

Allegro Tentative Tract Map No. 20237 Project Fiscal Impact Analysis City of Rialto

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May 24, 2019

SRHA Job #1371

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EXECUTIVE SUMMARY

This report provides the projected ongoing fiscal impacts to the City of Rialto for the proposed Allegro Tentative Tract (TT) Map No. 20237 Project. The proposed Project includes 60 single family residential units on 9.81 acres to be located on the eastern side of Acacia Avenue, between Merrill Avenue and Randall Avenue as shown in Figure 1. The Project will be accessed through a gated entrance on Acacia Avenue.

Projected Fiscal Impacts

The fiscal impact analysis is based on the land use description provided by the applicant, Asian Pacific, Inc. The recurring fiscal impacts to the City include projected impacts with the City's current utility users tax. On June 5, 2018 Rialto voters approved Measure M to indefinitely extend the existing utility users tax (UUT). Fiscal impacts are presented in constant 2019 Dollars with no adjustment for future inflation.

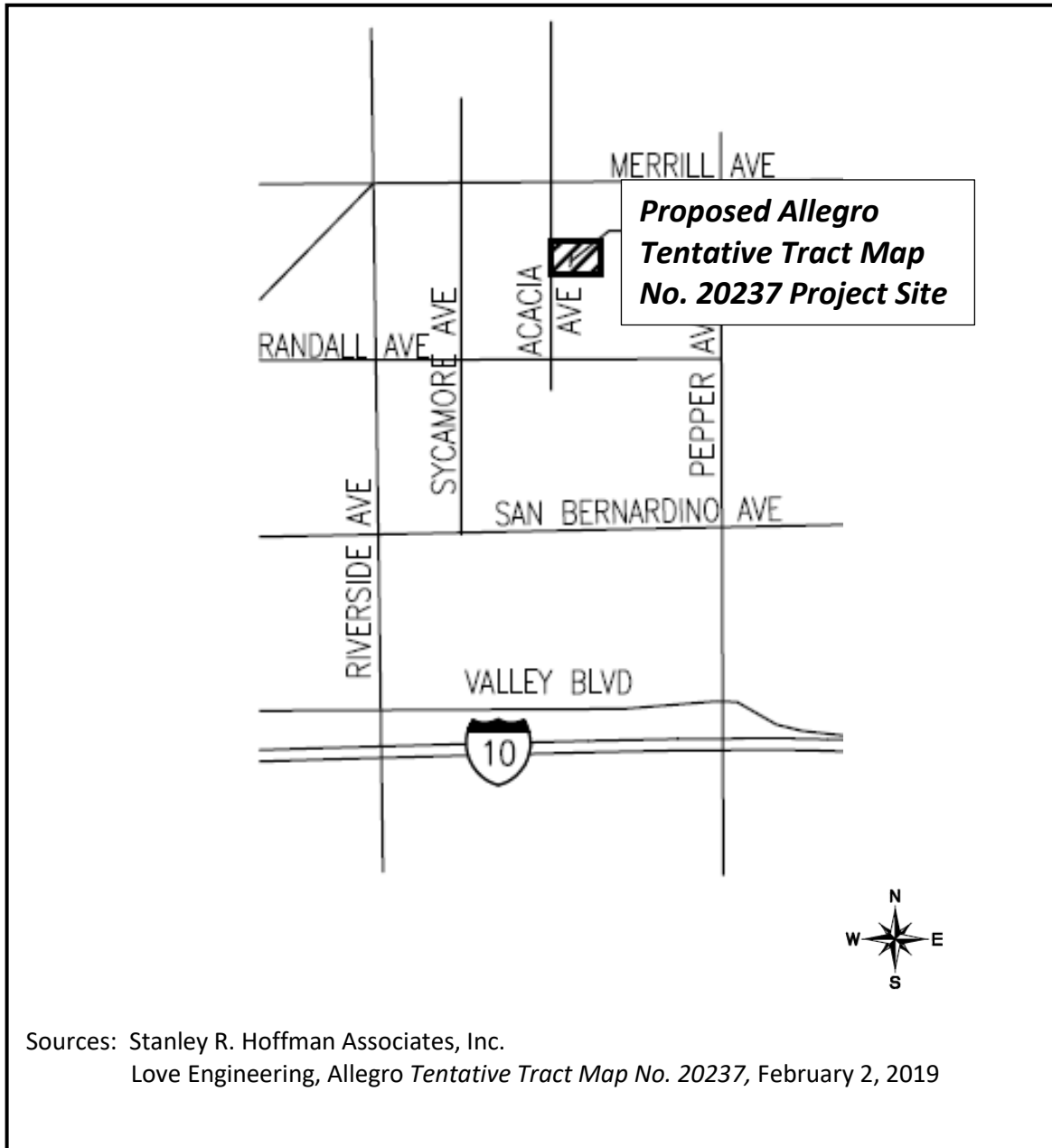
As shown in Table 1, a recurring annual deficit of \$16,610 is projected at buildout of the Allegro Tentative Tract Map No. 20237 Project. Based on the 60 units proposed for the Project, the projected annual deficit is rounded to \$280 per unit.

Table 1
Summary of Projected Fiscal Impacts after Buildout
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Category	Buildout
Annual Recurring Revenues	\$147,320
Annual Recurring Costs	<u>163,930</u>
Annual Recurring (Deficit)	(\$16,610)
Revenue/Cost Ratio	0.90
<u>Annual (Deficit) per Unit</u>	
Number of Units	60
Annual (Deficit) per Unit	(\$280)

Source: Stanley R. Hoffman Associates, Inc.

Figure 1
Vicinity Location
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto



CHAPTER 1 INTRODUCTION

The fiscal impact analysis for the Allegro Tentative Tract Map No. 20237 Project provides an assessment of the annual recurring impacts to the City's General Fund after buildout of the proposed Project.

1.1 Project Location

The proposed Project is located on the east side of Acacia Avenue between Merrill Avenue and Randall Avenue, as shown in Figure 1-1. Several existing structures are located on the site along the southern boundary.

1.2 Approach and Methodology

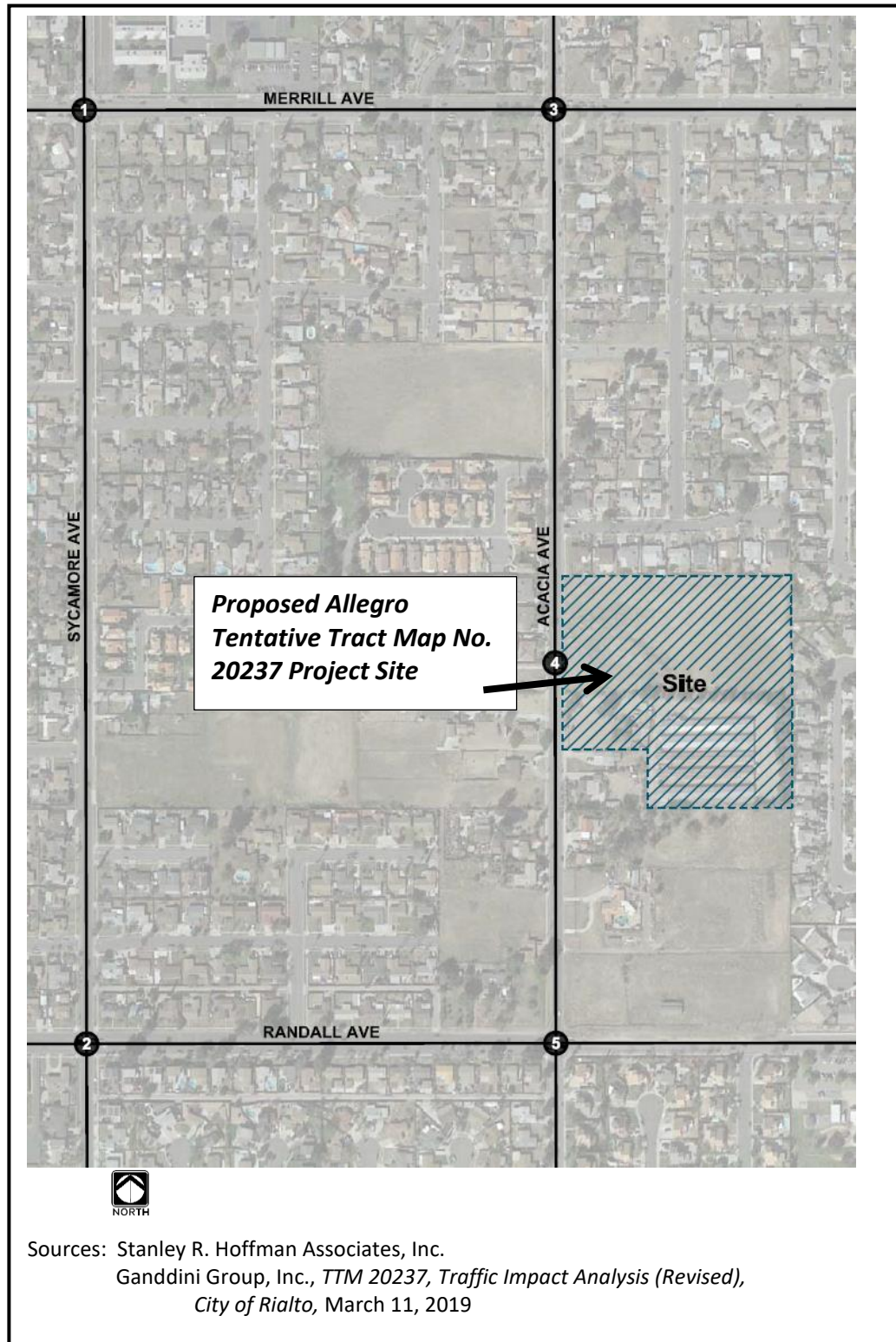
The fiscal analysis is based on data and assumptions from the following sources:

- Revenue and expenditure information is from the *City of Rialto, Annual Budget 2018–2019*.
- Revenue and cost factors are based on the January 1, 2018, City population estimate from the California Department of Finance (DOF) and the 2018 employment estimate from the Southern California Association of Governments (SCAG), *Adopted 2016 Regional Transportation Plan (RTP)*.
- Cost factors are based on the current level of services provided by the City.
- Land use and valuation information is from the applicant, Asian Pacific Inc.
- Property tax revenue projection to the City General Fund is based on the assessed valuation of the proposed development and the property tax allocation to the City for the tax rate area (TRA) in which the project is located (14.05 percent of the basic one percent property tax levy).
- Revenue and cost factors are projected in constant 2019 Dollars, with no adjustment for future inflation.

1.3 Organization of the Report

Chapter 2 contains the development descriptions of the proposed Allegro Project. The fiscal impact analysis of the annual operations and maintenance costs for the provision of services to the Project is provided in Chapter 3. Chapter 4 covers the revenue and cost assumptions used for the fiscal analysis. Appendix A includes supporting tables for the fiscal assumptions, and Appendix B lists the project references utilized in this study.

Figure 1-1
Project Site Location
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto



CHAPTER 2 PROJECT DESCRIPTION

This chapter presents the development description for the Allegro Tentative Tract Map No. 20237 Project provided by Allegro Company, the project applicant. The conceptual site plan for the Allegro Tentative Tract Map No. 20237 Project is included as Figure 2-1. Table 2-1 includes the units, estimated population, net assessed valuation, projected property tax and projected retail sales and use tax captured in the City from taxable purchases made by future residents of the project.

2.1 Residential Development

The project site includes a total of 9.10 gross acres and will have 60 new single family residential units after buildout. As shown in Panel B of Table 2-1, population of the proposed Allegro Tentative Tract Map No. 20237 Project is estimated at 239 after buildout. Population is estimated based on the citywide average factor of 3.98 persons per unit as reported in the January 1, 2018 population and housing estimates from the State Department of Finance (DOF).

2.2 Net Assessed Valuation Increase and Projected Property Tax

Assessed Valuation

As shown in Panel C of Table 2-1, new residential valuation is projected at \$25.20 million after buildout based on average value per unit of \$420,000 provided by the Project applicant. When the existing valuation of about \$1.09 million for the Project site (see Table 2-2) is subtracted from the new valuation, the net new valuation for the Project is estimated at about \$24.11 million.

Projected General Fund Property Tax

Panel D of Table 2-1 presents the projected property tax to the City's General Fund for the Allegro Tentative Tract Map No. 20237 Project after buildout. Based on the estimated net new assessed valuation of about \$24.11 million, the basic 1 percent property tax levy is estimated at \$241,137. The property tax allocation to the City for the tax rate area (TRA) in which the Project is located is 14.05 percent, as shown in Table A-3. Therefore, the recurring property tax increase to the City's General Fund for the Project after buildout is estimated at \$33,880 when rounded to the nearest tens.

Figure 2-1
Conceptual Site Plan
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto

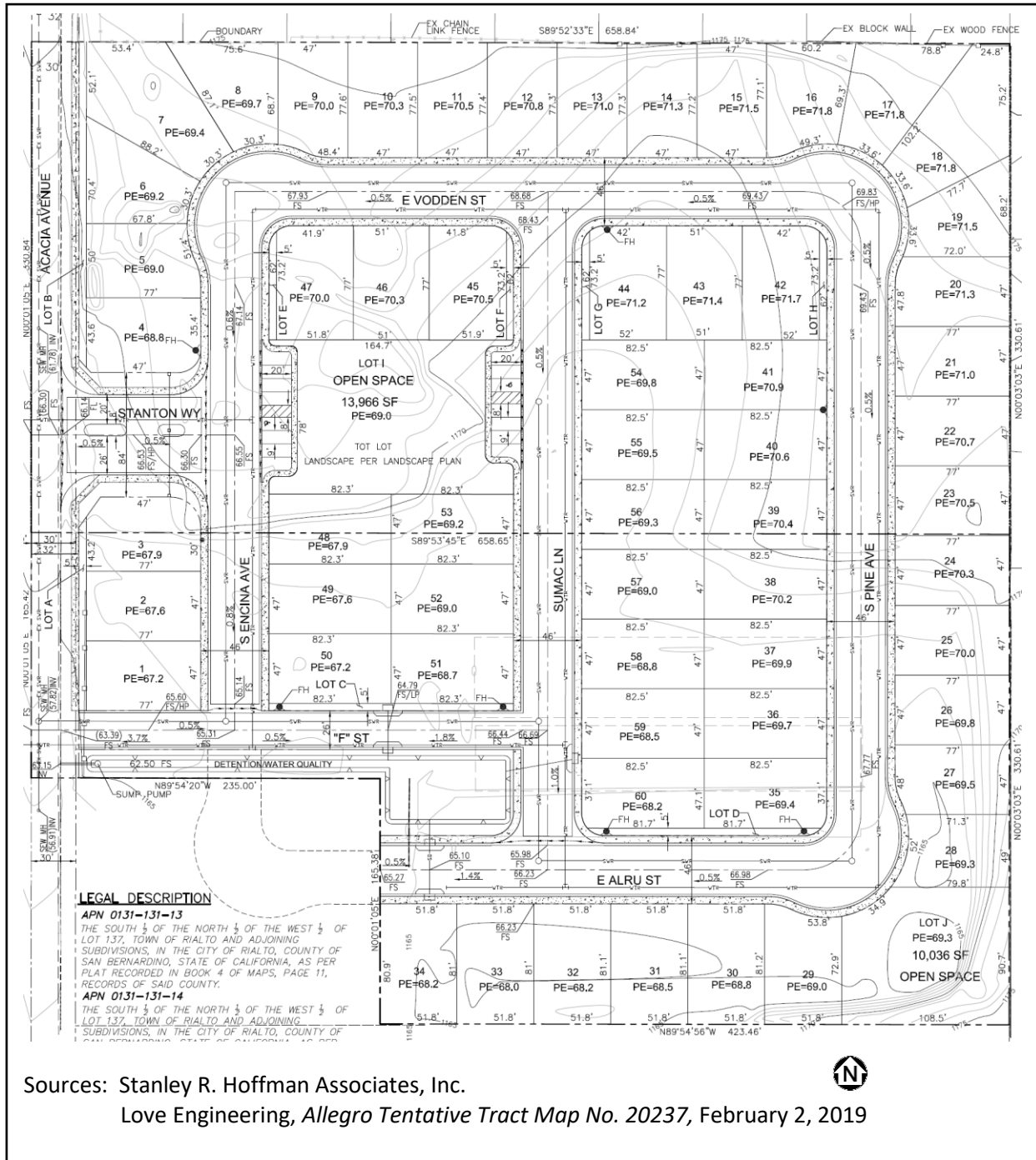


Table 2-1
Detailed Development Description after Buildout
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Category	Buildout
A. PROJECT SITE ACRES	
Gross Acres	9.10
Net Acres	6.54
B. RESIDENTIAL DEVELOPMENT	
Single Family Residential Units	60
Population (@ citywide average of 3.98 persons per unit)	239
C. ESTIMATED NET NEW ASSESSED VALUATION	
Average value of \$420,000 per unit	\$25,200,000
Existing Valuation	<i>minus</i> \$1,086,335
Net New Assessed Valuation	\$24,113,665
D. ESTIMATED RECURRING PROPERTY TAX	
1% Property Tax Levy	\$241,137
City of Rialto Share of 1% Percent Levy	<i>times</i> 14.05%
Estimated Recurring Property Tax to General Fund ¹	<i>equals</i> \$33,880
E. ESTIMATED RECURRING IN LIEU PROPERTY TAX (VLF)	
Net New Assessed Valuation (AV)	\$24,113,665
In Lieu Property Tax (VLF) per \$1,000,000 AV	<i>times</i> \$1,450
Estimated Recurring In Lieu Property Tax (VLF) ¹	<i>equals</i> \$34,960
F. ESTIMATED RETAIL SALES AND USE TAX	
Estimated Project Population	239
Average City Retail Sales and Use Tax per Capita	<i>times</i> \$102
Estimated Recurring Sales and Use Tax ¹	<i>equals</i> \$24,420

1. Estimated property tax, in lieu property tax (VLF) and sales and use tax are rounded to the nearest tens.

Sources: Stanley R. Hoffman Associates, Inc.
City of Rialto, Assistant City Administrator/Development Services Director
Michael Ramirez, Asian Pacific, Inc., Applicant

Table 2-2
Estimated 2018 Assessed Valuation of Project Site
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Parcel Number	2018 Assessed Valuation (AV)						Tax Rate Area
	Land Value	Improvement Value	Personal Property	AV Total	Less Real Estate Exemptions	Net AV ¹	
0131-131-13-0000	\$382,500	\$0	\$0	\$382,500	\$0	\$382,500	6000
0131-131-14-0000	382,500	0	0	382,500	0	382,500	6000
0131-131-23-0000	<u>208,333</u>	<u>113,002</u>	<u>0</u>	<u>321,335</u>	<u>0</u>	<u>321,335</u>	6000
Total	\$973,333	\$113,002	\$0	\$1,086,335	\$0	\$1,086,335	

1. The net assessed valuation was calculated by subtracting the total real estate exemptions from the sum of the land value, improvement value, and personal property.

Sources: Stanley R. Hoffman Associates, Inc.

San Bernardino County, Assessor-Recorder-County Clerk, 2018 Roll Values

2.3 Projected In Lieu Property Tax - Vehicle License Fees (VLF)

The City's General Fund will also receive in lieu property tax - VLF based on the increase in assessed valuation in the City. As shown in Appendix Table A-4, the VLF - property tax in lieu in the City is projected to increase at the rate of \$1,450 per million dollars of new assessed valuation (AV). Therefore, as shown in Panel E of Table 2-1, based on the net new assessed valuation of \$24.11 million and the factor of \$1,450 per million dollars, in lieu property tax - VLF is projected at \$34,960 annually after buildout.

2.4 Projected Off-Site Retail Sales and Use Tax Captured in Rialto

Sales and use tax is projected for the retail taxable sales that will be captured in the City from off-site purchases made by the future residents of the proposed Allegro Project subdivision. As shown in Panel F of Table 2-1, estimated annual residential retail sales and use tax by future Allegro Project residents is projected at \$24,420 after buildout.

Retail sales and use tax from taxable purchases made by future Allegro Project residents is projected at \$102 per capita, as shown in Table 2-3. Point-of-sale sales tax in the City is estimated at \$15.18 million for 2017 by Hinderliter de Llamas (HDL), as shown in Appendix Table A-6. Based on the most recent distribution of retail and non-retail taxable sales from the

Table 2-3
Estimated Residential Retail Sales and Use Tax Factor
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto

Category	Amount
Total Point-of-Sale Sales Tax ¹	\$15,175,462
Retail Percent of Total ²	64%
Estimated Retail Sales Tax (@ 64% of Total)	\$9,712,296
Estimated City Population	107,041
Retail Sales Tax per Capita	\$91
Use Tax @ 12.3 Percent of Point-of-Sale Sales Tax ³	<u>11</u>
Total Retail Sales and Use Tax per Capita	\$102

1. As shown in Appendix Table A-6, Hinderliter de Llamas (HdL) reported about \$15.18 million of total point-of-sale sales tax for Rialto during 2017.
2. The HDL amount for Rialto for 2017 is allocated 64 percent to retail and 36 percent to non-retail based on the distribution from BOE in Appendix Table A-7.
3. The calculation of the use tax is included in Appendix Table A-6.

Sources: Stanley R. Hoffman Associates, Inc.

Hinderliter de Llamas and Associates, *City of Rialto Sales and Use Tax, Calendar Year 2017*

California State Board of Equalization, *Taxable Sales in California (Sales and Use Tax), 2016*

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

Counties and the State - January 1, 2011-2018, Sacramento, May 2018

City of Rialto, Assistant City Administrator/Development Services Director

California Board of Equalization (BOE), 64 percent of taxable sales are retail, as shown in Appendix Table A-7. Applying this 64 percent to the HdL Companies estimated sales tax of \$15.18 million, retail sales are estimated at \$9.71 million. Based on the City population estimate of 107,041, Citywide per capita retail sales tax is estimated at \$91 per capita. Use tax, estimated at 12.3 percent of point-of-sale sales tax results in an additional \$11 of tax per capita. Total average retail sales and use tax is estimated at \$102 per capita, as shown in Table 2- 3.

CHAPTER 3 FISCAL IMPACTS

This chapter presents the fiscal analysis of the Allegro Tentative Tract Map No. 20237 Project. The fiscal analysis is based on the land use descriptions provided by Asian Pacific, Inc. Fiscal impacts are presented in constant 2019 dollars with no adjustment for inflation.

3.1 Projected Fiscal Impacts

As shown in Panel A of Table 3-1, a recurring annual deficit of \$16,610 is projected after buildout of the Allegro Project. The annual projected recurring deficit of \$16,610 after buildout is based on projected recurring revenues of \$147,320 and recurring costs of \$163,930, including a 5% contingency/reserves factor. Based on the 60 units in the project, an average recurring deficit of \$280 per unit is projected, as shown in Panel B of Table 3-1.

Projected Recurring Revenues. About 47 percent of the total projected revenues after buildout are comprised of property tax and in lieu property tax – VLF. Utility user tax accounts for about 19 percent of total projected revenues after buildout. As discussed earlier, Rialto voters approved Measure M with an indefinite extension of the utility users tax (UUT) on June 5, 2018. Sales and use tax from projected taxable retail purchases made by Project residents in the City represents about 17 percent of recurring revenues after buildout.

Projected Recurring Costs. Police protection and fire protection are the largest projected recurring costs and account for about 66 percent of total projected recurring costs after buildout. The next largest cost is general government, projected at about 13 percent of total projected recurring costs after buildout. The fiscal analysis also includes a 5 percent contingency and reserves cost.

Table 3-1
Detailed Projected Fiscal Impacts after Buildout
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Category	Buildout ¹	Percent of Total
A. PROJECTED RECURRING FISCAL IMPACT		
<u>Recurring Revenues</u>		
Property tax	\$33,880	23.0%
In lieu property tax (VLF)	34,960	23.7%
Property transfer tax-turnover	460	0.3%
Residential retail sales and use tax	24,420	16.6%
Franchise fees	6,910	4.7%
Proposition 172 Sales Tax-Public Safety	1,990	1.4%
Utility user tax	28,540	19.4%
Animal licenses and fees	350	0.2%
Fines and forfeitures	850	0.6%
Motor vehicle in lieu tax	120	0.1%
County LF excavation charges	700	0.5%
Current services	5,700	3.9%
Rents and concessions	620	0.4%
Administrative/passport/misc. fees	1,710	1.2%
Transfer from Gas Tax Fund	3,350	2.3%
Other transfers	1,300	0.9%
Interest on invested revenues	<u>1,460</u>	<u>1.0%</u>
Total Projected Revenues	\$147,320	100.0%
<u>Recurring Costs</u>		
Fire protection	\$43,250	26.4%
Animal control	1,650	1.0%
Police protection	64,910	39.6%
Development services	4,490	2.7%
Public works-administration	1,870	1.1%
Public works-engineering services & projects	860	0.5%
Public works-park maintenance	6,110	3.7%
Public works-street maintenance/traffic signals	3,160	1.9%
Public works-graffiti removal	210	0.1%
Public works-traffic safety	1,980	1.2%
Public works-storm drain program	120	0.1%
Recreation and community services	6,080	3.7%
General government	<u>21,430</u>	<u>13.1%</u>
Subtotal Recurring Costs	\$156,120	95.2%
5% contingency/reserves	<u>\$7,810</u>	<u>4.8%</u>
Total Recurring Costs	\$163,930	100.0%
<u>Annual Net Recurring Surplus or (Deficit)</u>	(\$16,610)	
<u>Revenue/Cost Ratio</u>	0.90	
B. ANNUAL (DEFICIT) PER UNIT		
<i>Number of Units</i>	<i>60</i>	
<i>Annual (Deficit) per Unit</i>	<i>(\$280)</i>	

1. Amounts are rounded to the nearest ten, except for the revenue/cost ratio.

Source: Stanley R. Hoffman Associates, Inc.

CHAPTER 4

CITY OF RIALTO FISCAL ASSUMPTIONS

This chapter presents the revenue and cost assumptions for the Allegro Tentative Tract Map No. 20237 Project fiscal impact analysis. Revenue and cost assumptions are based on the *City of Rialto, Annual Budget 2018 – 2019*, and the general assumptions presented in this Chapter.

The general City 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

4.1 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. Based on the available data, some fiscal impacts are projected based on other factors as well, such as per unit or per acre factors. General fund revenue and cost factors are estimated by dividing the Fiscal Year (FY) 2018/2019 budget categories by the City's resident population, employment or total service population. Table 4-1 provides the City's general assumptions for this fiscal analysis.

Population

Rialto's total population of 107,041 is based on the State Department of Finance (DOF) estimate as of January 1, 2018. The City population estimate is used for projecting certain revenues and costs on a per capita basis, such as State subvented gas taxes.

Employment

For fiscal factors that are impacted by only employment, such as business license taxes, the City's total employment is used as the basis for calculating the factor. Total 2018 employment for the City is estimated at 23,530. As shown in Appendix Table A-1, the 2018 employment estimate is based on interpolation of the 2012 and 2020 employment from the Southern California Association of Governments (SCAG), *Adopted 2016 Regional Transportation Plan (RTP)*.

Table 4-1
City Population, Housing and Employment Assumptions
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto

Assumption	Description
	<u>Population and Housing</u> ¹
106,594	Household Population
447	Group Quarters Population
107,041	Total Population
27,460	Total Housing Units
20,351	Single Family Units
5,363	Multi-Family Units
1,746	Mobile Homes
26,768	Occupied Housing Units
3.98	Average Persons per Household
	<u>Employment</u> ²
23,530	Total City Employment
11,765	Employment Weighted at 50% ³
	<u>Service Population (Population and Employment)</u>
107,041	Total Population
11,765	Employment Weighted at 50% ³
118,806	Service Area Population (Population + Weighted Employment)

1. Population and housing estimates are from the California Department of Finance (DOF) for January 1, 2018.
2. Estimated employment for 2018 represents an interpolation of the SCAG 2012 and 2020 City employment from SCAG's RTP 2016, as presented in Appendix Table A-1.
3. This analysis has weighted the employment at 50% to account for the estimated less frequent use of City services by employment versus population.

Sources: Stanley R. Hoffman Associates, Inc.

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and Counties and the State - January 1, 2011-2018*, Sacramento, May 2018

City of Rialto, Assistant City Administrator/Development Services Director

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

Service Population

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

As shown in Table 4-1, the service population for the City is estimated at 118,806. The service population estimate includes the resident population of 107,041 and the weighted employment of 11,765 (50 percent of 23,530).

4.2 City Revenue Assumptions

The General Fund Fiscal Year (FY) 2018/2019 revenues are presented in Appendix Table A-2. Projected recurring revenues to the City General Fund include property tax; in lieu property tax (VLF); sales and use tax; property transfer tax; transient lodging tax; franchise fees; Proposition 172 sales tax-public safety; utility users tax; business licenses and permits; animal licenses and permits; fines, and forfeitures; motor vehicle in lieu tax; County landfill excavation charges; charges for current services; interest on investments; rents and concessions; administrative fees; transfers from the Gas Tax Fund; and transfers from other funds to the General Fund.

The revenue factors for the recurring revenues projected in the fiscal analysis are summarized in Table 4-2 and described in the remainder of this section. These factors are based on the City's Fiscal Year (FY) 2018/2019 revenues shown in Appendix Table A-2 and the appropriate projection basis, as presented in Table 4-1.

Property Tax

General Fund property tax is projected based on assessed valuation times the property tax allocation of the basic 1 percent levy for the tax rate area (TRA) in which the Project is located. As shown in Appendix Table A-3, the Project is located in TRA 6000 and the property tax allocation to Rialto for this TRA is 14.05 percent of the basic one percent property tax levy.

In Lieu Property Tax (VLF)

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 property tax in lieu of VLF is projected to grow with the change in the Citywide gross assessed valuation (AV) of taxable property from the prior year. Property tax in lieu of VLF revenue is allocated in addition to other property tax apportionments.

As shown in Appendix Table A-4, the property tax in lieu of VLF in the City is projected to increase at an average of \$1,450 per million dollars of new assessed valuation (AV). This factor

Table 4-2
General Fund Recurring Revenue Factors
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Revenue Source	Projected FY 2018/2019 Budget	Projection Basis ¹	Projection Factor ¹
<u>Tax Revenue</u>			
Property Taxes ²	\$12,131,700	Assessed Valuation	1% Basic tax levy
In Lieu Property Tax (VLF)	\$12,047,360	Case Study	14.05% General Fund share of 1% levy
Sales and Use Tax	\$16,834,000	Taxable Sales	\$1,450 per \$1,000,000 assessed valuation
Use Tax Factor		Use Tax as Percent of Sales Tax	1% of projected taxable sales
Property Transfer Tax	\$541,000	Property turnover and valuation assumptions	12.3% of sales tax
Transient Lodging Tax	\$175,000	Room Receipts	3.5% residential turnover rate
Franchise Fees	\$3,433,700	Service Population = 118,806	\$0.55 per \$1,000 assessed valuation
Proposition 172 Sales Tax-Public Safety	\$892,700	Population = 107,041	not projected
Utility Users Tax	\$14,188,100	Service Population = 118,806	\$28.90 per service population
<u>Licenses and Permits</u>			\$8.34 per capita
Business/Contractors/Truckers Licenses ³	\$2,935,000	Employment = 23,530	\$119.42 per service population
Dog Licenses	\$140,000	Population = 107,041	not projected
<u>Fines, Forfeits & Penalties</u>	\$421,100	Service Population = 118,806	\$1.31 per capita
<u>Revenue From Other Agencies</u>			\$3.54 per service population
Motor Vehicle in Lieu Tax	\$56,000	Population = 107,041	
County LF Excavation Charges ⁴	\$347,500	Service Population = 118,806	\$0.52 per capita
<u>Charges for Current Services</u>			\$2.92 per service population
Animal Control Fees	\$15,000	Population = 107,041	
Other Police Related Fees ⁵	\$402,900	Service Population = 118,806	\$0.14 per capita
Ambulance Service Fees	\$1,800,000	Service Population = 118,806	\$3.39 per service population
Ambulance Subscriptions	\$60,000	Population = 107,041	\$15.15 per service population
Weed & Lot Cleaning	\$40,000	Service Population = 118,806	\$0.56 per capita
Engineering General Services	\$500,000	Service Population = 118,806	\$0.34 per service population
Other Current Services	\$24,800	Service Population = 118,806	\$4.21 per service population
<u>Interest on Investments</u>	\$665,000	Percent of Projected Non Interest Recurring Revenues of \$70,205,615	\$0.21 per service population
<u>Rents & Concessions</u>	\$309,000	Service Population = 118,806	1.0% of projected recurring revenues
<u>Administrative/Passport Fees/Miscellaneous</u>	\$766,900	Population = 107,041	
<u>Transfers In</u>			\$2.60 per service population
Gas Tax Fund Transfer	\$1,500,000	Population = 107,041	\$7.16 per capita
Other Transfers ⁶	\$643,855	Service Population = 118,806	\$14.01 per capita
			\$5.42 per service population

- For fiscal factors that are based on population and employment, an estimated resident equivalent factor is applied, which represents the total population plus 50% of the total employment estimate.
- The fiscal analysis projects property tax to the General Fund at the tax rate area (TRA) allocation of 14.05% percent of the basic 1% levy on assessed value. This factor is based on the allocation for TRA 6000 in which the project is located (see Appendix Table A-3).
- Business licenses are not projected because there is no employment proposed for the project.
- City administrative staff estimates that about 10 percent of the total \$3,475,000 County Landfill revenues (or \$347,500) are contributed from the City.
- The other police related fees category includes fingerprinting, police false alarm responses, accident reports, general services, impound fees and crime analysis charges.
- The other transfers in this category includes transfers to the General Fund from other funds, such as engineering, community facilities districts, Community Development Block Grant, landscaping maintenance and the water utility fund.

Sources: Stanley R. Hoffman Associates, Inc.

City of Rialto, California *Annual Budget 2018-2019*

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and the State - January 1, 2011-2018*,
Sacramento, May 2018

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

City of Rialto, Administrative, Development Services and Public Works Departments

is based on the change in AV and the change in property tax in lieu of VLF in the City over the last 5 years.

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 3.5 percent per year (Appendix Table A-5).

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. 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 A-6 presents the City sales and use tax for Calendar Year 2017 provided by Hinderliter de Llamas and Associates (HdL). Based on HdL estimates, use tax revenues to the City of Rialto are estimated at an additional 12.3 percent of point-of-sale sales tax.

Franchise Fees

The City receives a franchise fee from telephone/mobile, natural gas, electricity, water, cable/satellite and wastewater businesses within Rialto for use of public rights-of-way. Based on the City Fiscal Year (FY) 2018/2019 franchise revenues of \$3,443,700, franchise taxes are projected at \$28.90 per service population (118,806), as shown in Table 4-2.

Proposition 172 Sales Tax – Public Safety

These revenues are projected at \$8.34 per capita based on the City FY 2018/2019 revenue amount of \$892,700 and the population estimate of 107,041.

Utility User Tax

Rialto levies a utility users tax on the sale of electricity, natural gas, telephone/mobile, water, wastewater and cable/satellite services within the City. As shown in Table 4-2, based on the City FY 2018/2019 revenue amount of \$14,188,100 and the City's estimated service population of 118,806, utility user tax is projected at \$119.42 per service population.

Licenses and Permits

Business/contractors/truckers licenses and dog licenses are included in this category.

Business Licenses. Business/contractors/truckers licenses are not projected for the Allegro Tentative Tract Map No. 20237 Project because there are no employees associated with the Project.

Dog Licenses. Dog licenses are projected at \$1.31 per capita based on the FY 2018/2019 revenue amount of \$140,000 and the City population estimate of 107,041. These projected revenues are combined with projected animal control fees in the fiscal analysis.

Fines and Forfeitures

As shown in Table 4-2, these revenues are projected at \$3.54 per service population based on FY 2018/2019 revenues of \$421,100 thousand and the service population estimate of 118,806. Revenues in this category include parking fines, court fines, and other fines/forfeitures/penalties.

Motor Vehicle in Lieu Tax

Motor vehicle in lieu tax revenues are projected at \$0.52 per capita based on the City of Rialto FY 2018/2019 revenues of \$56,000 and the City population estimate of 107,041.

County Landfill Charges

City Administrative staff estimates that about 10 percent of the FY 2018/2019 County landfill revenues of \$3,475,000, or \$347,500, are disposal fees from City sources. Based on this estimate of \$347,500 of revenues and the City's estimated service population of 118,806, these revenues are projected at \$2.92 per service population, as shown in Table 4-2.

Based on discussion with the City Director of Administrative and Community Services, these revenues are the City's portion of tonnage fees collected at the County-owned landfill located in the City. The City's waste hauler, Burrtec Industries, has an exclusive franchise with the City and part of the franchise agreement is that Burrtec Industries will dispose of the waste

collected from the City at the County-owned landfill located in the City. Therefore, these revenues are assumed to increase with the growth planned for the Allegro Project.

Charges for Current Services

Current service charges include animal control, other police department fees, ambulance service fees/subscriptions, weed and lot cleaning, engineering general services and other current services. These revenues for current services are projected as follows.

Animal Control Fees. These fees are projected at \$0.14 per capita based on revenues of \$15,000 and the current city population estimate of 107,041. Projected animal control fees are combined with future dog licenses in the projected fiscal impacts.

Other Police Related Fees. These revenues are projected at \$3.39 per service population based on FY 2018/2019 revenues of \$402,900 and the estimated current City service population of 118,806. Revenues from fingerprinting, police false alarm responses, accident reports, general services, impound fees and crime analysis charges are included in this category.

Ambulance Service Fees. These revenues are projected at \$15.15 per service population based on FY 2018/2019 ambulance service fees of \$1,800,000 and the estimated current City service population, as shown in Table 4-2. These revenues are combined with Ambulance Subscriptions in the fiscal analysis.

Ambulance Subscriptions. These revenues are projected at \$0.56 per capita based on FY 2018/2019 ambulance subscriptions of \$60,000 and the estimated current City population of 107,041, as shown in Table 4-2. These revenues are combined with Ambulance Service Fees in the fiscal analysis.

Weed and Lot Cleaning Fees. These revenues are projected at \$0.34 per service population based on FY 2018/2019 revenues of \$40,000 and the estimated current City service population of 118,806.

Engineering General Services. These revenues are projected at \$4.21 per service population based on FY 2018/2019 revenues of \$500,000 and the estimated current City service population of 118,806.

Other Current Services. Based on mid-year FY 2018/2019 revenues of \$24,800 and the City service population of 118,806, these revenues are projected at \$0.21 per service population.

Interest on Investments

These revenues are projected at 1.0 percent of the projected recurring General Fund revenues in the fiscal analysis based on FY 2018/2019 estimated interest earnings of \$665,000 and non-interest General Fund projected recurring revenues of \$70,205,615.

Rents and Concessions

As shown in Table 4-2, these revenues are projected at \$2.60 per service population based on FY 2018/2019 revenues of \$309,000 and the City service population estimate of 118,806.

Administrative, Passport and Miscellaneous Fees

These revenues are projected at \$7.16 per capita based on mid-year FY 2018/2019 revenues of \$766,900 and the City population estimate of 107,041.

Transfers In

These revenues include the following transfers to the City General Fund:

Gas Tax Fund Transfer. Gas tax revenues are earmarked for road related costs including capital and maintenance functions. State gasoline taxes transferred to the General Fund are projected at \$14.01 per capita based on the FY 2018/2019 revenue amount of \$1,500,000 and the City population estimate of 107,041.

Other Transfers. These revenues include transfers to the General Fund from other funds, such as engineering, community facility districts (CFDs), Community Development Block Grant (CDBG), landscaping maintenance and the water utility fund. As shown in Table 4-2, other transfers to the General Fund are projected at \$5.42 per service population based on the FY 2018/2019 revenue amount of \$643,855 and the City's estimated service population of 118,806.

4.3 City Cost Assumptions

The General Fund cost factors that are used in preparing the fiscal analysis for the Allegro Tentative Tract Map No. 20237 Project are presented in Table 4-3. These factors are based on the City's Fiscal Year (FY) 2018/2019 Budget shown in Table 4-3 and the City's population and service population estimates that are presented in Table 4-1.

Projected General Fund expenditures include general government, or overhead functions, and the following direct government services of fire, animal control, police, development services, public works and recreation. The fiscal analysis also projects contingency costs at 5 percent of recurring costs.

General Government

As shown in Panel A of Table 4-4, general government costs such as City Administrator, City Council, City Clerk, Management Services, City Treasurer, Human Resources, Finance, Purchasing and Non-Departmental expenditures provide overhead services that cannot be

Table 4-3
General Fund Recurring Cost Factors
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

General Fund Cost Category	FY 2018-2019 Cost		Projection Basis ¹	Cost Factor ¹
	Total	Adjusted		
General Government	\$15,256,300	\$11,442,225	Percent of General Fund Costs	15.9% of direct department costs, at a 75% marginal rate
Fire	\$21,499,538	\$21,499,538	Service Population = 118,806	\$180.96 per service population
Police (excluding animal control)	\$32,267,190	\$32,267,190	Service Population = 118,806	\$271.60 per service population
Animal Control	\$737,515	\$737,515	Population = 107,041	\$6.89 per capita
Development Services: Planning, Building, Code Enforcement and Economic Development ²	\$4,979,700	\$2,229,700	Service Population = 118,806	\$18.77 per service population
Business Licensing	\$202,492	\$202,492	Employment = 23,530	not projected
Public Works: Public Works Administration	\$929,763	\$929,763	Service Population = 118,806	\$7.83 per service population
Engineering Services and Projects ³	\$3,123,837	\$426,337	Service Population = 118,806	\$3.59 per service population
Park Maintenance	\$2,737,482	\$2,737,482	Population = 107,041	\$25.57 per capita
Street Maintenance/Street Sweeping/ Traffic Signals ⁴	\$1,572,562	\$1,572,562	Service Population = 118,806	\$13.24 per service population
Graffiti Removal	\$103,435	\$103,435	Service Population = 118,806	\$0.87 per service population
Traffic Safety	\$983,806	\$983,806	Service Population = 118,806	\$8.28 per service population
Storm Drain Maintenance	\$59,960	\$59,960	Service Population = 118,806	\$0.50 per service population
Recreation and Community Services	\$2,725,340	\$2,725,340	Population = 107,041	\$25.46 per capita
Contingency	n/a	n/a	Case Study	5.0% of total recurring costs

1. For fiscal factors that are based on population and employment, an estimated resident equivalent factor is applied, which represents the total population plus 50% of the total employment estimate.
2. Net development services - planning, building, code enforcement and economic development costs of \$2,229,700 are the budgeted costs of \$4,979,700 minus projected one-time fees, permits and charges for services revenues of \$2,750,000, as shown in Table A-8.
3. Net public works engineering services and projects costs of \$426,337 are the budget costs of \$3,123,837 minus projected one-time fees for services of \$2,697,500, as shown in Table A-8.
4. Traffic/street sweeping/street maintenance funding is primarily provided through the Gas Tax Fund. According to the City's Fiscal Policy for New Development and Annexations, the City requires that new development annex into Landscaping and Lighting Maintenance District No. 2, or other appropriate financing for landscape maintenance of arterials and street lighting.

Sources: Stanley R. Hoffman Associates, Inc.

City of Rialto, California *Annual Budget 2018-2019*

State of California, Department of Finance, *E-5 Population and Housing Estimates for Cities, Counties and Counties and the State - January 1, 2011-2018*, Sacramento, May 2018

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

City of Rialto, Administrative, Development Services and Public Works Departments

Table 4-4 (page 1 of 2)
Calculation of City General Government Overhead Rate
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

A. CURRENT GENERAL FUND OPERATING EXPENDITURES AND OVERHEAD RATE

General Fund Operating Expenditures ¹	Fiscal Year 2018-2019		
	Total Budget	General Government	Non-General Government
<u>General Government</u>			
City Administrator	\$758,783	\$758,783	
City Council	468,166	468,166	
City Clerk	714,151	714,151	
Management Services	803,555	803,555	
City Treasurer	474,697	474,697	
Human Resources	865,988	865,988	
Finance	1,648,273	1,648,273	
Purchasing	<u>229,406</u>	<u>229,406</u>	
Subtotal	\$5,963,020	\$5,963,020	
Non Department Expenditures: ²	\$12,018,620		
	<i>minus</i>		
Recreation and Community Services Transfer	2,725,340		\$2,725,340
	<i>equals</i>		
Net Non Department Expenditures	\$9,293,280	\$9,293,280	
<u>Non-General Government</u>			
Engineering and Development Services:			
Planning Commission	\$2,250		\$2,250
Administration	1,104,269		1,104,269
Economic Development	181,097		181,097
Planning Services	919,615		919,615
Building Services	1,742,600		1,742,600
Business Licensing	202,492		202,492
Code Enforcement	<u>1,029,869</u>		<u>1,029,869</u>
Total Engineering and Development Services	\$5,182,192		\$5,182,192
Fire	\$21,499,538		\$21,499,538
Police Services:			
Police	\$32,267,190		\$32,267,190
Animal Control	<u>737,515</u>		<u>737,515</u>
Total Police Services	\$33,004,705		\$33,004,705
Public Works:			
Administration	\$929,763		\$929,763
Engineering Services	2,181,837		2,181,837
Engineering-Projects	942,000		942,000
Park Maintenance	2,737,482		2,737,482
Street Maintenance - MOE	1,572,562		1,572,562
Graffiti	103,435		103,435
Traffic Safety	983,806		983,806
Community Buildings	<u>59,960</u>		<u>59,960</u>
Public Works Total	\$9,510,845		\$9,510,845
GRAND TOTAL GENERAL FUND	\$87,178,920	\$15,256,300	\$71,922,620

Table 4-4 (page 2 of 2)
Calculation of City General Government Overhead Rate
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

B. GENERAL FUND OVERHEAD RATE

Current General Government Overhead Rate

General Government Expenditures		\$15,256,300
	<i>divided by</i>	
Direct General Fund Expenditures		\$71,922,620
	<i>equals</i>	
Current General Government Overhead Rate		21.2%
<u>Overhead Rate At 75% Marginal Increase</u>		15.9%

1. Capital Projects Fund expenditures of \$3,985,600 are not included in General Fund operating expenditures.
2. Non Departmental transfers to the recreation and community services of \$2,725,340 are considered as direct departmental costs and are removed from Non Departmental expenditures. The remaining Non-Departmental costs of \$9,293,800 are assumed to be non direct costs or overhead costs.

Sources: Stanley R. Hoffman Associates, Inc.

City of Rialto, California *Annual Budget 2018-2019*

City of Rialto, City Administrator and Development Services Department

directly linked to a specific department. General government costs include administration and support of departmental direct costs, such as police, fire and public works. These costs are usually viewed as citywide overhead and are projected using an overhead rate applied to direct departmental costs.

As shown in Panel B of Table 4-4, FY 2018/2019 general government costs of \$15,256,300 represent about 21.2 percent of direct departmental costs of \$71,922,620. However, overhead costs are not assumed to increase on a one-to-one basis for new development. Based on discussion with City staff, general government costs are projected at a marginal rate of 75 percent, or at 15.9 percent of direct costs.

Fire

As shown previously in Table 4-3, fire protection costs are projected at \$180.96 per service population based on FY 2018/2019 expenditures of \$21,499,538 and the City's estimated 118,806 service population.

Police (excluding Animal Control)

Police costs are projected at \$271.60 per service population, as shown in Table 4-3. These costs

are based on FY 2018/2019 expenditures of \$32,267,190 and the City's service population estimate of 118,806.

Animal Control

These costs are projected at \$6.89 per capita based on 2018/2019 expenditures of \$737,515 and the City's estimated population of 107,041.

Development Services

Development services include building, planning and economic development; business licensing; and code enforcement. Based on the City FY 2018/2019 amounts these costs for development services are projected as follows.

Building, Planning, Economic Development and Other Development Services. Based on FY 2018/2019 net costs of \$2,229,700 and the City's estimated service population of 118,806, these costs are projected at \$18.77 per service population. As shown in Table 4-3, the total General Fund costs of \$4,797,700 are offset by one-time development related permit and fee revenues. Appendix Table A-8 presents the calculation of the net cost factor.

Business Licensing. Non-fee supported business licensing costs are not projected for the residential project because there are no businesses associated with the project.

Public Works

Public works costs include department administration, engineering services and projects, park maintenance, street maintenance/street sweeping/traffic signals, graffiti removal, traffic safety, and storm drain maintenance. While the proposed Allegro Project is a gated community and interior infrastructure will not be maintained by the City, public works costs are projected for the Project's impact on existing City infrastructure

Administration. As shown previously in Table 4-3, public works administration costs are projected at \$7.83 per service population based on FY 2018/2019 costs of \$929,763 and the City service population estimate of 118,806.

Engineering Services and Projects. Total General Fund FY 2018/2019 public works engineering costs of \$3,123,837 are offset by one-time development related permit and fee revenues, as shown in Appendix Table A-9. Therefore, these costs are projected at \$3.69 per service population based on net costs of \$426,337 and the City service population estimate.

Park Maintenance. While public parks are not planned for the Allegro Tentative Tract Map No. 20237 Project, the impact on existing parks from future Project residents is projected at \$25.57 per capita. This cost factor is based on FY 2018/2019 budget costs

of \$2,737,482 for park maintenance for the existing 134 City park acres and the City population estimate of 107,041.

Street Maintenance/Street Sweeping/Traffic Signals. Based on FY 2018/2019 General Fund costs of \$1,572,562 and the City service population estimate of 118,806, General Fund street maintenance/street sweeping/traffic signal costs are estimated at \$13.24 per service population, as shown in Table 4-3. These costs represent the project's impact on maintaining existing City street infrastructure.

Graffiti Removal. Public works costs for graffiti removal are projected at \$0.87 per service population. This factor is based on the mid-year FY 2018/2019 budget amount of \$103,435 and the City service population estimate of 118,806, as shown in Table 4-3.

Traffic Safety. Public works costs for traffic safety are projected at \$8.28 per service population. This factor is based on the FY 2018/2019 budget amount of \$983,806 and the City service population estimate of 118,806.

Storm Drain Program. Costs for the public works storm drain program are projected at \$0.50 per service population based on FY 2018/2019 costs of \$59,960 and the current City service population estimate of 118,806.

Recreation and Community Services

General Fund recreation and community services costs are projected at \$25.46 per capita based on FY 2018/2019 expenditures of \$2,725,340 and the City's population estimate of 107,041, as shown in Table 4-3.

Contingency

The fiscal analysis assumes a 5 percent contingency cost factor, based on discussion with city finance staff, to account for unanticipated costs that may be incurred due to economic and State Budgetary uncertainties. The 5 percent contingency factor is applied to the projected total costs, including general government.

APPENDIX A
SUPPORTING FISCAL ASSUMPTIONS TABLES

Table A-1
City Employment Estimate
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto

Category	2012 ¹	2020 ¹	Average Annual Growth Rate	2018 Estimate ²
Rialto Employment	21,100	24,400	1.83%	23,530

1. The 2012 and 2020 employment numbers are obtained from the SCAG report cited below.
2. The 2018 estimate is an interpolation of the 2012 to 2020 SCAG growth forecast.

Sources: Stanley R. Hoffman Associates, Inc.

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

Table A-2 (page 1 of 3)
General Fund Revenues, Fiscal Year 2018/2019
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Revenue Category	Fiscal Year 2018-2019 Budget	Revenue Amount ¹		
		One-Time Licenses, Permits and Charges for Services	Not Projected in Fiscal Analysis	Revenue Projected in Fiscal Analysis
A. OPERATING REVENUES				
<u>Tax Revenue</u>				
Property Taxes	\$11,726,000	\$0	\$0	11,726,000
In Lieu Property Tax (VLF)	12,047,360	0	0	12,047,360
Sales Tax	16,834,000	0	0	16,834,000
Transient Lodging Tax	175,000	0	0	175,000
Unitary Property Tax	405,700	0	0	405,700
Franchise Fees	3,255,700	0	0	3,255,700
Franchise Fees-PD	178,000	0	0	178,000
Proposition 172 Sales Tax-Public Safety	892,700	0	0	892,700
Property Transfer Tax	541,000	0	0	541,000
UUT-Telephone/Mobile	2,457,300	0	0	2,457,300
UUT-Gas/Electric	7,429,000	0	0	7,429,000
UUT-Water	2,016,200	0	0	2,016,200
UUT-Cable/Satellite	694,800	0	0	694,800
UUT-Wastewater	<u>1,590,800</u>	<u>0</u>	<u>0</u>	<u>1,590,800</u>
<i>Total Tax Revenue</i>	<i>\$60,243,560</i>	<i>\$0</i>	<i>\$0</i>	<i>\$60,243,560</i>
<u>Licenses and Permits</u>				
Business Licenses	\$2,800,000	\$0	\$0	2,800,000
Contractors Licenses	95,000	0	0	95,000
Truck Delivery Licenses	40,000	0	0	40,000
Dog Licenses	140,000	0	0	140,000
Earthquake Fees	60,000	60,000	0	0
Building Permits	1,250,000	1,250,000	0	0
Plumbing Permits	130,000	130,000	0	0
Electrical Permits	300,000	300,000	0	0
Mechanical Permits	175,000	175,000	0	0
Overload Permits	10,000	10,000	0	0
State Business License Fee	12,000	0	12,000	0
SB 1473 State Revolving Fund Fee	15,000	0	15,000	0
Mobile Home Modification Permits	1,000	0	1,000	0
Alarm Installation Permits	60,000	0	60,000	0
Fire Permits	156,000	0	156,000	0
Mobile Home Park State OPS Permit	17,200	0	17,200	0
Certificates of Occupancy	8,000	8,000	0	0
Temporary Sign Permits	7,000	7,000	0	0
Demolition Permits	1,000	1,000	0	0
Other Licenses and Permits	<u>15,500</u>	<u>15,500</u>	<u>0</u>	<u>0</u>
<i>Total Licenses & Permits</i>	<i>\$5,292,700</i>	<i>\$1,956,500</i>	<i>\$261,200</i>	<i>\$3,075,000</i>
<u>Fines, Forfeitures and Penalties</u>				
Parking Fines (City)	\$330,000	\$0	\$0	\$330,000
Court Fines (County)	130,000	0	130,000	0
Other Fines/Forfeits/Penalties	<u>91,100</u>	<u>0</u>	<u>0</u>	<u>91,100</u>
<i>Total Fines and Forfeitures</i>	<i>\$551,100</i>	<i>\$0</i>	<i>\$130,000</i>	<i>\$421,100</i>
<u>Use of Money & Property</u>				
Interest Income from Other	\$29,700	\$0	\$29,700	\$0
Rents & Concessions	309,000	0	0	309,000
Investment Income	<u>665,000</u>	<u>0</u>	<u>0</u>	<u>665,000</u>
<i>Total Use of Money & Property</i>	<i>\$1,003,700</i>	<i>\$0</i>	<i>\$29,700</i>	<i>\$974,000</i>

Table A-2 (page 2 of 3)
General Fund Revenues, Fiscal Year 2018/2019
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Revenue Category	Fiscal Year 2018-2019 Budget	Revenue Amount ¹		
		One-Time Licenses, Permits and Charges for Services	Not Projected in Fiscal Analysis	Revenue Projected in Fiscal Analysis
<u>Revenue From Other Agencies</u>				
Motor Vehicle in Lieu Tax	\$56,000	\$0	\$0	\$56,000
Disaster Assistance	25,000	0	25,000	0
State Mandated Reimbursements	55,000	0	55,000	0
Police Officers Standard Training (POST)	7,500	0	7,500	0
RUSD-Fiscal Affairs/DARE	110,000	0	110,000	0
State Local Assistance	2,000,000	0	2,000,000	0
DUI Emergency Response	6,000	0	6,000	0
County Reimbursement	8,840	0	8,840	0
County LF Excavation Charges ²	3,475,000	0	3,127,500	347,500
<i>Total Revenue From Outside Agencies</i>	<i>\$5,743,340</i>	<i>\$0</i>	<i>\$5,339,840</i>	<i>\$403,500</i>
<u>Charges For Current Services</u>				
Planning Variance Reviews	\$8,000	\$8,000	\$0	\$0
Lot Line and Lot Splits	8,000	8,000	0	0
Specific Plan Reviews/Changes	9,000	9,000	0	0
Issuance Fee	100,000	100,000	0	0
Tentative Map Reviews	96,000	96,000	0	0
Sale of Maps/Publications	0	0	0	0
Zone Change	12,000	12,000	0	0
Conditional Development Reviews	80,000	80,000	0	0
Environmental Reviews	48,000	48,000	0	0
Animal Control Fees	15,000	0	0	15,000
Building Plan Check	950,000	950,000	0	0
Energy Plan Check	3,000	3,000	0	0
Public Improvement Inspection	300,000	300,000	0	0
Grading Inspection	14,000	14,000	0	0
Fingerprinting	1,000	0	0	1,000
Reproduction Charges	4,600	0	0	4,600
General Plan Amendment	7,000	0	7,000	0
Precise Plan Review	166,000	166,000	0	0
Police False Alarm Response	120,000	0	0	120,000
Police Accident Reports	60,000	0	0	60,000
Engineering General Services	500,000	0	0	500,000
Fire General Services	7,000	0	0	7,000
Police General Services	221,300	0	0	221,300
Engineering Improvement Plan Check	820,000	820,000	0	0
Special Investigation Fee	500	0	0	500
Ambulance Service Fees	1,800,000		0	1,800,000
Ambulance Subscriptions	60,000		0	60,000
Weed & Lot Cleaning	40,000		0	40,000
Fire Plan Check Fee	75,000		75,000	0
Nuisance Review	5,000	5,000	0	0
On Site Improvement Inspection	560,000	560,000	0	0
Planning General Services	12,000	0	0	12,000
Inspections for Multi-Family Rentals	200,000	0	200,000	0
Police Impound Fees	70,000	0	70,000	0
Crime Analysis Research	100	0	0	100
Other Charges for Current Services	1,200	0	0	1,200
Department-Premium Engineering	312,000	312,000	0	0
<i>Total Charges for Current Services</i>	<i>\$6,685,700</i>	<i>\$3,491,000</i>	<i>\$352,000</i>	<i>\$2,842,700</i>

Table A-2 (page 3 of 3)
General Fund Revenues, Fiscal Year 2018/2019
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Revenue Category	Fiscal Year 2018-2019 Budget	Revenue Amount ¹		
		One-Time Licenses, Permits and Charges for Services	Not Projected in Fiscal Analysis	Revenue Projected in Fiscal Analysis
<u>Other Revenue</u>				
Damage/Recovery Restitution	\$19,500	\$0	\$19,500	\$0
RUA Lease Payments	2,000,000	0	2,000,000	0
RUA Contract Payments	1,140,530	0	1,140,530	0
Administrative Fee	433,000	0	0	433,000
Passport Services Fees	300,000	0	0	300,000
Miscellaneous Revenue	<u>33,900</u>	<u>0</u>	<u>0</u>	<u>33,900</u>
<i>Total Other Revenue</i>	<i>\$3,926,930</i>	<i>\$0</i>	<i>\$3,160,030</i>	<i>\$766,900</i>
<u>Transfers In</u>				
Transfers-Gas Tax	\$1,500,000	\$0	\$0	\$1,500,000
Transfers-GEMT	325,000	0	0	325,000
Transfers-Waste Management	38,490	0	0	38,490
Transfers-Fire Development	1,260	0	0	1,260
Transfers-Landscaping & Lighting District	34,005	0	0	34,005
Transfers-AQMD 2766	6,190	0	0	6,190
Transfers-CDBG	75,000	0	0	75,000
Transfers-Traffic Development	51,300	0	0	51,300
Transfers-Casa Grande Debt Service	12,610	0	0	12,610
Transfers-Water Utility Fund	100,000	0	0	100,000
Transfers-CFD 87-1	36,940	0	36,940	0
Transfers-CFD 2006-1	<u>123,170</u>	<u>0</u>	<u>123,170</u>	<u>0</u>
<i>Total Transfers In</i>	<i>\$2,303,965</i>	<i>\$0</i>	<i>\$160,110</i>	<i>\$2,143,855</i>
<i>Subtotal Operating Revenues</i>	<i>\$85,750,995</i>	<i>\$5,447,500</i>	<i>\$9,432,880</i>	<i>\$70,870,615</i>
B. NON OPERATING REVENUES				
Transfers-PERS Property Tax	\$200	\$0	\$200	\$0
Airport Asset Sales	2,228,645	0	2,228,645	0
Development Agreements	3,400,000	0	3,400,000	0
County Landfill/Waste Rebates	<u>46,000</u>	<u>0</u>	<u>46,000</u>	<u>0</u>
<i>Subtotal Non Operating Revenues</i>	<i>\$5,674,845</i>	<i>\$0</i>	<i>\$5,674,845</i>	<i>\$0</i>
General Fund Total	\$91,425,840	\$5,447,500	\$15,107,725	\$70,870,615

1. Projected one-time revenues from fees, permits and charges for services are deducted from budgeted costs for development services and public works engineering services and project costs, as shown in Appendix Tables A-8 and A-9. Revenues that would not be impacted by the proposed project are not projected in the fiscal analysis.
2. City administrative staff estimates that about 10 percent, or \$320,300, of the total County Landfill revenues are contributed from disposal by the City.

Sources: Stanley R. Hoffman Associates, Inc.
City of Rialto, California *Annual Budget 2018-2019*

Table A-3
Property Tax Allocations of Basic One Percent Levy: TRA 6000
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto

Agency Code	Agency	TRA 6000
AB01 GA01	San Bernardino County General Fund	0.15330928
AB02 GA01	Educational Revenue Augmentation Fund (ERAF)	0.23214656
BF02 GA01	Flood Control Zone 2	0.02721580
BF07 GA01	Flood Control District, Administration, Zones 1 and 2	0.00191375
BL01 GA01	San Bernardino County Free Library	0.01484553
BS01 GA01	County Superintendent of Schools, Countywide	0.00526053
BS01 GA02	Superintendent of Schools, General Tax Levy - ROP	0.00090190
BS01 GA03	County Superintendent of Schools, Physically Handicapped	0.00206925
BS01 GA04	County Superintendent of Schools, Mentally Handicapped	0.00166149
BS01 GA05	County Superintendent of Schools, Development Center	0.00054241
CC28 GA01	City of Rialto	0.14053203
SC54 GA01	San Bernardino Community College	0.05388086
SU50 GA01	Rialto Unified School District	0.33743878
WR04 GL01	Inland Empire Joint Resource Conservation District	0.00055478
WU23 GA01	San Bernardino Valley Municipal Water	0.02772705
	Total	1.00000000

Sources: Stanley R. Hoffman Associates, Inc.

San Bernardino County Auditor-Controller, Property Tax Division, Report P1739DYL, 11/01/18

Table A-4
Estimated In Lieu Property Tax of Vehicle License Fees (VLF) Factor
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Fiscal Year	In Lieu Property Tax (VLF) ¹	Assessed Valuation (AV) ²	VLF per \$1,000,000 AV ³
2013-2014	\$8,561,057	\$5,917,583,374	\$1,450
2014-2015	\$9,340,333	\$6,463,213,559	\$1,450
2015-2016	\$10,043,391	\$6,937,195,374	\$1,450
2016-2017	\$10,632,441	\$7,336,854,968	\$1,450
2017-2018	\$11,300,000	\$7,907,052,182	\$1,430
Average of Five Years			\$1,450

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 Rialto, *Fiscal Year 2018-19 Budget, Fiscal Year 2017-18 Budget*

County of San Bernardino, *Assessed Rolls, 2013, 2014, 2015, 2016, 2017*

Table A-5
Estimated Annual Residential Turnover
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto

City of Rialto	Occupied Housing Units	Percent Turnover
Total Owner Occupied Units	16,521	
Moved in 2015 or later	636	
Moved in 2010 to 2014	3,621	
Moved in 2000 to 2009	<u>5,493</u>	
Total Moved 2000 to 2017	9,750	
Annual Turnover Rate: 2000 to 2017 ¹	574	3.5%

Note: 1. The annual turnover rate is based on the assumption of seventeen years for the 2000 through 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, Rialto, California

Table A-6
Calculation of Use Tax Factor
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto

Rialto	Amount
<u>Use Tax</u>	
County Pool	\$1,859,273
State Pool	<u>6,480</u>
Total Use Tax	\$1,865,753
<i>divided by</i>	
<u>Point-of-Sale Sales Tax</u>	\$15,175,462
<i>equals</i>	
Use Tax Rate ¹	12.3%

Note: 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

Table A-7
Distribution of City Retail and Non-Retail Taxable Sales: 2016
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto

Major Business Category	Amount	Percent Distribution
Retail Taxable Sales	\$598,369,600	64%
Non-Retail Taxable Sales	<u>343,034,008</u>	<u>36%</u>
Total Point-of-Sales Taxable Sales	\$941,403,608	100%

Sources: Stanley R. Hoffman Associates, Inc.
California State Board of Equalization, *Taxable Sales in California, 2016*

Table A-8
General Fund Net Development Cost Factors
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Category	FY 2018-2019 Amount
<u>General Fund Development Services & Engineering Costs</u>	\$4,979,700
(Includes Engineering Costs (includes Planning, Building and Code Enforcement Divisions))	
<u>Total One-Time Licenses, Permits and Charges for Services</u>	
<u>One-Time Licenses and Permits</u>	
Building Permits	1,250,000
Certificates of Occupancy	8,000
Temporary Sign Permits	<u>7,000</u>
Total One-Time Licenses and Permits	\$1,265,000
	<i>plus</i>
<u>One-Time Charges for Current Services</u>	
Planning Variance Reviews	\$8,000
Lot Lines and Lot Splits	8,000
Specific Plan Reviews/Changes	9,000
Issuance Fees	100,000
Tentative Map Reviews	96,000
Zone Change	12,000
Conditional Development Reviews	80,000
Environmental Reviews	48,000
Building Plan Check	950,000
Energy Plan Check	3,000
Precise Plan Review	166,000
Nuisance Review	<u>5,000</u>
Total One-Time Charges for Services	\$1,485,000
	<i>equals</i>
Total One-Time Licenses, Permits and Charges for Services	\$2,750,000
<u>Net Development Services & Engineering Costs per Service Population</u>	
General Fund Development Services & Engineering Costs	\$4,979,700
	<i>minus</i>
Total One-Time Licenses, Permits and Charges for Services	\$2,750,000
	<i>equals</i>
Recurring Net Development Services & Engineering Costs	\$2,229,700
	<i>divided by</i>
City Service Population	118,806
	<i>equals</i>
Net Development Services & Engineering Costs per Service Population	\$18.77

Sources: Stanley R. Hoffman Associates, Inc.
City of Rialto, California *Annual Budget 2018-2019*
City of Rialto, City Administrator and Development Services Department

Table A-9
General Fund Net Public Works Engineering Cost Factor
Allegro Tentative Tract Map No. 20237 Project
Fiscal Impact Analysis, City of Rialto
(In Constant 2019 Dollars)

Category	FY 2018-2019 Amount
<u>Total General Fund Public Works Engineering Services and Projects</u>	
Engineering Services	\$2,181,837
Engineering - Projects	<u>942,000</u>
Total Public Works Engineering Services and Projects Costs	\$3,123,837
<u>Total One-Time Licenses, Permits and Charges for Services</u>	
<u>One-Time Licenses and Permits</u>	
Earthquake Fees	\$60,000
Plumbing Permits	130,000
Electrical Permits	300,000
Mechanical Permits	175,000
Overload Permits	10,000
Demolition Permits	1,000
Other Licenses and Permits	<u>15,500</u>
Total One-Time Licenses and Permits	\$691,500
	<i>minus</i>
<u>One-Time Charges for Services</u>	
Public Improvement Inspection	\$300,000
Grading Inspection	14,000
Engineering Improvement Plan Check	820,000
On Site Improvement Inspection	560,000
Department-Premium Engineering	<u>312,000</u>
Total One-Time Charges for Service	\$2,006,000
	<i>equals</i>
Total One-Time Licenses, Permits and Charges for Services	\$2,697,500
<u>Net Public Works Engineering Services Costs per Service Population</u>	
Total Public Works Engineering Services and Projects Costs	\$3,123,837
	<i>minus</i>
Total One-Time Licenses, Permits and Charges for Services	\$2,697,500
	<i>equals</i>
Recurring Public Works Engineering Services and Project Costs	\$426,337
	<i>divided by</i>
City Service Population	118,806
	<i>equals</i>
Net Public Works Engineering Services Costs per Service Population	\$3.59

Sources: Stanley R. Hoffman Associates, Inc.
City of Rialto, California *Annual Budget 2018-2019*
City of Rialto, City Administrator and Development Services Department

**APPENDIX B
PROJECT REFERENCES**

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