfers of \$609,651 and the estimated current City service population of 110,588.

APPENDIX D PROJECT REFERENCES

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