

APPENDIX A
FISCAL IMPACT ANALYSIS
Buildout and Absorption Schedule
The Villages Fiscal Impact Analysis
March 18, 2009

Finished Lot	Finished Unit	Calender Year Model Year No.	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
\$35,000	\$150,000	Apartments	-	-	-	126	252	379	379	379	379	379	379	379	379	379	379	379	379	379	379
\$30,000	\$150,000	Stacked Flats	-	-	-	92	185	278	278	278	408	464	464	541	618	653	688	732	776	821	821
\$95,000	\$237,500	Townhomes	-	-	-	43	86	129	171	214	214	214	238	291	344	366	389	404	419	434	434
\$133,000	\$332,500	Duets	-	-	-	20	40	60	69	78	78	78	97	116	136	154	173	193	213	234	234
\$133,000	\$332,500	Duet Alley	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
\$119,700	\$299,250	35x90 alley	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
\$129,200	\$323,000	40x85 alley	-	-	-	13	26	40	69	98	98	98	118	139	160	160	160	171	182	194	194
\$136,800	\$342,000	40x90 alley	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
\$136,800	\$342,000	45x80 alley	-	-	-	22	45	68	98	128	140	140	159	178	198	217	237	261	286	311	311
\$136,800	\$342,000	40x90	-	-	-	-	-	-	-	-	-	-	12	25	25	25	25	25	25	25	25
\$152,000	\$380,000	40x100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
\$145,350	\$363,375	45x85	-	-	-	-	-	-	20	41	41	41	41	41	41	41	41	41	41	41	41
\$171,000	\$427,500	45x100	-	-	-	-	-	-	-	-	-	22	35	48	61	61	61	131	201	271	271
\$171,000	\$427,500	50x90	-	-	-	16	32	49	49	49	49	49	71	93	116	116	116	116	116	116	116
\$190,000	\$475,000	50x100	-	-	-	5	10	15	92	170	224	263	295	327	360	388	416	467	518	570	570
\$209,000	\$522,500	55x100	-	-	-	10	20	30	54	78	78	124	182	240	299	363	427	462	497	532	532
\$228,000	\$570,000	60x100	-	-	-	17	34	52	84	116	183	230	246	263	280	339	399	416	433	451	451
\$266,000	\$665,000	70x100	-	-	-	9	18	28	28	28	28	28	28	28	28	50	72	77	83	89	89
\$304,000	\$760,000	80x100	-	-	-	-	-	-	-	-	-	32	32	32	32	32	32	32	32	32	32
\$136,800	\$342,000	Cluster	-	-	-	-	-	-	-	-	-	-	-	12	24	58	92	92	92	92	92
\$207,500	\$518,750	Carriage	-	-	-	10	20	30	47	64	64	126	142	158	175	191	208	208	208	208	208
Annual Total Units			-	-	-	383	768	1,158	1,438	1,721	1,984	2,288	2,527	2,898	3,276	3,593	3,915	4,207	4,501	4,800	4,800
Annual Total Residential Acreage			-	99.25	198.50	297.75	384.00	470.26	545.40	656.70	734.60	812.50	890.41	1,011.20	1,132.00	1,132.00	1,132.00	1,132.00	1,132.00	1,132.00	1,132.00
Annual Total Non-Residential Acreage			-	11.92	23.83	35.75	40.86	45.96	51.07	56.18	61.29	66.39	71.50	71.50	71.50	71.50	71.50	71.50	71.50	71.50	71.50

**APPENDIX B
FISCAL IMPACT ANALYSIS
GENERAL FUND (FUND 001)
The Villages Fiscal Impact Analysis
March 18, 2009**

Ref. Table	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
Beginning Balance	\$ -	\$ 141,116	\$ 432,771	\$ 940,322	\$ 1,372,340	\$ 1,700,695	\$ 1,916,115	\$ 2,116,990	\$ 2,347,439	\$ 2,561,954	\$ 3,258,812	\$ 4,012,130	\$ 4,662,083	\$ 5,188,810	\$ 5,638,501	\$ 5,991,756	\$ 6,225,169	\$ 7,056,680	\$ 7,637,834	
Annual General Fund Revenues		(PS Lidlif)					(PS Lidlif)					(PS Lidlif) (Buildout)								
Taxes																				
Property Tax - Normal Levy	2	\$ 80,327	\$ 121,256	\$ 171,522	\$ 262,851	\$ 371,224	\$ 483,862	\$ 588,257	\$ 717,863	\$ 823,517	\$ 1,067,745	\$ 1,206,577	\$ 1,363,698	\$ 1,527,534	\$ 1,694,510	\$ 1,867,188	\$ 2,025,689	\$ 2,232,177	\$ 2,326,687	\$ 2,347,340
Property Tax - Public Safety Levy	2	60,789	91,763	173,459	265,820	375,417	489,326	594,900	725,969	832,817	1,337,642	1,511,566	1,708,403	1,913,652	2,122,835	2,339,161	2,537,727	3,447,239	3,624,042	3,656,212
Property Tax - Personal Property	2	-	-	-	2,649	5,395	8,251	10,386	12,605	14,719	21,145	23,652	27,479	31,460	38,538	41,906	53,447	57,631	58,208	58,208
Sales Tax - Indirect Residential	3	-	-	31,952	72,877	124,624	195,748	282,026	366,938	477,527	544,469	644,686	752,354	851,917	958,364	1,063,138	1,174,346	1,292,877	1,334,766	1,334,766
Sales Tax - Indirect Employee	3	8,076	16,675	25,751	30,362	35,322	40,492	46,041	51,823	57,932	64,382	71,140	78,245	85,622	93,345	101,411	110,000	119,144	128,843	128,843
Sales Tax - Direct Retail/Business	3	-	117,436	242,481	375,506	442,798	514,057	589,469	669,227	753,536	842,605	936,654	1,030,679	1,124,073	1,217,619	1,310,341	1,403,244	1,500,000	1,598,800	1,598,800
TV Cable Tax	4	-	277	571	3,145	5,728	8,506	10,741	13,133	15,528	18,357	20,875	24,382	28,148	31,638	35,366	39,039	42,936	47,087	48,612
Utility Taxes	4	-	12,560	25,879	142,681	259,826	385,839	487,215	595,706	704,369	832,686	946,894	1,105,997	1,276,794	1,435,093	1,604,211	1,770,841	1,947,599	2,135,869	2,205,071
Solid Waste Tax	4	-	865	1,783	9,830	17,900	26,581	33,566	41,040	48,526	57,366	65,234	76,195	87,962	98,867	110,518	121,998	134,175	147,146	151,913
Telephone Tax	4	-	4,038	8,320	45,872	83,534	124,047	156,639	191,519	226,454	267,708	304,426	355,577	410,488	461,381	515,752	569,324	626,151	686,680	708,928
Electrical Tax	4	-	6,057	12,480	68,808	125,301	186,070	234,959	287,278	339,681	401,562	456,638	533,365	615,732	692,072	773,629	853,986	939,227	1,030,020	1,063,392
Water Utility Tax	4	-	629	1,296	7,143	13,007	19,316	24,391	29,822	35,262	41,686	47,403	55,368	63,919	71,844	80,310	88,652	97,501	106,926	110,390
Wastewater Utility Tax	4	-	971	2,029	11,029	20,084	29,824	37,661	46,047	54,446	63,365	73,193	85,491	98,693	110,929	124,002	136,882	150,545	165,097	170,447
Pull Tabs/Punch Boards	4	-	104	214	1,180	2,148	3,190	4,028	4,925	5,823	6,884	7,828	9,143	10,555	11,864	13,262	14,640	16,101	17,657	18,230
Licenses and Permits	4	-	4,152	8,555	47,166	85,891	127,547	161,059	196,922	232,843	275,261	313,015	365,609	422,070	474,399	530,304	585,387	643,818	706,054	728,930
Intergovernmental	4	-	12,721	26,212	144,515	263,166	390,799	493,478	603,364	713,424	843,391	959,067	1,120,215	1,293,207	1,453,542	1,624,834	1,793,606	1,972,636	2,163,326	2,233,418
Charges for Services	4	-	2,956	6,090	33,577	61,144	90,799	114,655	140,186	165,758	222,831	300,466	260,272	337,718	377,516	416,729	458,325	502,630	542,600	581,230
Fines and Forfeits	4	-	4,848	9,990	55,079	100,300	148,945	188,079	229,959	271,907	321,441	365,528	426,946	492,879	553,987	619,271	683,959	751,829	824,506	851,230
Miscellaneous Revenues	4	-	2,166	4,463	24,607	44,810	66,542	84,026	102,736	121,476	143,606	163,303	190,742	220,198	247,498	276,664	305,402	335,885	368,355	380,289
Total General Fund Revenues		\$ 141,116	\$ 378,210	\$ 685,897	\$ 1,415,300	\$ 2,118,939	\$ 2,874,419	\$ 3,558,508	\$ 4,335,737	\$ 5,068,655	\$ 6,435,293	\$ 7,278,812	\$ 8,271,899	\$ 9,325,715	\$ 10,339,595	\$ 11,408,630	\$ 12,437,118	\$ 14,253,334	\$ 15,300,433	\$ 15,654,897
Annual General Fund Costs																				
Legislative	5	\$ -	\$ 342	\$ 705	\$ 3,884	\$ 7,074	\$ 10,504	\$ 13,264	\$ 16,218	\$ 19,176	\$ 22,669	\$ 25,778	\$ 30,110	\$ 34,760	\$ 39,069	\$ 43,673	\$ 48,210	\$ 53,022	\$ 58,147	\$ 60,031
Judicial	5	-	6,561	13,519	74,536	135,732	201,560	254,519	311,193	367,959	434,991	494,652	577,767	666,990	749,685	838,031	925,078	1,017,415	1,115,766	1,151,917
Executive	5	-	393	809	4,459	8,120	12,058	16,617	22,013	29,592	34,565	39,902	44,850	50,135	55,342	60,866	66,750	72,913	79,347	86,043
Administration	5	-	8,454	17,419	96,039	174,889	259,709	327,945	400,971	474,112	560,483	637,356	744,449	859,412	1,079,798	1,191,957	1,310,933	1,437,657	1,484,238	1,484,238
Economic Development	5	-	3,799	7,828	43,158	78,591	116,707	147,371	180,186	213,054	251,867	286,412	334,537	386,199	434,081	485,235	535,636	589,101	646,048	666,980
City Clerk	5	-	2,188	4,509	24,857	45,266	67,219	84,881	103,781	122,712	145,067	164,964	192,682	222,438	250,016	279,479	308,509	339,302	372,102	384,158
Finance	5	-	6,366	13,116	72,315	131,687	195,554	246,934	301,920	356,993	422,028	479,912	560,549	647,114	727,344	813,058	897,511	987,096	1,082,516	1,117,590
Legal	5	-	3,230	6,656	36,697	66,827	99,238	125,311	153,215	181,163	214,166	243,540	284,462	328,390	369,105	412,602	455,459	500,921	549,344	567,143
Employee Benefit Program	5	-	87	178	983	1,790	2,658	3,357	4,104	4,853	5,737	6,523	7,620	8,796	9,887	11,052	12,200	13,418	14,715	15,191
Central Services	5	-	1,486	3,062	16,884	30,746	45,658	57,654	70,493	83,351	98,536	112,050	130,878	151,089	169,821	189,834	209,552	230,468	252,747	260,936
Information Tech. Central Services	5	-	2,662	5,486	30,246	55,079	81,791	103,281	126,279	149,314	176,515	200,725	234,452	270,658	304,215	340,065	375,388	412,857	452,767	467,437
Total Other Gov'l Services	5	-	1,235	2,545	14,030	25,549	37,941	47,909	58,577	69,263	81,880	93,111	108,756	125,551	141,117	157,747	174,132	191,513	210,026	216,831
Law Enforcement	5	-	22,970	47,329	260,938	475,175	705,630	891,028	1,089,438	1,288,164	1,522,833	1,731,698	2,022,668	2,335,025	2,624,526	2,933,812	3,238,589	3,561,806	3,906,117	4,032,676
Physical Environment	5	-	1,139	2,347	12,942	23,568	34,999	44,195	54,036	63,892	75,332	85,891	100,324	115,816	130,175	145,516	160,631	176,664	193,742	200,019
Stewardship Department	5	-	3,630	7,480	41,241	75,102	111,525	140,828	172,186	203,595	240,685	273,696	319,684	369,052	414,808	463,691	511,855	562,946	617,364	637,367
Community Development Department	5	-	3,633	7,485	41,266	75,147	111,593	140,913	172,290	203,718	240,830	273,861	319,877	369,275	415,058	463,971	512,164	563,286	617,737	637,752
Building Department	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning Department	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pass Through Costs/Deve.Reg.	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Code Enforcement	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mental and Physical Health	5	-	26	53	295	537	797	1,007	1,231	1,456	1,721	1,957	2,286	2,639	3,016	3,316	3,660	4,025	4,414	4,557
Parks and Recreation	5	-	92	190	1,048	1,909	2,835	3,580	4,378	5,176	6,119	6,958	8,127	9,383	10,546	11,789	13,013	14,312	15,696	16,204
Fire Department	5	-	18,262	37,629	207,463	377,796	561,023	708,426	866,175	1,024,176	1,210,753	1,376,815	1,608,155	1,856,500	2,086,672	2,332,575	2,574,861	2,831,872	3,105,622	3,206,245
Non Expenditure	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total General Fund Costs		\$ -	\$ 86,555	\$ 178,347	\$ 983,282	\$ 1,790,584	\$ 2,659,000	\$ 3,357,629	\$ 4,105,288	\$ 4,854,140	\$ 5,738,435	\$ 6,525,494	\$ 7,621,946	\$ 8,798,988	\$ 9,889,904	\$ 11,055,375	\$ 12,203,705	\$ 13,421,823	\$ 14,719,279	\$ 15,196,184
Net Annual General Fund Surplus (Deficit)		\$ 141,116	\$ 291,655	\$ 507,551	\$ 432,018	\$ 328,355	\$ 215,420	\$ 200,876	\$ 230,449	\$ 214,515	\$ 696,858	\$ 753,318	\$ 649,953	\$ 526,726	\$ 449,691	\$ 353,255	\$ 233,413	\$ 831,511	\$ 581,154	\$ 458,713
																				

APPENDIX B
 FISCAL IMPACT ANALYSIS
 SUMMARY OF REAL ESTATE EXCISE TAXES GENERATED
 The Villages Fiscal Impact Analysis
 March 18, 2009

Ref. Table	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Beginning Balance	\$ -	\$ -	\$ 283,960	\$ 598,788	\$ 1,338,864	\$ 2,182,523	\$ 3,133,429	\$ 4,106,872	\$ 5,369,703	\$ 6,544,506	\$ 8,162,424	\$ 9,732,057	\$ 11,595,266	\$ 13,665,475	\$ 15,844,398	\$ 18,242,841	\$ 20,702,443	\$ 22,864,644	\$ 25,207,881
Annual Real Estate Excise Taxes Generated																			
Real Estate Excise Tax	2 (a) \$ -	\$ 283,960	\$ 314,828	\$ 740,076	\$ 843,659	\$ 950,906	\$ 973,443	\$ 1,262,831	\$ 1,174,803	\$ 1,617,918	\$ 1,569,633	\$ 1,863,209	\$ 2,070,209	\$ 2,178,923	\$ 2,398,443	\$ 2,459,602	\$ 2,162,201	\$ 2,343,237	\$ 1,620,497
Total	\$ -	\$ 283,960	\$ 314,828	\$ 740,076	\$ 843,659	\$ 950,906	\$ 973,443	\$ 1,262,831	\$ 1,174,803	\$ 1,617,918	\$ 1,569,633	\$ 1,863,209	\$ 2,070,209	\$ 2,178,923	\$ 2,398,443	\$ 2,459,602	\$ 2,162,201	\$ 2,343,237	\$ 1,620,497
Cumulative REET Generated	-	283,960	598,788	1,338,864	2,182,523	3,133,429	4,106,872	5,369,703	6,544,506	8,162,424	9,732,057	11,595,266	13,665,475	15,844,398	18,242,841	20,702,443	22,864,644	25,207,881	26,828,378

Appendix C - Fiscal Impact Model Year No. 1

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 36,750	-	\$ 120,750	-	\$ -	\$ -	\$ -
Stacked Flats	31,500	-	126,000	-	-	-	-
Townhomes	99,750	-	149,625	-	-	-	-
Duets	139,650	-	209,475	-	-	-	-
40x85 alley	135,660	-	203,490	-	-	-	-
45x80 alley	143,640	-	215,460	-	-	-	-
40x90	143,640	-	215,460	-	-	-	-
45x85	152,618	-	228,926	-	-	-	-
45x100	179,550	-	269,325	-	-	-	-
50x90	179,550	-	269,325	-	-	-	-
50x100	199,500	-	299,250	-	-	-	-
55x100	219,450	-	329,175	-	-	-	-
60x100	239,400	-	359,100	-	-	-	-
70x100	279,300	-	418,950	-	-	-	-
80x100	319,200	-	478,800	-	-	-	-
Cluster	143,640	-	215,460	-	-	-	-
Carriage	217,875	-	326,813	-	-	-	-
							(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 36,750	-	\$ 157,500	-	\$ -	\$ -	\$ -
Stacked Flats	31,500	-	157,500	-	-	-	-
Townhomes	99,750	-	249,375	-	-	-	-
Duets	139,650	-	349,125	-	-	-	-
40x85 alley	135,660	-	339,150	-	-	-	-
45x80 alley	143,640	-	359,100	-	-	-	-
40x90	143,640	-	359,100	-	-	-	-
45x85	152,618	-	381,544	-	-	-	-
45x100	179,550	-	448,875	-	-	-	-
50x90	179,550	-	448,875	-	-	-	-
50x100	199,500	-	498,750	-	-	-	-
55x100	219,450	-	548,625	-	-	-	-
60x100	239,400	-	598,500	-	-	-	-
70x100	279,300	-	698,250	-	-	-	-
80x100	319,200	-	798,000	-	-	-	-
Cluster	143,640	-	359,100	-	-	-	-
Carriage	217,875	-	544,688	-	-	-	-
							(B)

	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
Non-Residential				
New Construction				
Retail Buildings	0%	-	\$ 196.98	-
Office Buildings	0%	-	128.38	-
	0%	-		-
From Prior Years				
Retail Buildings	0%	-	\$ 196.98	-
Office Buildings	0%	-	128.38	-
	0%	-		-

	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land				
Raw Land for Residential	1,132.00	94.06%	\$ 77,175	\$ 87,361,946
Raw Land for Non-Residential	71.50	5.94%	\$ 77,175	\$ 5,518,013
Total Value for Raw Land	1,203.50	100.00%	\$	\$ 92,879,958

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E)

\$ 92,879,958

Footnote:

(i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.

(ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 1

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 92,879,958	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.86	(B)
City Tax Share				80,327	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 80,327</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.65	(D)
City Tax Share				60,789	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 60,789</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.52	
Personal Property Value /(iii)	\$ 6,660,746	1,603	-	\$ -	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.52	(F)
City Tax Share, Dollars				-	
City Tax Share-Rounded				<u>\$ -</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				<u>2.4030</u>	
Total Residents				<u>-</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	-			813	
Office	-			434	
Employees					
Retail				-	
Office				-	
Total Employees				<u>-</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				-	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				-	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ -</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ -	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				-	(K)
Total Amount, Rounded				<u>\$ -</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 1
APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009

Description	Amount
Residential	
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$ - (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30% \$ - (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30% \$ - (C)
Projected Off-Site Taxable Sales Captured in City (@30%)	(D) = (C)* 30% \$ - (D)
Project Indirect Sales and Use Tax to City - New Residents	
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)	
Assessed Valuation Percentage	
(1) Sales Tax (@0.84% of taxable sales)	0.84% \$ -
	<u>\$ -</u>
Per Capita	
(2) Projected Sales tax per Capita (based on 2008 City Budget)	\$ 289,072
<u>Budget</u>	<u>Factor</u>
289,072	65.19
<u>Resident Factor</u>	<u>Units</u>
100%	-
	<u>\$ -</u>
Project Indirect Sales and Use Tax to City - New Employees	
Per Capita	
Projected Sales tax per Capita (based on City Budget) / (iii)	\$ 289,072
<u>Budget</u>	<u>Factor</u>
289,072	65.19
<u>Employee Factor</u>	<u>Units</u>
50%	-
	<u>\$ -</u>
Total Project Indirect Sales and Use Tax to City	
	<u>\$ -</u>
Project Direct Sales and Use Tax to City - Businesses	
	Taxable Sales
	Per Square Feet
Taxable Sales	Square Footage
Retail Buildings / (iv)	\$ 250 -
Office Buildings	\$ - -
Total Direct Taxable Sales	<u>\$ -</u>
Project Direct Sales and Use Tax to City	
Sales Tax (@0.84% of taxable sales)	0.84% \$ -
Total Project Direct Sales and Use Tax to City	<u>\$ -</u>

Footnote:

(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.

(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West

(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.

(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 1

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2009	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	9,911	Y	100%	2.23	per person served	-	-
Utility Taxes	449,569	Y	100%	101.38	per person served	-	-
Solid Waste Tax	30,972	Y	100%	6.98	per person served	-	-
Telephone Tax	144,536	Y	100%	32.59	per person served	-	-
Electrical Tax	216,804	Y	100%	48.89	per person served	-	-
Water Utility Tax	22,506	Y	100%	5.08	per person served	-	-
Wastewater Utility Tax	34,751	Y	100%	7.84	per person served	-	-
Pull Tabs/Punch Boards	3,717	Y	100%	0.84	per person served	-	-
Licenses and Permits	148,614	Y	100%	33.51	per person served	-	-
Intergovernmental	455,348	Y	100%	102.68	per person served	-	-
Charges for Services	105,796	Y	100%	23.86	per person served	-	-
Fines and Forfeits	173,546	Y	100%	39.14	per person served	-	-
Miscellaneous Revenues	77,533	Y	100%	17.48	per person served	-	-
Total General Fund Revenue	<u>1,424,035</u>			<u>321.13</u>			<u>-</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 1

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)		LoS Adjustment	Efficiency Factor	Factor 2009	Measure /(ii)	Equivalent Units	Cost
	(a)	(b)						
General Fund (Fund 001)								
Legislative	\$ 12,239	100%	100%	2.76	per person served	-	\$ -	
Judicial	234,852	100%	100%	52.96	per person served	-	-	
Executive	14,050	100%	100%	3.17	per person served	-	-	
Administration	302,606	100%	100%	68.24	per person served	-	-	
Economic Development	135,984	100%	100%	30.66	per person served	-	-	
City Clerk	78,322	100%	100%	17.66	per person served	-	-	
Finance	227,854	100%	100%	51.38	per person served	-	-	
Legal	115,629	100%	100%	26.07	per person served	-	-	
Employee Benefit Program	3,097	100%	100%	0.70	per person served	-	-	
Central Services	53,200	100%	100%	12.00	per person served	-	-	
Information Tech. Central Services	95,301	100%	100%	21.49	per person served	-	-	
Total Other Gov't Services	44,207	100%	100%	9.97	per person served	-	-	
Law Enforcement	1,370,300	60%	100%	185.41	per person served	-	- (iii)	
Physical Environment	40,780	100%	100%	9.20	per person served	-	-	
Stewardship Department	129,946	100%	100%	29.30	per person served	-	-	
Community Development Department	130,025	100%	100%	29.32	per person served	-	-	
Building Department	93,506	0%	100%	-	per person served	-	- (iv)	
Planning Department	92,163	0%	100%	-	per person served	-	- (iv)	
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	-	-	
Code Enforcement	-	0%	0%	-	per person served	-	- (iv)	
Mental and Physical Health	929	100%	100%	0.21	per person served	-	-	
Parks and Recreation	3,304	100%	100%	0.74	per person served	-	-	
Fire Department	653,688	100%	100%	147.41	per person served	-	-	
Non Expenditure	-	0%	0%	-	per person served	-	-	
General Fund Total	\$ 4,073,663			\$ 698.66			\$ -	

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 2

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 145,307,791	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.83	(B)
City Tax Share				121,256	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 121,256</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.63	(D)
City Tax Share				91,763	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 91,763</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.47	
Personal Property Value /(iii)	\$ 6,993,783	1,683	-	\$ -	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.47	(F)
City Tax Share, Dollars				-	
City Tax Share-Rounded				<u>\$ -</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				<u>2.4030</u>	
Total Residents				<u>-</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	54,167			813	
Office	75,000			434	
Employees					
Retail				67	
Office				173	
Total Employees				<u>240</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				56,792,033	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				-	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 56,792,033</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 283,960	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				-	(K)
Total Amount, Rounded				<u>\$ 283,960</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 2
APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009

Description	Amount																									
Residential																										
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$ - (A)																									
Household Income (@30% of valuation) / (i)	(B) = (A)* 30% \$ - (B)																									
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30% \$ - (C)																									
Projected Off-Site Taxable Sales Captured in City (@30%)	(D) = (C)* 30% \$ - (D)																									
Project Indirect Sales and Use Tax to City - New Residents																										
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)																										
Assessed Valuation Percentage																										
(1) Sales Tax (@0.84% of taxable sales)	0.84% \$ - \$ -																									
Per Capita																										
(2) Projected Sales tax per Capita (based on 2008 City Budget)	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;">Budget</th> <th style="width: 10%; text-align: center;">Factor</th> <th style="width: 10%; text-align: center;">Resident Factor</th> <th style="width: 10%; text-align: center;">Units</th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">\$ 298,438</td> <td style="text-align: right;">67.30</td> <td style="text-align: right;">100%</td> <td style="text-align: center;">-</td> <td style="text-align: right;">\$ -</td> </tr> </tbody> </table>		Budget	Factor	Resident Factor	Units			\$ 298,438	67.30	100%	-	\$ -													
	Budget	Factor	Resident Factor	Units																						
	\$ 298,438	67.30	100%	-	\$ -																					
Project Indirect Sales and Use Tax to City - New Employees																										
Per Capita																										
Projected Sales tax per Capita (based on City Budget) / (iii)	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;">Budget</th> <th style="width: 10%; text-align: center;">Factor</th> <th style="width: 10%; text-align: center;">Employee Factor</th> <th style="width: 10%; text-align: center;">Units</th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">\$ 298,438</td> <td style="text-align: right;">67.30</td> <td style="text-align: right;">50%</td> <td style="text-align: center;">120</td> <td style="text-align: right;">\$ 8,076</td> </tr> </tbody> </table>		Budget	Factor	Employee Factor	Units			\$ 298,438	67.30	50%	120	\$ 8,076													
	Budget	Factor	Employee Factor	Units																						
	\$ 298,438	67.30	50%	120	\$ 8,076																					
Total Project Indirect Sales and Use Tax to City																										
	\$ 8,076																									
Project Direct Sales and Use Tax to City - Businesses																										
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%; text-align: center;">Taxable Sales Per Square Feet</th> <th style="width: 10%; text-align: center;">Square Footage</th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td>Taxable Sales</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> Retail Buildings / (iv)</td> <td style="text-align: right;">\$ 258</td> <td style="text-align: right;">54,167</td> <td></td> <td style="text-align: right;">13,980,417</td> </tr> <tr> <td> Office Buildings</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">75,000</td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td>Total Direct Taxable Sales</td> <td></td> <td style="text-align: right;">129,167</td> <td></td> <td style="text-align: right;">13,980,417</td> </tr> </tbody> </table>		Taxable Sales Per Square Feet	Square Footage			Taxable Sales					Retail Buildings / (iv)	\$ 258	54,167		13,980,417	Office Buildings	\$ -	75,000		-	Total Direct Taxable Sales		129,167		13,980,417
	Taxable Sales Per Square Feet	Square Footage																								
Taxable Sales																										
Retail Buildings / (iv)	\$ 258	54,167		13,980,417																						
Office Buildings	\$ -	75,000		-																						
Total Direct Taxable Sales		129,167		13,980,417																						
Project Direct Sales and Use Tax to City																										
Sales Tax (@0.84% of taxable sales)	0.84% \$ 117,436																									
Total Project Direct Sales and Use Tax to City	\$ 117,436																									

Footnote:

(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 2

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2010	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	10,232	Y	100%	2.31	per person served	120	277
Utility Taxes	464,135	Y	100%	104.66	per person served	120	12,560
Solid Waste Tax	31,975	Y	100%	7.21	per person served	120	865
Telephone Tax	149,219	Y	100%	33.65	per person served	120	4,038
Electrical Tax	223,828	Y	100%	50.47	per person served	120	6,057
Water Utility Tax	23,236	Y	100%	5.24	per person served	120	629
Wastewater Utility Tax	35,877	Y	100%	8.09	per person served	120	971
Pull Tabs/Punch Boards	3,837	Y	100%	0.87	per person served	120	104
Licenses and Permits	153,429	Y	100%	34.60	per person served	120	4,152
Intergovernmental	470,102	Y	100%	106.01	per person served	120	12,721
Charges for Services	109,224	Y	100%	24.63	per person served	120	2,956
Fines and Forfeits	179,169	Y	100%	40.40	per person served	120	4,848
Miscellaneous Revenues	80,045	Y	100%	18.05	per person served	120	2,166
Total General Fund Revenue	<u>1,470,173</u>			<u>331.53</u>			<u>39,784</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 2

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)		LoS Adjustment	Efficiency Factor	Factor 2010	Measure /(ii)	Equivalent Units	Cost
	(a)	(b)						
General Fund (Fund 001)								
Legislative	\$ 12,636	100%	100%	2.85	per person served	120	\$ 342	
Judicial	242,462	100%	100%	54.68	per person served	120	6,561	
Executive	14,505	100%	100%	3.27	per person served	120	393	
Administration	312,410	100%	100%	70.45	per person served	120	8,454	
Economic Development	140,389	100%	100%	31.66	per person served	120	3,799	
City Clerk	80,860	100%	100%	18.23	per person served	120	2,188	
Finance	235,236	100%	100%	53.05	per person served	120	6,366	
Legal	119,375	100%	100%	26.92	per person served	120	3,230	
Employee Benefit Program	3,198	100%	100%	0.72	per person served	120	87	
Central Services	54,923	100%	100%	12.39	per person served	120	1,486	
Information Tech. Central Services	98,389	100%	100%	22.19	per person served	120	2,662	
Total Other Gov't Services	45,640	100%	100%	10.29	per person served	120	1,235	
Law Enforcement	1,414,698	60%	100%	191.41	per person served	120	22,970 (iii)	
Physical Environment	42,101	100%	100%	9.49	per person served	120	1,139	
Stewardship Department	134,156	100%	100%	30.25	per person served	120	3,630	
Community Development Department	134,237	100%	100%	30.27	per person served	120	3,633	
Building Department	96,535	0%	100%	-	per person served	120	- (iv)	
Planning Department	95,149	0%	100%	-	per person served	120	- (iv)	
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	120	-	
Code Enforcement	-	0%	0%	-	per person served	120	- (iv)	
Mental and Physical Health	959	100%	100%	0.22	per person served	120	26	
Parks and Recreation	3,411	100%	100%	0.77	per person served	120	92	
Fire Department	674,867	100%	100%	152.19	per person served	120	18,262	
Non Expenditure	-	0%	0%	-	per person served	120	-	
General Fund Total	\$ 4,205,649			\$ 721.29			\$ 86,555	

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 3

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 40,517	126	\$ 133,127	-	\$ 5,105,126	\$ -	\$ 5,105,126
Stacked Flats	34,729	93	138,915	-	3,229,774	-	3,229,774
Townhomes	109,974	43	164,962	-	4,728,898	-	4,728,898
Duets	153,964	20	230,946	-	3,079,283	-	3,079,283
40x85 alley	149,565	13	224,348	-	1,944,347	-	1,944,347
45x80 alley	158,363	23	237,545	-	3,642,351	-	3,642,351
40x90	158,363	-	237,545	-	-	-	-
45x85	168,261	-	252,391	-	-	-	-
45x100	197,954	-	296,931	-	-	-	-
50x90	197,954	16	296,931	-	3,167,262	-	3,167,262
50x100	219,949	5	329,923	-	1,099,744	-	1,099,744
55x100	241,944	10	362,915	-	2,419,436	-	2,419,436
60x100	263,939	17	395,908	-	4,486,955	-	4,486,955
70x100	307,928	9	461,892	-	2,771,354	-	2,771,354
80x100	351,918	-	527,877	-	-	-	-
Cluster	158,363	-	237,545	-	-	-	-
Carriage	240,207	10	360,311	-	2,402,072	-	2,402,072
		<u>385</u>		<u>-</u>			<u>38,076,602</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 40,517	126	\$ 173,644	-	\$ 5,105,126	\$ -	\$ 5,105,126
Stacked Flats	34,729	92	173,644	-	3,195,045	-	3,195,045
Townhomes	109,974	43	274,936	-	4,728,898	-	4,728,898
Duets	153,964	20	384,910	-	3,079,283	-	3,079,283
40x85 alley	149,565	13	373,913	-	1,944,347	-	1,944,347
45x80 alley	158,363	22	395,908	-	3,483,988	-	3,483,988
40x90	158,363	-	395,908	-	-	-	-
45x85	168,261	-	420,652	-	-	-	-
45x100	197,954	-	494,885	-	-	-	-
50x90	197,954	16	494,885	-	3,167,262	-	3,167,262
50x100	219,949	5	549,872	-	1,099,744	-	1,099,744
55x100	241,944	10	604,859	-	2,419,436	-	2,419,436
60x100	263,939	17	659,846	-	4,486,955	-	4,486,955
70x100	307,928	9	769,821	-	2,771,354	-	2,771,354
80x100	351,918	-	879,795	-	-	-	-
Cluster	158,363	-	395,908	-	-	-	-
Carriage	240,207	10	600,518	-	2,402,072	-	2,402,072
		<u>383</u>		<u>-</u>			<u>37,883,510</u>

(B)

Non-Residential	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	Total
New Construction				
Retail Buildings	42%	54,167	\$ 205.02	11,105,250
Office Buildings	58%	75,000	133.62	10,021,500
	<u>100%</u>	<u>129,167</u>		<u>21,126,750</u>
From Prior Years				
Retail Buildings	42%	54,167	\$ 205.02	11,105,250
Office Buildings	58%	75,000	133.62	10,021,500
	<u>100%</u>	<u>129,167</u>		<u>21,126,750</u>

(C)

(D)

Raw Land	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	Total
Raw Land for Residential	933.50	77.57%	\$ 85,085	\$ 79,427,199
Raw Land for Non-Residential	47.67	3.96%	\$ 85,085	\$ 4,055,739
Total Value for Raw Land	<u>981.17</u>	<u>81.53%</u>		<u>\$ 83,482,938</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) \$ 201,696,550

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 3

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 201,696,550	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.85	(B)
City Tax Share				171,522	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 171,522</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.86	(D)
City Tax Share				173,459	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 173,459</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.71	
Personal Property Value /(iii)	\$ 7,343,473	1,767	-	\$ -	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.71	(F)
City Tax Share, Dollars				-	
City Tax Share-Rounded				<u>\$ -</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				<u>2.4030</u>	
Total Residents				<u>-</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	108,333			813	
Office	150,000			434	
Employees					
Retail				133	
Office				346	
Total Employees				<u>479</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				59,203,352	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				59,010,260	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 62,965,654</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 296,017	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				18,812	(K)
Total Amount, Rounded				<u>\$ 314,828</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 3

APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
 The Villages Fiscal Impact Analysis
 March 18, 2009

Description	Amount	
Residential		
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$	- (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30%	\$ - (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30%	\$ - (C)
Projected Off-Site Taxable Sales Captured in City (@33%)	(D) = (C)* 33%	\$ - (D)
Project Indirect Sales and Use Tax to City - New Residents		
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)		
Assessed Valuation Percentage		
(1) Sales Tax (@0.84% of taxable sales)	0.84%	\$ -
		\$ -
Per Capita		
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor
	\$ 308,107	69.48
		Resident Factor
		100%
		Units
		-
		\$ -
Project Indirect Sales and Use Tax to City - New Employees		
Per Capita		
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor
	\$ 308,107	69.48
		Employee Factor
		50%
		Units
		240
		\$ 16,675
		\$ 16,675
Total Project Indirect Sales and Use Tax to City		
		\$ 16,675
Project Direct Sales and Use Tax to City - Businesses		
	Taxable Sales	Square Footage
	Per Square Feet	
Taxable Sales		
Retail Buildings / (iv)	\$ 266	108,333
Office Buildings	\$ -	150,000
Total Direct Taxable Sales		258,333
		28,866,764
		28,866,764
Project Direct Sales and Use Tax to City		
Sales Tax (@0.84% of taxable sales)	0.84%	\$ 242,481
Total Project Direct Sales and Use Tax to City		\$ 242,481

Footnote:

- (i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
- (ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
- (iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
- (iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 3

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2011	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	10,564	Y	100%	2.38	per person served	240	571
Utility Taxes	479,173	Y	100%	108.06	per person served	240	25,879
Solid Waste Tax	33,011	Y	100%	7.44	per person served	240	1,783
Telephone Tax	154,054	Y	100%	34.74	per person served	240	8,320
Electrical Tax	231,080	Y	100%	52.11	per person served	240	12,480
Water Utility Tax	23,988	Y	100%	5.41	per person served	240	1,296
Wastewater Utility Tax	37,039	Y	100%	8.35	per person served	240	2,000
Pull Tabs/Punch Boards	3,961	Y	100%	0.89	per person served	240	214
Licenses and Permits	158,400	Y	100%	35.72	per person served	240	8,555
Intergovernmental	485,333	Y	100%	109.44	per person served	240	26,212
Charges for Services	112,763	Y	100%	25.43	per person served	240	6,090
Fines and Forfeits	184,974	Y	100%	41.71	per person served	240	9,990
Miscellaneous Revenues	82,639	Y	100%	18.64	per person served	240	4,463
Total General Fund Revenue	<u>1,517,807</u>			<u>342.27</u>			<u>81,974</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 3

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2011	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 13,045	100%	100%	2.94	per person served	240	\$ 705
Judicial	250,317	100%	100%	56.45	per person served	240	13,519
Executive	14,975	100%	100%	3.38	per person served	240	809
Administration	322,532	100%	100%	72.73	per person served	240	17,419
Economic Development	144,938	100%	100%	32.68	per person served	240	7,828
City Clerk	83,479	100%	100%	18.83	per person served	240	4,509
Finance	242,858	100%	100%	54.77	per person served	240	13,116
Legal	123,243	100%	100%	27.79	per person served	240	6,656
Employee Benefit Program	3,301	100%	100%	0.74	per person served	240	178
Central Services	56,703	100%	100%	12.79	per person served	240	3,062
Information Tech. Central Services	101,576	100%	100%	22.91	per person served	240	5,486
Total Other Gov't Services	47,118	100%	100%	10.63	per person served	240	2,545
Law Enforcement	1,460,534	60%	100%	197.61	per person served	240	47,329 (iii)
Physical Environment	43,465	100%	100%	9.80	per person served	240	2,347
Stewardship Department	138,503	100%	100%	31.23	per person served	240	7,480
Community Development Department	138,587	100%	100%	31.25	per person served	240	7,485
Building Department	99,663	0%	100%	-	per person served	240	- (iv)
Planning Department	98,232	0%	100%	-	per person served	240	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	240	-
Code Enforcement	-	0%	0%	-	per person served	240	- (iv)
Mental and Physical Health	990	100%	100%	0.22	per person served	240	53
Parks and Recreation	3,521	100%	100%	0.79	per person served	240	190
Fire Department	696,733	100%	100%	157.12	per person served	240	37,629
Non Expenditure	-	0%	0%	-	per person served	240	-
General Fund Total	\$ 4,341,912			\$ 744.66			\$ 178,347

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 4

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 42,543	127	\$ 139,783	126	\$ 5,402,925	\$ 17,612,686	\$ 23,015,611
Stacked Flats	36,465	93	145,861	92	3,391,262	13,419,189	16,810,451
Townhomes	115,473	43	173,210	43	4,965,343	7,448,015	12,413,358
Duets	161,662	20	242,493	20	3,233,247	4,849,870	8,083,117
40x85 alley	157,043	14	235,565	13	2,198,608	3,062,346	5,260,954
45x80 alley	166,281	23	249,422	22	3,824,469	5,487,281	9,311,750
40x90	166,281	-	249,422	-	-	-	-
45x85	176,674	-	265,011	-	-	-	-
45x100	207,852	-	311,777	-	-	-	-
50x90	207,852	17	311,777	16	3,533,477	4,988,438	8,521,914
50x100	230,946	5	346,419	5	1,154,731	1,732,096	2,886,827
55x100	254,041	10	381,061	10	2,540,408	3,810,612	6,351,020
60x100	277,135	18	415,703	17	4,988,438	7,066,953	12,055,391
70x100	323,325	10	484,987	9	3,233,247	4,364,883	7,598,130
80x100	369,514	-	554,271	-	-	-	-
Cluster	166,281	-	249,422	-	-	-	-
Carriage	252,218	10	378,326	10	2,522,175	3,783,263	6,305,439
		<u>390</u>		<u>383</u>			<u>118,613,962</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 42,543	252	\$ 182,326	-	\$ 10,720,765	\$ -	\$ 10,720,765
Stacked Flats	36,465	185	182,326	-	6,746,060	-	6,746,060
Townhomes	115,473	86	288,683	-	9,930,686	-	9,930,686
Duets	161,662	40	404,156	-	6,466,493	-	6,466,493
40x85 alley	157,043	26	392,609	-	4,083,129	-	4,083,129
45x80 alley	166,281	45	415,703	-	7,482,656	-	7,482,656
40x90	166,281	-	415,703	-	-	-	-
45x85	176,674	-	441,685	-	-	-	-
45x100	207,852	-	519,629	-	-	-	-
50x90	207,852	32	519,629	-	6,651,250	-	6,651,250
50x100	230,946	10	577,365	-	2,309,462	-	2,309,462
55x100	254,041	20	635,102	-	5,080,816	-	5,080,816
60x100	277,135	34	692,839	-	9,422,604	-	9,422,604
70x100	323,325	18	808,312	-	5,819,844	-	5,819,844
80x100	369,514	-	923,785	-	-	-	-
Cluster	166,281	-	415,703	-	-	-	-
Carriage	252,218	20	630,544	-	5,044,351	-	5,044,351
		<u>768</u>		<u>-</u>			<u>79,758,117</u>

(B)

	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
Non-Residential				
New Construction				
Retail Buildings	42%	54,167	\$ 209.12	11,327,355
Office Buildings	58%	75,000	136.29	10,221,930
	<u>100%</u>	<u>129,167</u>		<u>21,549,285</u>
From Prior Years				
Retail Buildings	42%	108,333	\$ 209.12	22,654,710
Office Buildings	58%	150,000	136.29	20,443,860
	<u>100%</u>	<u>258,333</u>		<u>43,098,570</u>

(C)

(D)

	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land				
Raw Land for Residential	834.25	69.32%	\$ 89,340	\$ 74,531,653
Raw Land for Non-Residential	35.75	2.97%	\$ 89,340	\$ 3,193,895
Total Value for Raw Land	<u>870.00</u>	<u>72.29%</u>		<u>\$ 77,725,547</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) \$ 340,745,481

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 4

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation			\$ 340,745,481	(A)
<u>Property Tax</u>				
City Share of Basic Tax /(i)			\$ 0.77	(B)
City Tax Share			262,851	
City Tax Share-Rounded		(C) = (A)*(B)	\$ 262,851	(C)
<u>Property Tax - Special Levy</u>				
City Dedicated Public Safety Tax /(ii)			\$ 0.78	(D)
City Tax Share			265,820	
City Tax Share-Rounded		(E) = (A)*(D)	\$ 265,820	(E)
<u>Personal Property Tax</u>				
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>	
City Share of Basic Tax - New Construction /(i)			\$ 1.55	
Personal Property Value /(iii)	\$ 7,710,646	1,856	920	\$ 1,707,291
Total City Share of Property Taxes, Levy Rate			1.55	(F) = (B)+(D)
City Tax Share, Dollars			2,648,88	
City Tax Share-Rounded			\$ 2,649	
Residents per SF HH /(iv)			2.4030	
Residents per MF HH /(iv)			2.4030	
Total Residents			920	
<u>Square Feet per Employee /(v)</u>				
	<u>Square Footage</u>			
Retail	162,500			813
Office	225,000			434
Employees				
Retail				200
Office				518
Total Employees				718
<u>Transfer Parameters</u>				
Turnover Rate /(vi)				
Residential			7.14%	
Non-Residential			5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>			140,163,247	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>			122,856,687	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>			\$ 148,015,184	
<u>Real Estate Excise Tax (REET) /(vii)</u>				
REET Rate			0.5000%	(I)
REET from New Construction		(J) = (G)*(I)	\$ 700,816	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>			39,260	(K)
Total Amount, Rounded			\$ 740,076	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 4
APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009

Description	Amount																									
Residential																										
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$ 117,403,318 (A)																									
Household Income (@30% of valuation) / (i)	(B) = (A)* 30% \$ 35,220,995 (B)																									
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30% \$ 10,566,299 (C)																									
Projected Off-Site Taxable Sales Captured in City (@36%)	(D) = (C)* 36% \$ 3,803,867 (D)																									
Project Indirect Sales and Use Tax to City - New Residents																										
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)																										
Assessed Valuation Percentage																										
(1) Sales Tax (@0.84% of taxable sales)	0.84% \$ 31,952 <u>\$ 31,952</u>																									
Per Capita																										
(2) Projected Sales tax per Capita (based on 2008 City Budget)	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;"><u>Budget</u></th> <th style="width: 10%; text-align: center;"><u>Factor</u></th> <th style="width: 10%; text-align: center;"><u>Resident Factor</u></th> <th style="width: 10%; text-align: center;"><u>Units</u></th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">\$ 318,090</td> <td style="text-align: center;">71.73</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">920</td> <td style="text-align: right;"><u>\$ 65,992</u></td> </tr> </tbody> </table>		<u>Budget</u>	<u>Factor</u>	<u>Resident Factor</u>	<u>Units</u>			\$ 318,090	71.73	100%	920	<u>\$ 65,992</u>													
	<u>Budget</u>	<u>Factor</u>	<u>Resident Factor</u>	<u>Units</u>																						
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Projected Sales tax per Capita (based on City Budget) / (iii)	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;"><u>Budget</u></th> <th style="width: 10%; text-align: center;"><u>Factor</u></th> <th style="width: 10%; text-align: center;"><u>Employee Factor</u></th> <th style="width: 10%; text-align: center;"><u>Units</u></th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">\$ 318,090</td> <td style="text-align: center;">71.73</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">359</td> <td style="text-align: right;"><u>\$ 25,751</u></td> </tr> </tbody> </table>		<u>Budget</u>	<u>Factor</u>	<u>Employee Factor</u>	<u>Units</u>			\$ 318,090	71.73	50%	359	<u>\$ 25,751</u>													
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Project Direct Sales and Use Tax to City - Businesses																										
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%; text-align: center;"><u>Taxable Sales</u></th> <th style="width: 10%; text-align: center;"><u>Per Square Feet</u></th> <th style="width: 10%; text-align: center;"><u>Square Footage</u></th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td>Taxable Sales</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> Retail Buildings / (iv)</td> <td style="text-align: right;">\$ 275</td> <td></td> <td style="text-align: right;">162,500</td> <td style="text-align: right;">44,703,071</td> </tr> <tr> <td> Office Buildings</td> <td style="text-align: right;">\$ -</td> <td></td> <td style="text-align: right;">225,000</td> <td style="text-align: right;">-</td> </tr> <tr> <td>Total Direct Taxable Sales</td> <td></td> <td></td> <td style="text-align: right;"><u>387,500</u></td> <td style="text-align: right;"><u>44,703,071</u></td> </tr> </tbody> </table>		<u>Taxable Sales</u>	<u>Per Square Feet</u>	<u>Square Footage</u>		Taxable Sales					Retail Buildings / (iv)	\$ 275		162,500	44,703,071	Office Buildings	\$ -		225,000	-	Total Direct Taxable Sales			<u>387,500</u>	<u>44,703,071</u>
	<u>Taxable Sales</u>	<u>Per Square Feet</u>	<u>Square Footage</u>																							
Taxable Sales																										
Retail Buildings / (iv)	\$ 275		162,500	44,703,071																						
Office Buildings	\$ -		225,000	-																						
Total Direct Taxable Sales			<u>387,500</u>	<u>44,703,071</u>																						
Project Direct Sales and Use Tax to City																										
Sales Tax (@0.84% of taxable sales)	0.84% \$ 375,506 <u>\$ 375,506</u>																									
Total Project Direct Sales and Use Tax to City																										
	<u>\$ 375,506</u>																									

Footnote:

(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 4

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2012	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	10,906	Y	100%	2.46	per person served	1,279	3,145
<u>Utility Taxes</u>	494,698	Y	100%	111.56	per person served	1,279	142,681
Solid Waste Tax	34,081	Y	100%	7.69	per person served	1,279	9,830
Telephone Tax	159,045	Y	100%	35.87	per person served	1,279	45,872
Electrical Tax	238,567	Y	100%	53.80	per person served	1,279	68,808
Water Utility Tax	24,766	Y	100%	5.58	per person served	1,279	7,143
Wastewater Utility Tax	38,239	Y	100%	8.62	per person served	1,279	11,029
Pull Tabs/Punch Boards	4,090	Y	100%	0.92	per person served	1,279	1,180
Licenses and Permits	163,532	Y	100%	36.88	per person served	1,279	47,166
Intergovernmental	501,058	Y	100%	112.99	per person served	1,279	144,515
Charges for Services	116,416	Y	100%	26.25	per person served	1,279	33,577
Fines and Forfeits	190,968	Y	100%	43.06	per person served	1,279	55,079
Miscellaneous Revenues	85,316	Y	100%	19.24	per person served	1,279	24,607
Total General Fund Revenue	<u>1,566,984</u>			<u>353.36</u>			<u>451,950</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 4

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)		LoS Adjustment	Efficiency Factor	Factor 2012	Measure /(ii)	Equivalent Units	Cost
		Budget						
General Fund (Fund 001)	(a)		(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$	13,468	100%	100%	3.04	per person served	1,279	\$ 3,884
Judicial		258,428	100%	100%	58.28	per person served	1,279	74,536
Executive		15,460	100%	100%	3.49	per person served	1,279	4,459
Administration		332,982	100%	100%	75.09	per person served	1,279	96,039
Economic Development		149,634	100%	100%	33.74	per person served	1,279	43,158
City Clerk		86,184	100%	100%	19.43	per person served	1,279	24,857
Finance		250,726	100%	100%	56.54	per person served	1,279	72,315
Legal		127,236	100%	100%	28.69	per person served	1,279	36,697
Employee Benefit Program		3,408	100%	100%	0.77	per person served	1,279	983
Central Services		58,540	100%	100%	13.20	per person served	1,279	16,884
Information Tech. Central Services		104,867	100%	100%	23.65	per person served	1,279	30,246
Total Other Gov't Services		48,645	100%	100%	10.97	per person served	1,279	14,030
Law Enforcement		1,507,856	60%	100%	204.02	per person served	1,279	260,938 (iii)
Physical Environment		44,873	100%	100%	10.12	per person served	1,279	12,942
Stewardship Department		142,991	100%	100%	32.25	per person served	1,279	41,241
Community Development Department		143,077	100%	100%	32.26	per person served	1,279	41,266
Building Department		102,892	0%	100%	-	per person served	1,279	- (iv)
Planning Department		101,415	0%	100%	-	per person served	1,279	- (iv)
Pass Through Costs/Deve.Reg.		-	0%	0%	-	per person served	1,279	-
Code Enforcement		-	0%	0%	-	per person served	1,279	- (iv)
Mental and Physical Health		1,022	100%	100%	0.23	per person served	1,279	295
Parks and Recreation		3,635	100%	100%	0.82	per person served	1,279	1,048
Fire Department		719,307	100%	100%	162.21	per person served	1,279	207,463
Non Expenditure		-	0%	0%	-	per person served	1,279	-
General Fund Total	\$	4,482,590			\$ 768.79			\$ 983,282

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 5

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 44,670	-	\$ 146,772	126	\$ -	\$ 18,493,320	\$ 18,493,320
Stacked Flats	38,288	-	153,154	93	-	14,243,302	14,243,302
Townhomes	121,247	42	181,870	43	5,092,363	7,820,415	12,912,779
Duets	169,745	9	254,618	20	1,527,709	5,092,363	6,620,072
40x85 alley	164,896	29	247,343	13	4,781,972	3,215,464	7,997,436
45x80 alley	174,595	30	261,893	23	5,237,860	6,023,538	11,261,398
40x90	174,595	-	261,893	-	-	-	-
45x85	185,508	20	278,261	-	3,710,151	-	3,710,151
45x100	218,244	-	327,366	-	-	-	-
50x90	218,244	-	327,366	16	-	5,237,860	5,237,860
50x100	242,493	77	363,740	5	18,671,999	1,818,701	20,490,700
55x100	266,743	24	400,114	10	6,401,828	4,001,143	10,402,971
60x100	290,992	32	436,488	17	9,311,750	7,420,301	16,732,051
70x100	339,491	-	509,236	9	-	4,583,127	4,583,127
80x100	387,990	-	581,984	-	-	-	-
Cluster	174,595	-	261,893	-	-	-	-
Carriage	264,828	17	397,243	10	4,502,083	3,972,426	8,474,510
		<u>280</u>		<u>385</u>			<u>141,159,676</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 44,670	253	\$ 191,442	126	\$ 11,301,473	\$ 24,121,722	\$ 35,423,195
Stacked Flats	38,288	186	191,442	92	7,121,651	17,612,686	24,734,337
Townhomes	121,247	86	303,117	43	10,427,220	13,034,025	23,461,246
Duets	169,745	40	424,364	20	6,789,818	8,487,272	15,277,090
40x85 alley	164,896	27	412,239	13	4,452,181	5,359,106	9,811,287
45x80 alley	174,595	46	436,488	22	8,031,385	9,602,742	17,634,127
40x90	174,595	-	436,488	-	-	-	-
45x85	185,508	-	463,769	-	-	-	-
45x100	218,244	-	545,610	-	-	-	-
50x90	218,244	33	545,610	16	7,202,057	8,729,766	15,931,823
50x100	242,493	10	606,234	5	2,424,935	3,031,169	5,456,104
55x100	266,743	20	666,857	10	5,334,857	6,668,571	12,003,428
60x100	290,992	35	727,480	17	10,184,727	12,367,168	22,551,895
70x100	339,491	19	848,727	9	6,450,327	7,638,545	14,088,872
80x100	387,990	-	969,974	-	-	-	-
Cluster	174,595	-	436,488	-	-	-	-
Carriage	264,828	20	662,071	10	5,296,568	6,620,711	11,917,279
		<u>775</u>		<u>383</u>			<u>208,290,683</u>

(B)

Non-Residential	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	Total
New Construction				
Retail Buildings	42%	23,107	\$ 213.30	4,928,818
Office Buildings	58%	32,143	139.02	4,468,444
	<u>100%</u>	<u>55,250</u>		<u>9,397,262</u>
From Prior Years				
Retail Buildings	42%	162,500	\$ 213.30	34,661,706
Office Buildings	58%	225,000	139.02	31,279,106
	<u>100%</u>	<u>387,500</u>		<u>65,940,812</u>

(C)

(D)

Raw Land	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	Total
Raw Land for Residential	748.00	62.15%	\$ 93,807	\$ 70,167,033
Raw Land for Non-Residential	30.64	2.55%	\$ 93,807	\$ 2,874,505
Total Value for Raw Land	<u>778.64</u>	<u>64.70%</u>		<u>\$ 73,041,538</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) \$ 497,829,971

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 5

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 497,829,971	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.75	(B)
City Tax Share				371,224	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 371,224</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.75	(D)
City Tax Share				375,417	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 375,417</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.50	
Personal Property Value /(iii)	\$ 8,096,178	1,949	1,846	\$ 3,597,002	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.50	(F)
City Tax Share, Dollars				5,394.75	
City Tax Share-Rounded				<u>\$ 5,395</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				<u>1,846</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	185,607			813	
Office	257,143			434	
Employees					
Retail				228	
Office				592	
Total Employees				<u>820</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				150,556,938	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				274,231,495	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 168,731,885</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 752,785	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				90,875	(K)
Total Amount, Rounded				<u>\$ 843,659</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 5

APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
 The Villages Fiscal Impact Analysis
 March 18, 2009

Description					Amount
Residential					
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1					\$ 247,174,898 (A)
Household Income (@30% of valuation) / (i)				(B) = (A)* 30%	\$ 74,152,469 (B)
Retail Taxable Sales (@30% of household income) / (ii)				(C) = (B)* 30%	\$ 22,245,741 (C)
Projected Off-Site Taxable Sales Captured in City (@39%)				(D) = (C)* 39%	\$ 8,675,839 (D)
Project Indirect Sales and Use Tax to City - New Residents					
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)					
Assessed Valuation Percentage					
(1) Sales Tax (@0.84% of taxable sales)				0.84%	\$ 72,877
					\$ 72,877
Per Capita					
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor	Resident Factor	Units	
	\$ 328,396	74.05	100%	1,846	\$ 136,705
Project Indirect Sales and Use Tax to City - New Employees					
Per Capita					
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor	Employee Factor	Units	
	\$ 328,396	74.05	50%	410	\$ 30,362
Total Project Indirect Sales and Use Tax to City					\$ 103,240
Project Direct Sales and Use Tax to City - Businesses					
		Taxable Sales Per Square Feet	Square Footage		
Taxable Sales					
Retail Buildings / (iv)		\$ 284	185,607		52,714,086
Office Buildings		\$ -	257,143		-
Total Direct Taxable Sales			442,750		52,714,086
Project Direct Sales and Use Tax to City					
Sales Tax (@0.84% of taxable sales)				0.84%	\$ 442,798
Total Project Direct Sales and Use Tax to City					\$ 442,798

Footnote:

- (i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
- (ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
- (iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
- (iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 5

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2013	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	11,259	Y	100%	2.54	per person served	2,256	5,728
Utility Taxes	510,726	Y	100%	115.17	per person served	2,256	259,826
Solid Waste Tax	35,185	Y	100%	7.93	per person served	2,256	17,900
Telephone Tax	164,198	Y	100%	37.03	per person served	2,256	83,534
Electrical Tax	246,297	Y	100%	55.54	per person served	2,256	125,301
Water Utility Tax	25,568	Y	100%	5.77	per person served	2,256	13,007
Wastewater Utility Tax	39,478	Y	100%	8.90	per person served	2,256	20,084
Pull Tabs/Punch Boards	4,222	Y	100%	0.95	per person served	2,256	2,148
Licenses and Permits	168,831	Y	100%	38.07	per person served	2,256	85,891
Intergovernmental	517,292	Y	100%	116.65	per person served	2,256	263,166
Charges for Services	120,188	Y	100%	27.10	per person served	2,256	61,144
Fines and Forfeits	197,155	Y	100%	44.46	per person served	2,256	100,300
Miscellaneous Revenues	88,081	Y	100%	19.86	per person served	2,256	44,810
Total General Fund Revenue	<u>1,617,754</u>			<u>364.81</u>			<u>823,014</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 5

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2013	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 13,904	100%	100%	3.14	per person served	2,256	\$ 7,074
Judicial	266,801	100%	100%	60.16	per person served	2,256	135,732
Executive	15,961	100%	100%	3.60	per person served	2,256	8,120
Administration	343,771	100%	100%	77.52	per person served	2,256	174,889
Economic Development	154,482	100%	100%	34.84	per person served	2,256	78,591
City Clerk	88,977	100%	100%	20.06	per person served	2,256	45,266
Finance	258,850	100%	100%	58.37	per person served	2,256	131,687
Legal	131,358	100%	100%	29.62	per person served	2,256	66,827
Employee Benefit Program	3,519	100%	100%	0.79	per person served	2,256	1,790
Central Services	60,437	100%	100%	13.63	per person served	2,256	30,746
Information Tech. Central Services	108,265	100%	100%	24.41	per person served	2,256	55,079
Total Other Gov't Services	50,221	100%	100%	11.33	per person served	2,256	25,549
Law Enforcement	1,556,710	60%	100%	210.63	per person served	2,256	475,175 (iii)
Physical Environment	46,327	100%	100%	10.45	per person served	2,256	23,568
Stewardship Department	147,623	100%	100%	33.29	per person served	2,256	75,102
Community Development Department	147,713	100%	100%	33.31	per person served	2,256	75,147
Building Department	106,226	0%	100%	-	per person served	2,256	- (iv)
Planning Department	104,701	0%	100%	-	per person served	2,256	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	2,256	-
Code Enforcement	-	0%	0%	-	per person served	2,256	- (iv)
Mental and Physical Health	1,056	100%	100%	0.24	per person served	2,256	537
Parks and Recreation	3,753	100%	100%	0.85	per person served	2,256	1,909
Fire Department	742,613	100%	100%	167.46	per person served	2,256	377,796
Non Expenditure	-	0%	0%	-	per person served	2,256	-
General Fund Total	\$ 4,627,826			\$ 793.70			\$ 1,790,584

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 6

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 46,903	-	\$ 154,111	127	\$ -	\$ 19,572,097	\$ 19,572,097
Stacked Flats	40,203	-	160,811	93	-	14,955,467	14,955,467
Townhomes	127,309	43	190,964	43	5,474,291	8,211,436	13,685,727
Duets	178,233	9	267,349	20	1,604,094	5,346,982	6,951,076
40x85 alley	173,140	29	259,711	14	5,021,070	3,635,947	8,657,018
45x80 alley	183,325	30	274,988	23	5,499,753	6,324,715	11,824,468
40x90	183,325	-	274,988	-	-	-	-
45x85	194,783	21	292,174	-	4,090,441	-	4,090,441
45x100	229,156	-	343,735	-	-	-	-
50x90	229,156	-	343,735	17	-	5,843,487	5,843,487
50x100	254,618	78	381,927	5	19,860,217	1,909,636	21,769,854
55x100	280,080	24	420,120	10	6,721,920	4,201,200	10,923,120
60x100	305,542	32	458,313	18	9,777,338	8,249,629	18,026,967
70x100	356,465	-	534,698	10	-	5,346,982	5,346,982
80x100	407,389	-	611,084	-	-	-	-
Cluster	183,325	-	274,988	-	-	-	-
Carriage	278,070	17	417,105	10	4,727,187	4,171,048	8,898,235
		<u>283</u>		<u>390</u>			<u>150,544,937</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 46,903	127	\$ 201,014	252	\$ 5,956,725	\$ 50,655,615	\$ 56,612,340
Stacked Flats	40,203	93	201,014	185	3,738,867	37,187,654	40,926,521
Townhomes	127,309	85	318,273	86	10,821,272	27,371,453	38,192,726
Duets	178,233	29	445,582	40	5,168,749	17,823,272	22,992,021
40x85 alley	173,140	43	432,851	26	7,445,035	11,254,123	18,699,159
45x80 alley	183,325	53	458,313	45	9,716,229	20,624,072	30,340,301
40x90	183,325	-	458,313	-	-	-	-
45x85	194,783	20	486,957	-	3,895,658	-	3,895,658
45x100	229,156	-	572,891	-	-	-	-
50x90	229,156	17	572,891	32	3,895,658	18,332,508	22,228,166
50x100	254,618	82	636,545	10	20,878,690	6,365,454	27,244,144
55x100	280,080	34	700,200	20	9,522,720	14,003,999	23,526,719
60x100	305,542	50	763,855	34	15,277,090	25,971,054	41,248,144
70x100	356,465	10	891,164	18	3,564,654	16,040,945	19,605,599
80x100	407,389	-	1,018,473	-	-	-	-
Cluster	183,325	-	458,313	-	-	-	-
Carriage	278,070	27	695,175	20	7,507,886	13,903,492	21,411,378
		<u>670</u>		<u>768</u>			<u>366,922,877</u>

(B)

Non-Residential	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
New Construction				
Retail Buildings	42%	23,107	\$ 217.57	5,027,395
Office Buildings	58%	32,143	141.80	4,557,813
	<u>100%</u>	<u>55,250</u>		<u>9,585,207</u>
From Prior Years				
Retail Buildings	42%	185,607	\$ 217.57	40,382,335
Office Buildings	58%	257,143	141.80	36,462,500
	<u>100%</u>	<u>442,750</u>		<u>76,844,836</u>

(C)

(D)

Raw Land	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land for Residential	661.74	54.98%	\$ 98,497	\$ 65,179,621
Raw Land for Non-Residential	25.54	2.12%	\$ 98,497	\$ 2,515,192
Total Value for Raw Land	<u>687.28</u>	<u>57.11%</u>		<u>\$ 67,694,813</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) \$ 671,592,670

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 6

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 671,592,670	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.72	(B)
City Tax Share				483,862	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 483,862</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.73	(D)
City Tax Share				489,326	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 489,326</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.45	
Personal Property Value /(iii)	\$ 8,500,987	2,046	2,783	\$ 5,693,922	
Total City Share of Property Taxes, Levy Rate				1.45	(F) = (B)+(D)
City Tax Share, Dollars				8,250,92	(F)
City Tax Share-Rounded				<u>\$ 8,251</u>	
Residents per SF HH /(iv)				2,4030	
Residents per MF HH /(iv)				2,4030	
Total Residents				<u>2,783</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	208,714			813	
Office	289,286			434	
Employees					
Retail				257	
Office				667	
Total Employees				<u>924</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				160,130,145	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				443,767,712	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 190,181,163</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 800,651	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				150,255	(K)
Total Amount, Rounded				<u>\$ 950,906</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 6
APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009

Description	Amount
Residential	
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$ 392,491,902 (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30% \$ 117,747,570 (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30% \$ 35,324,271 (C)
Projected Off-Site Taxable Sales Captured in City (@42%)	(D) = (C)* 42% \$ 14,836,194 (D)
Project Indirect Sales and Use Tax to City - New Residents	
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)	
Assessed Valuation Percentage	
(1) Sales Tax (@0.84% of taxable sales)	0.84% \$ 124,624
	<u>\$ 124,624</u>
Per Capita	
(2) Projected Sales tax per Capita (based on 2008 City Budget)	\$ 339,036
<u>Budget</u>	<u>Factor</u>
76.45	Resident Factor
100%	Units
2,783	<u>\$ 212,772</u>
Project Indirect Sales and Use Tax to City - New Employees	
Per Capita	
Projected Sales tax per Capita (based on City Budget) / (iii)	\$ 339,036
<u>Budget</u>	<u>Factor</u>
76.45	Employee Factor
50%	Units
462	<u>\$ 35,322</u>
Total Project Indirect Sales and Use Tax to City	
	<u>\$ 159,946</u>
Project Direct Sales and Use Tax to City - Businesses	
	Taxable Sales
	Per Square Feet
Square Footage	
Taxable Sales	
Retail Buildings / (iv)	\$ 293
Office Buildings	208,714
Total Direct Taxable Sales	61,197,286
	\$ -
	289,286
	<u>498,000</u>
	<u>61,197,286</u>
Project Direct Sales and Use Tax to City	
Sales Tax (@0.84% of taxable sales)	0.84% \$ 514,057
Total Project Direct Sales and Use Tax to City	<u>\$ 514,057</u>

Footnote:

(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 6

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2014	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	11,624	Y	100%	2.62	per person served	3,245	8,506
Utility Taxes	527,274	Y	100%	118.90	per person served	3,245	385,839
Solid Waste Tax	36,325	Y	100%	8.19	per person served	3,245	26,581
Telephone Tax	169,518	Y	100%	38.23	per person served	3,245	124,047
Electrical Tax	254,277	Y	100%	57.34	per person served	3,245	186,070
Water Utility Tax	26,396	Y	100%	5.95	per person served	3,245	19,316
Wastewater Utility Tax	40,757	Y	100%	9.19	per person served	3,245	29,824
Pull Tabs/Punch Boards	4,359	Y	100%	0.98	per person served	3,245	3,190
Licenses and Permits	174,301	Y	100%	39.31	per person served	3,245	127,547
Intergovernmental	534,052	Y	100%	120.43	per person served	3,245	390,799
Charges for Services	124,082	Y	100%	27.98	per person served	3,245	90,799
Fines and Forfeits	203,543	Y	100%	45.90	per person served	3,245	148,945
Miscellaneous Revenues	90,934	Y	100%	20.51	per person served	3,245	66,542
Total General Fund Revenue	<u>1,670,170</u>			<u>376.63</u>			<u>1,222,167</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 6

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2014	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 14,355	100%	100%	3.24	per person served	3,245	\$ 10,504
Judicial	275,445	100%	100%	62.11	per person served	3,245	201,560
Executive	16,478	100%	100%	3.72	per person served	3,245	12,058
Administration	354,909	100%	100%	80.03	per person served	3,245	259,709
Economic Development	159,487	100%	100%	35.97	per person served	3,245	116,707
City Clerk	91,859	100%	100%	20.71	per person served	3,245	67,219
Finance	267,237	100%	100%	60.26	per person served	3,245	195,554
Legal	135,614	100%	100%	30.58	per person served	3,245	99,238
Employee Benefit Program	3,633	100%	100%	0.82	per person served	3,245	2,658
Central Services	62,395	100%	100%	14.07	per person served	3,245	45,658
Information Tech. Central Services	111,773	100%	100%	25.21	per person served	3,245	81,791
Total Other Gov't Services	51,848	100%	100%	11.69	per person served	3,245	37,941
Law Enforcement	1,607,148	60%	100%	217.45	per person served	3,245	705,630 (iii)
Physical Environment	47,828	100%	100%	10.79	per person served	3,245	34,999
Stewardship Department	152,406	100%	100%	34.37	per person served	3,245	111,525
Community Development Department	152,498	100%	100%	34.39	per person served	3,245	111,593
Building Department	109,667	0%	100%	-	per person served	3,245	- (iv)
Planning Department	108,093	0%	100%	-	per person served	3,245	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	3,245	-
Code Enforcement	-	0%	0%	-	per person served	3,245	- (iv)
Mental and Physical Health	1,090	100%	100%	0.25	per person served	3,245	797
Parks and Recreation	3,875	100%	100%	0.87	per person served	3,245	2,835
Fire Department	766,673	100%	100%	172.89	per person served	3,245	561,023
Non Expenditure	-	0%	0%	-	per person served	3,245	-
General Fund Total	\$ 4,777,768			\$ 819.41			\$ 2,659,000

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 7

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 49,249	-	\$ 161,817	-	\$ -	\$ -	\$ -
Stacked Flats	42,213	130	168,852	-	5,487,692	-	5,487,692
Townhomes	133,675	-	200,512	42	-	8,421,496	8,421,496
Duets	187,144	-	280,717	9	-	2,526,449	2,526,449
40x85 alley	181,797	-	272,696	29	-	7,908,186	7,908,186
45x80 alley	192,491	12	288,737	30	2,309,896	8,662,110	10,972,006
40x90	192,491	-	288,737	-	-	-	-
45x85	204,522	-	306,783	20	-	6,135,661	6,135,661
45x100	240,614	-	360,921	-	-	-	-
50x90	240,614	-	360,921	-	-	-	-
50x100	267,349	54	401,024	77	14,436,850	30,878,819	45,315,669
55x100	294,084	-	441,126	24	-	10,587,024	10,587,024
60x100	320,819	67	481,228	32	21,494,866	15,399,307	36,894,173
70x100	374,289	-	561,433	-	-	-	-
80x100	427,759	-	641,638	-	-	-	-
Cluster	192,491	-	288,737	-	-	-	-
Carriage	291,973	-	437,960	17	-	7,445,320	7,445,320
		<u>263</u>		<u>280</u>			<u>141,693,676</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 49,249	-	\$ 211,065	379	\$ -	\$ 79,993,659	\$ 79,993,659
Stacked Flats	42,213	-	211,065	278	-	58,676,088	58,676,088
Townhomes	133,675	85	334,186	129	11,362,336	43,110,039	54,472,375
Duets	187,144	18	467,861	60	3,368,598	28,071,653	31,440,252
40x85 alley	181,797	58	454,493	40	10,544,248	18,179,737	28,723,985
45x80 alley	192,491	60	481,228	68	11,549,480	32,723,527	44,273,008
40x90	192,491	-	481,228	-	-	-	-
45x85	204,522	41	511,305	-	8,385,404	-	8,385,404
45x100	240,614	-	601,535	-	-	-	-
50x90	240,614	-	601,535	49	-	29,475,236	29,475,236
50x100	267,349	155	668,373	15	41,439,107	10,025,591	51,464,698
55x100	294,084	48	735,210	30	14,116,031	22,056,299	36,172,331
60x100	320,819	64	802,047	52	20,532,409	41,706,457	62,238,866
70x100	374,289	-	935,722	28	-	26,200,210	26,200,210
80x100	427,759	-	1,069,396	-	-	-	-
Cluster	192,491	-	481,228	-	-	-	-
Carriage	291,973	34	729,933	30	9,927,093	21,898,000	31,825,094
		<u>563</u>		<u>1,158</u>			<u>543,341,205</u>

(B)

Non-Residential	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
New Construction				
Retail Buildings	42%	23,107	\$ 221.92	5,127,943
Office Buildings	58%	32,143	144.63	4,648,969
	<u>100%</u>	<u>55,250</u>		<u>9,776,912</u>
From Prior Years				
Retail Buildings	42%	208,714	\$ 221.92	46,317,925
Office Buildings	58%	289,286	144.63	41,840,719
	<u>100%</u>	<u>498,000</u>		<u>88,158,644</u>

(C)

(D)

Raw Land	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land for Residential	586.60	48.74%	\$ 103,422	\$ 60,667,069
Raw Land for Non-Residential	20.43	1.70%	\$ 103,422	\$ 2,112,761
Total Value for Raw Land	<u>607.03</u>	<u>50.44%</u>		<u>\$ 62,779,830</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E)

\$ 845,750,266

Footnote:

(i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.

(ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 7

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 845,750,266	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.70	(B)
City Tax Share				588,257	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 588,257</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.70	(D)
City Tax Share				594,900	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 594,900</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.40	
Personal Property Value /(iii)	\$ 8,926,037	2,148	3,456	\$ 7,424,400	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.40	(F)
City Tax Share, Dollars				10,386.32	
City Tax Share-Rounded				<u>\$ 10,386</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				<u>3,456</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	231,821			813	
Office	321,429			434	
Employees					
Retail				285	
Office				741	
Total Employees				<u>1,026</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				151,470,587	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				631,499,849	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 194,688,606</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 757,353	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				216,090	(K)
Total Amount, Rounded				<u>\$ 973,443</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 7

APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
 The Villages Fiscal Impact Analysis
 March 18, 2009

Description					Amount
Residential					
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1					\$ 575,390,450 (A)
Household Income (@30% of valuation) / (i)				(B) = (A)* 30%	\$ 172,617,135 (B)
Retail Taxable Sales (@30% of household income) / (ii)				(C) = (B)* 30%	\$ 51,785,140 (C)
Projected Off-Site Taxable Sales Captured in City (@45%)				(D) = (C)* 45%	\$ 23,303,313 (D)
Project Indirect Sales and Use Tax to City - New Residents					
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)					
Assessed Valuation Percentage					
(1) Sales Tax (@0.84% of taxable sales)				0.84%	\$ 195,748
					<u>\$ 195,748</u>
Per Capita					
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor	Resident Factor	Units	
	\$ 350,021	78.93	100%	3,456	\$ 272,787
					<u>\$ 272,787</u>
Project Indirect Sales and Use Tax to City - New Employees					
Per Capita					
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor	Employee Factor	Units	
	\$ 350,021	78.93	50%	513	\$ 40,492
					<u>\$ 40,492</u>
Total Project Indirect Sales and Use Tax to City					<u>\$ 236,240</u>
Project Direct Sales and Use Tax to City - Businesses					
		Taxable Sales Per Square Feet	Square Footage		
Taxable Sales					
Retail Buildings / (iv)		\$ 303	231,821		70,174,861
Office Buildings		\$ -	321,429		-
Total Direct Taxable Sales			<u>553,250</u>		<u>70,174,861</u>
Project Direct Sales and Use Tax to City					
Sales Tax (@0.84% of taxable sales)				0.84%	\$ 589,469
Total Project Direct Sales and Use Tax to City					<u>\$ 589,469</u>

Footnote:

- (i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
- (ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
- (iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
- (iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 7

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2015	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	12,001	Y	100%	2.71	per person served	3,969	10,741
Utility Taxes	544,358	Y	100%	122.76	per person served	3,969	487,215
Solid Waste Tax	37,502	Y	100%	8.46	per person served	3,969	33,566
Telephone Tax	175,010	Y	100%	39.47	per person served	3,969	156,639
Electrical Tax	262,516	Y	100%	59.20	per person served	3,969	234,959
Water Utility Tax	27,252	Y	100%	6.15	per person served	3,969	24,391
Wastewater Utility Tax	42,078	Y	100%	9.49	per person served	3,969	37,661
Pull Tabs/Punch Boards	4,500	Y	100%	1.01	per person served	3,969	4,028
Licenses and Permits	179,948	Y	100%	40.58	per person served	3,969	161,059
Intergovernmental	551,355	Y	100%	124.33	per person served	3,969	493,478
Charges for Services	128,103	Y	100%	28.89	per person served	3,969	114,655
Fines and Forfeits	210,138	Y	100%	47.39	per person served	3,969	188,079
Miscellaneous Revenues	93,881	Y	100%	21.17	per person served	3,969	84,026
Total General Fund Revenue	<u>1,724,283</u>			<u>388.83</u>			<u>1,543,281</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 7

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2015	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 14,820	100%	100%	3.34	per person served	3,969	\$ 13,264
Judicial	284,369	100%	100%	64.13	per person served	3,969	254,519
Executive	17,012	100%	100%	3.84	per person served	3,969	15,226
Administration	366,408	100%	100%	82.63	per person served	3,969	327,945
Economic Development	164,655	100%	100%	37.13	per person served	3,969	147,371
City Clerk	94,836	100%	100%	21.39	per person served	3,969	84,881
Finance	275,895	100%	100%	62.22	per person served	3,969	246,934
Legal	140,008	100%	100%	31.57	per person served	3,969	125,311
Employee Benefit Program	3,750	100%	100%	0.85	per person served	3,969	3,357
Central Services	64,416	100%	100%	14.53	per person served	3,969	57,654
Information Tech. Central Services	115,394	100%	100%	26.02	per person served	3,969	103,281
Total Other Gov't Services	53,528	100%	100%	12.07	per person served	3,969	47,909
Law Enforcement	1,659,219	60%	100%	224.50	per person served	3,969	891,028 (iii)
Physical Environment	49,378	100%	100%	11.13	per person served	3,969	44,195
Stewardship Department	157,344	100%	100%	35.48	per person served	3,969	140,828
Community Development Department	157,439	100%	100%	35.50	per person served	3,969	140,913
Building Department	113,221	0%	100%	-	per person served	3,969	- (iv)
Planning Department	111,595	0%	100%	-	per person served	3,969	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	3,969	-
Code Enforcement	-	0%	0%	-	per person served	3,969	- (iv)
Mental and Physical Health	1,125	100%	100%	0.25	per person served	3,969	1,007
Parks and Recreation	4,000	100%	100%	0.90	per person served	3,969	3,580
Fire Department	791,514	100%	100%	178.49	per person served	3,969	708,426
Non Expenditure	-	0%	0%	-	per person served	3,969	-
General Fund Total	\$ 4,932,567			\$ 845.96			\$ 3,357,629

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 8

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 51,711	-	\$ 169,907	-	\$ -	\$ -	\$ -
Stacked Flats	44,324	56	177,295	-	2,482,125	-	2,482,125
Townhomes	140,358	-	210,537	43	-	9,053,108	9,053,108
Duets	196,502	-	294,752	9	-	2,652,771	2,652,771
40x85 alley	190,887	-	286,331	29	-	8,303,595	8,303,595
45x80 alley	202,116	-	303,174	30	-	9,095,216	9,095,216
40x90	202,116	-	303,174	-	-	-	-
45x85	214,748	-	322,122	21	-	6,764,567	6,764,567
45x100	252,645	22	378,967	-	5,558,187	-	5,558,187
50x90	252,645	-	378,967	-	-	-	-
50x100	280,717	39	421,075	78	10,947,945	32,843,835	43,791,779
55x100	308,788	46	463,182	24	14,204,257	11,116,375	25,320,631
60x100	336,860	47	505,290	32	15,832,413	16,169,272	32,001,685
70x100	393,003	-	589,505	-	-	-	-
80x100	449,146	32	673,720	-	14,372,687	-	14,372,687
Cluster	202,116	-	303,174	-	-	-	-
Carriage	306,572	62	459,858	17	19,007,464	7,817,586	26,825,050
		<u>304</u>		<u>283</u>			<u>186,221,402</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 51,711	-	\$ 221,618	379	\$ -	\$ 83,993,342	\$ 83,993,342
Stacked Flats	44,324	130	221,618	278	5,762,076	61,609,892	67,371,968
Townhomes	140,358	43	350,896	171	6,035,405	60,003,159	66,038,565
Duets	196,502	9	491,254	69	1,768,514	33,896,522	35,665,036
40x85 alley	190,887	29	477,218	69	5,535,730	32,928,049	38,463,780
45x80 alley	202,116	42	505,290	98	8,488,868	49,518,397	58,007,265
40x90	202,116	-	505,290	-	-	-	-
45x85	214,748	21	536,870	20	4,509,711	10,737,407	15,247,119
45x100	252,645	-	631,612	-	-	-	-
50x90	252,645	-	631,612	49	-	30,948,998	30,948,998
50x100	280,717	132	701,791	92	37,054,583	64,564,803	101,619,385
55x100	308,788	24	771,970	54	7,410,917	41,686,405	49,097,322
60x100	336,860	99	842,150	84	33,349,124	70,740,567	104,089,691
70x100	393,003	-	982,508	28	-	27,510,220	27,510,220
80x100	449,146	-	1,122,866	-	-	-	-
Cluster	202,116	-	505,290	-	-	-	-
Carriage	306,572	17	766,430	47	5,211,724	36,022,211	41,233,935
		<u>546</u>		<u>1,438</u>			<u>719,286,624</u>

(B)

	Non-Residential		Building Sq. Ft.	Assessed Value Per Sq. Ft.
	Mix			
New Construction				
Retail Buildings	42%		23,107	\$ 226.36
Office Buildings	58%		32,143	147.53
	100%		55,250	9,972,450
From Prior Years				
Retail Buildings	42%		231,821	\$ 226.36
Office Buildings	58%		321,429	147.53
	100%		553,250	99,894,267

(C)

(D)

Raw Land	Raw Land Acreage	Percentage of Total Land	Assessed Value Per Acre (i)	
			\$	\$
Raw Land for Residential	475.30	39.49%	\$ 108,593	\$ 51,613,807
Raw Land for Non-Residential	15.32	1.27%	\$ 108,593	\$ 1,663,800
Total Value for Raw Land	<u>490.62</u>	<u>40.77%</u>		<u>\$ 53,277,606</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) \$ 1,068,652,349

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 8

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 1,068,652,349	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.67	(B)
City Tax Share				717,863	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 717,863</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.68	(D)
City Tax Share				725,969	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 725,969</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.35	
Personal Property Value /(iii)	\$ 9,372,339	2,256	4,136	\$ 9,329,481	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.35	(F)
City Tax Share, Dollars				12,604.85	
City Tax Share-Rounded				<u>\$ 12,605</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				<u>4,136</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	254,929			813	
Office	353,571			434	
Employees					
Retail				314	
Office				815	
Total Employees				<u>1,129</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				196,193,852	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				819,180,891	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 252,566,181</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 980,969	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				281,862	(K)
Total Amount, Rounded				<u>\$ 1,262,831</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 8
APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009

Description	Amount																									
Residential																										
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$ 777,187,180 (A)																									
Household Income (@30% of valuation) / (i)	(B) = (A)* 30% \$ 233,156,154 (B)																									
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30% \$ 69,946,846 (C)																									
Projected Off-Site Taxable Sales Captured in City (@48%)	(D) = (C)* 48% \$ 33,574,486 (D)																									
Project Indirect Sales and Use Tax to City - New Residents																										
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)																										
Assessed Valuation Percentage																										
(1) Sales Tax (@0.84% of taxable sales)	0.84% \$ 282,026 <u>\$ 282,026</u>																									
Per Capita																										
(2) Projected Sales tax per Capita (based on 2008 City Budget)	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;">Budget</th> <th style="width: 10%; text-align: center;">Factor</th> <th style="width: 10%; text-align: center;">Resident Factor</th> <th style="width: 10%; text-align: center;">Units</th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">\$ 361,362</td> <td style="text-align: center;">81.49</td> <td style="text-align: center;">100%</td> <td style="text-align: center;">4,136</td> <td style="text-align: right;"><u>\$ 337,037</u></td> </tr> </tbody> </table>		Budget	Factor	Resident Factor	Units			\$ 361,362	81.49	100%	4,136	<u>\$ 337,037</u>													
	Budget	Factor	Resident Factor	Units																						
	\$ 361,362	81.49	100%	4,136	<u>\$ 337,037</u>																					
Project Indirect Sales and Use Tax to City - New Employees																										
Per Capita																										
Projected Sales tax per Capita (based on City Budget) / (iii)	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;">Budget</th> <th style="width: 10%; text-align: center;">Factor</th> <th style="width: 10%; text-align: center;">Employee Factor</th> <th style="width: 10%; text-align: center;">Units</th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">\$ 361,362</td> <td style="text-align: center;">81.49</td> <td style="text-align: center;">50%</td> <td style="text-align: center;">565</td> <td style="text-align: right;"><u>\$ 46,041</u></td> </tr> </tbody> </table>		Budget	Factor	Employee Factor	Units			\$ 361,362	81.49	50%	565	<u>\$ 46,041</u>													
	Budget	Factor	Employee Factor	Units																						
	\$ 361,362	81.49	50%	565	<u>\$ 46,041</u>																					
Total Project Indirect Sales and Use Tax to City																										
<u>\$ 328,067</u>																										
Project Direct Sales and Use Tax to City - Businesses																										
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%; text-align: center;">Taxable Sales Per Square Feet</th> <th style="width: 10%; text-align: center;">Square Footage</th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td>Taxable Sales</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> Retail Buildings / (iv)</td> <td style="text-align: right;">\$ 313</td> <td style="text-align: right;">254,929</td> <td></td> <td style="text-align: right;">79,669,940</td> </tr> <tr> <td> Office Buildings</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">353,571</td> <td></td> <td style="text-align: right;">-</td> </tr> <tr> <td>Total Direct Taxable Sales</td> <td></td> <td style="text-align: right;"><u>608,500</u></td> <td></td> <td style="text-align: right;"><u>79,669,940</u></td> </tr> </tbody> </table>			Taxable Sales Per Square Feet	Square Footage			Taxable Sales					Retail Buildings / (iv)	\$ 313	254,929		79,669,940	Office Buildings	\$ -	353,571		-	Total Direct Taxable Sales		<u>608,500</u>		<u>79,669,940</u>
	Taxable Sales Per Square Feet	Square Footage																								
Taxable Sales																										
Retail Buildings / (iv)	\$ 313	254,929		79,669,940																						
Office Buildings	\$ -	353,571		-																						
Total Direct Taxable Sales		<u>608,500</u>		<u>79,669,940</u>																						
Project Direct Sales and Use Tax to City																										
Sales Tax (@0.84% of taxable sales)	0.84% \$ 669,227 <u>\$ 669,227</u>																									
Total Project Direct Sales and Use Tax to City																										
<u>\$ 669,227</u>																										

Footnote:

(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 8

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2016	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	12,390	Y	100%	2.79	per person served	4,701	13,133
Utility Taxes	561,995	Y	100%	126.73	per person served	4,701	595,706
Solid Waste Tax	38,717	Y	100%	8.73	per person served	4,701	41,040
Telephone Tax	180,681	Y	100%	40.74	per person served	4,701	191,519
Electrical Tax	271,021	Y	100%	61.12	per person served	4,701	287,278
Water Utility Tax	28,135	Y	100%	6.34	per person served	4,701	29,822
Wastewater Utility Tax	43,441	Y	100%	9.80	per person served	4,701	46,047
Pull Tabs/Punch Boards	4,646	Y	100%	1.05	per person served	4,701	4,925
Licenses and Permits	185,779	Y	100%	41.89	per person served	4,701	196,922
Intergovernmental	569,219	Y	100%	128.36	per person served	4,701	603,364
Charges for Services	132,253	Y	100%	29.82	per person served	4,701	140,186
Fines and Forfeits	216,946	Y	100%	48.92	per person served	4,701	229,959
Miscellaneous Revenues	96,922	Y	100%	21.86	per person served	4,701	102,736
Total General Fund Revenue	<u>1,780,150</u>			<u>401.43</u>			<u>1,886,931</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 8

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2016	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 15,300	100%	100%	3.45	per person served	4,701	\$ 16,218
Judicial	293,583	100%	100%	66.20	per person served	4,701	311,193
Executive	17,563	100%	100%	3.96	per person served	4,701	18,617
Administration	378,280	100%	100%	85.30	per person served	4,701	400,971
Economic Development	169,990	100%	100%	38.33	per person served	4,701	180,186
City Clerk	97,908	100%	100%	22.08	per person served	4,701	103,781
Finance	284,834	100%	100%	64.23	per person served	4,701	301,920
Legal	144,545	100%	100%	32.60	per person served	4,701	153,215
Employee Benefit Program	3,872	100%	100%	0.87	per person served	4,701	4,104
Central Services	66,503	100%	100%	15.00	per person served	4,701	70,493
Information Tech. Central Services	119,133	100%	100%	26.87	per person served	4,701	126,279
Total Other Gov't Services	55,263	100%	100%	12.46	per person served	4,701	58,577
Law Enforcement	1,712,978	60%	100%	231.77	per person served	4,701	1,089,438 (iii)
Physical Environment	50,978	100%	100%	11.50	per person served	4,701	54,036
Stewardship Department	162,442	100%	100%	36.63	per person served	4,701	172,186
Community Development Department	162,540	100%	100%	36.65	per person served	4,701	172,290
Building Department	116,889	0%	100%	-	per person served	4,701	- (iv)
Planning Department	115,211	0%	100%	-	per person served	4,701	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	4,701	-
Code Enforcement	-	0%	0%	-	per person served	4,701	- (iv)
Mental and Physical Health	1,162	100%	100%	0.26	per person served	4,701	1,231
Parks and Recreation	4,130	100%	100%	0.93	per person served	4,701	4,378
Fire Department	817,159	100%	100%	184.27	per person served	4,701	866,175
Non Expenditure	-	0%	0%	-	per person served	4,701	-
General Fund Total	\$ 5,092,382			\$ 873.37			\$ 4,105,288

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 9

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 1,270,768,516	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.65	(B)
City Tax Share				823,517	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 823,517</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.66	(D)
City Tax Share				832,817	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 832,817</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.30	
Personal Property Value /(iii)	\$ 9,840,955	2,368	4,768	\$ 11,292,822	
Total City Share of Property Taxes, Levy Rate				1.30	(F) = (B)+(D)
City Tax Share, Dollars				14,719.19	(F)
City Tax Share-Rounded				<u>\$ 14,719</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				<u>4,768</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	278,036			813	
Office	385,714			434	
Employees					
Retail				342	
Office				889	
Total Employees				<u>1,231</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				161,444,395	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				1,062,847,479	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 234,960,700</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 807,222	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				367,582	(K)
Total Amount, Rounded				<u>\$ 1,174,803</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 9

APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
 The Villages Fiscal Impact Analysis
 March 18, 2009

Description	Amount	
Residential		
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$	951,700,883 (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30%	\$ 285,510,265 (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30%	\$ 85,653,080 (C)
Projected Off-Site Taxable Sales Captured in City (@51%)	(D) = (C)* 51%	\$ 43,683,071 (D)
Project Indirect Sales and Use Tax to City - New Residents		
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)		
Assessed Valuation Percentage		
(1) Sales Tax (@0.84% of taxable sales)	0.84%	\$ 366,938
		<u>\$ 366,938</u>
Per Capita		
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor
	\$ 373,070	84.13
		Resident Factor
		100%
		Units
		4,768
		<u>\$ 401,127</u>
Project Indirect Sales and Use Tax to City - New Employees		
Per Capita		
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor
	\$ 373,070	84.13
		Employee Factor
		50%
		Units
		616
		<u>\$ 51,823</u>
		<u>\$ 418,761</u>
Total Project Indirect Sales and Use Tax to City		
Project Direct Sales and Use Tax to City - Businesses		
	Taxable Sales	Square Footage
	Per Square Feet	
Taxable Sales		
Retail Buildings / (iv)	\$ 323	278,036
Office Buildings	\$ -	385,714
Total Direct Taxable Sales		<u>663,750</u>
		89,706,634
		-
		89,706,634
Project Direct Sales and Use Tax to City		
Sales Tax (@0.84% of taxable sales)	0.84%	\$ 753,536
Total Project Direct Sales and Use Tax to City		<u>\$ 753,536</u>

Footnote:

- (i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
- (ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
- (iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
- (iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 9

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2017	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	12,791	Y	100%	2.88	per person served	5,384	15,528
Utility Taxes	580,203	Y	100%	130.84	per person served	5,384	704,369
Solid Waste Tax	39,972	Y	100%	9.01	per person served	5,384	48,526
Telephone Tax	186,535	Y	100%	42.06	per person served	5,384	226,454
Electrical Tax	279,802	Y	100%	63.10	per person served	5,384	339,681
Water Utility Tax	29,046	Y	100%	6.55	per person served	5,384	35,262
Wastewater Utility Tax	44,848	Y	100%	10.11	per person served	5,384	54,446
Pull Tabs/Punch Boards	4,797	Y	100%	1.08	per person served	5,384	5,823
Licenses and Permits	191,798	Y	100%	43.25	per person served	5,384	232,843
Intergovernmental	587,662	Y	100%	132.52	per person served	5,384	713,424
Charges for Services	136,538	Y	100%	30.79	per person served	5,384	165,758
Fines and Forfeits	223,975	Y	100%	50.51	per person served	5,384	271,907
Miscellaneous Revenues	100,063	Y	100%	22.56	per person served	5,384	121,476
Total General Fund Revenue	<u>1,837,827</u>			<u>414.44</u>			<u>2,231,129</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 9

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2017	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 15,796	100%	100%	3.56	per person served	5,384	\$ 19,176
Judicial	303,095	100%	100%	68.35	per person served	5,384	367,959
Executive	18,133	100%	100%	4.09	per person served	5,384	22,013
Administration	390,536	100%	100%	88.07	per person served	5,384	474,112
Economic Development	175,497	100%	100%	39.58	per person served	5,384	213,054
City Clerk	101,081	100%	100%	22.79	per person served	5,384	122,712
Finance	294,063	100%	100%	66.31	per person served	5,384	356,993
Legal	149,228	100%	100%	33.65	per person served	5,384	181,163
Employee Benefit Program	3,997	100%	100%	0.90	per person served	5,384	4,853
Central Services	68,658	100%	100%	15.48	per person served	5,384	83,351
Information Tech. Central Services	122,993	100%	100%	27.74	per person served	5,384	149,314
Total Other Gov't Services	57,053	100%	100%	12.87	per person served	5,384	69,263
Law Enforcement	1,768,478	60%	100%	239.28	per person served	5,384	1,288,164 (iii)
Physical Environment	52,629	100%	100%	11.87	per person served	5,384	63,892
Stewardship Department	167,705	100%	100%	37.82	per person served	5,384	203,595
Community Development Department	167,807	100%	100%	37.84	per person served	5,384	203,718
Building Department	120,676	0%	100%	-	per person served	5,384	- (iv)
Planning Department	118,944	0%	100%	-	per person served	5,384	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	5,384	-
Code Enforcement	-	0%	0%	-	per person served	5,384	- (iv)
Mental and Physical Health	1,199	100%	100%	0.27	per person served	5,384	1,456
Parks and Recreation	4,264	100%	100%	0.96	per person served	5,384	5,176
Fire Department	843,635	100%	100%	190.24	per person served	5,384	1,024,176
Non Expenditure	-	0%	0%	-	per person served	5,384	-
General Fund Total	\$ 5,257,376			\$ 901.67			\$ 4,854,140

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 10

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 57,011	-	\$ 187,323	-	\$ -	\$ -	\$ -
Stacked Flats	48,867	77	195,467	56	3,762,747	10,946,172	14,708,918
Townhomes	154,745	53	232,117	-	8,201,484	-	8,201,484
Duets	216,643	19	324,964	-	4,116,217	-	4,116,217
40x85 alley	210,453	21	315,680	-	4,419,517	-	4,419,517
45x80 alley	222,833	19	334,249	-	4,233,823	-	4,233,823
40x90	222,833	12	334,249	-	2,673,993	-	2,673,993
45x85	236,760	-	355,140	-	-	-	-
45x100	278,541	13	417,811	22	3,621,033	9,191,852	12,812,885
50x90	278,541	22	417,811	-	6,127,902	-	6,127,902
50x100	309,490	32	464,235	39	9,903,679	18,105,164	28,008,843
55x100	340,439	58	510,658	46	19,745,461	23,490,289	43,235,750
60x100	371,388	17	557,082	47	6,313,596	26,182,852	32,496,448
70x100	433,286	-	649,929	-	-	-	-
80x100	495,184	-	742,776	32	-	23,768,830	23,768,830
Cluster	222,833	12	334,249	-	2,673,993	-	2,673,993
Carriage	337,996	16	506,993	62	5,407,930	31,433,594	36,841,524
		<u>371</u>		<u>304</u>			<u>224,320,129</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 57,011	-	\$ 244,334	379	\$ -	\$ 92,602,660	\$ 92,602,660
Stacked Flats	48,867	56	244,334	408	2,736,543	99,688,351	102,424,894
Townhomes	154,745	24	386,862	214	3,713,880	82,788,569	86,502,449
Duets	216,643	19	541,607	78	4,116,217	42,245,382	46,361,599
40x85 alley	210,453	20	526,133	98	4,209,064	51,561,031	55,770,094
45x80 alley	222,833	19	557,082	140	4,233,823	77,991,475	82,225,298
40x90	222,833	-	557,082	-	-	-	-
45x85	236,760	-	591,900	41	-	24,267,883	24,267,883
45x100	278,541	35	696,352	-	9,748,934	-	9,748,934
50x90	278,541	22	696,352	49	6,127,902	34,121,270	40,249,172
50x100	309,490	71	773,725	224	21,973,789	173,314,388	195,288,177
55x100	340,439	104	851,097	78	35,405,654	66,385,601	101,791,254
60x100	371,388	63	928,470	183	23,397,442	169,909,999	193,307,441
70x100	433,286	-	1,083,215	28	-	30,330,018	30,330,018
80x100	495,184	32	1,237,960	-	15,845,887	-	15,845,887
Cluster	222,833	-	557,082	-	-	-	-
Carriage	337,996	78	844,989	64	26,363,660	54,079,302	80,442,961
		<u>543</u>		<u>1,984</u>			<u>1,157,158,721</u>

(B)

	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
Non-Residential				
New Construction				
Retail Buildings	42%	23,107	\$ 235.50	5,441,814
Office Buildings	58%	32,143	153.49	4,933,523
	100%	55,250		10,375,337
From Prior Years				
Retail Buildings	42%	278,036	\$ 235.50	65,478,394
Office Buildings	58%	385,714	153.49	59,202,275
	100%	663,750		124,680,668

(C)

(D)

	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land				
Raw Land for Residential	319.49	26.55%	\$ 119,724	\$ 38,250,942
Raw Land for Non-Residential	5.11	0.42%	\$ 119,724	\$ 611,446
Total Value for Raw Land	<u>324.60</u>	<u>26.97%</u>		<u>\$ 38,862,388</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) \$ 1,555,397,242

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 10

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 1,555,397,242	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.69	(B)
City Tax Share				1,067,745	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 1,067,745</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.86	(D)
City Tax Share				1,337,642	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 1,337,642</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.55	
Personal Property Value /(iii)	\$ 10,333,003	2,487	5,498	\$ 13,672,889	
Total City Share of Property Taxes, Levy Rate				1.55	(F) = (B)+(D)
City Tax Share, Dollars				21,144,82	
City Tax Share-Rounded				<u>\$ 21,145</u>	(F)
Residents per SF HH /(iv)				2,4030	
Residents per MF HH /(iv)				2,4030	
Total Residents				<u>5,498</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	301,143			813	
Office	417,857			434	
Employees					
Retail				370	
Office				963	
Total Employees				<u>1,333</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				234,695,465	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				1,281,839,389	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 323,583,693</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 1,173,477	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				444,441	(K)
Total Amount, Rounded				<u>\$ 1,617,918</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 10
APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009

Description	Amount																									
Residential																										
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$ 1,233,256,280 (A)																									
Household Income (@30% of valuation) / (i)	(B) = (A)* 30% \$ 369,976,884 (B)																									
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30% \$ 110,993,065 (C)																									
Projected Off-Site Taxable Sales Captured in City (@54%)	(D) = (C)* 54% \$ 59,936,255 (D)																									
Project Indirect Sales and Use Tax to City - New Residents																										
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)																										
Assessed Valuation Percentage																										
(1) Sales Tax (@0.84% of taxable sales)	0.84% \$ 503,465 <u>\$ 503,465</u>																									
Per Capita																										
(2) Projected Sales tax per Capita (based on 2008 City Budget)	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;">Budget</th> <th style="width: 10%; text-align: center;">Factor</th> <th style="width: 10%; text-align: center;">Resident Factor</th> <th style="width: 10%; text-align: center;">Units</th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">\$ 385,157</td> <td style="text-align: right;">86.85</td> <td style="text-align: right;">100%</td> <td style="text-align: right;">5,498</td> <td style="text-align: right;"><u>\$ 477,527</u></td> </tr> </tbody> </table>		Budget	Factor	Resident Factor	Units			\$ 385,157	86.85	100%	5,498	<u>\$ 477,527</u>													
	Budget	Factor	Resident Factor	Units																						
	\$ 385,157	86.85	100%	5,498	<u>\$ 477,527</u>																					
Project Indirect Sales and Use Tax to City - New Employees																										
Per Capita																										
Projected Sales tax per Capita (based on City Budget) / (iii)	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;"></th> <th style="width: 10%; text-align: center;">Budget</th> <th style="width: 10%; text-align: center;">Factor</th> <th style="width: 10%; text-align: center;">Employee Factor</th> <th style="width: 10%; text-align: center;">Units</th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: right;">\$ 385,157</td> <td style="text-align: right;">86.85</td> <td style="text-align: right;">50%</td> <td style="text-align: right;">667</td> <td style="text-align: right;"><u>\$ 57,932</u></td> </tr> </tbody> </table>		Budget	Factor	Employee Factor	Units			\$ 385,157	86.85	50%	667	<u>\$ 57,932</u>													
	Budget	Factor	Employee Factor	Units																						
	\$ 385,157	86.85	50%	667	<u>\$ 57,932</u>																					
Total Project Indirect Sales and Use Tax to City																										
<u>\$ 535,459</u>																										
Project Direct Sales and Use Tax to City - Businesses																										
	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 10%; text-align: center;">Taxable Sales Per Square Feet</th> <th style="width: 10%; text-align: center;">Square Footage</th> <th style="width: 10%;"></th> <th style="width: 10%;"></th> </tr> </thead> <tbody> <tr> <td>Taxable Sales</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> Retail Buildings / (iv)</td> <td style="text-align: right;">\$ 333</td> <td style="text-align: right;">301,143</td> <td style="text-align: right;">100,310,071</td> <td></td> </tr> <tr> <td> Office Buildings</td> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">417,857</td> <td style="text-align: right;">-</td> <td></td> </tr> <tr> <td>Total Direct Taxable Sales</td> <td></td> <td style="text-align: right;"><u>719,000</u></td> <td style="text-align: right;"><u>100,310,071</u></td> <td></td> </tr> </tbody> </table>		Taxable Sales Per Square Feet	Square Footage			Taxable Sales					Retail Buildings / (iv)	\$ 333	301,143	100,310,071		Office Buildings	\$ -	417,857	-		Total Direct Taxable Sales		<u>719,000</u>	<u>100,310,071</u>	
	Taxable Sales Per Square Feet	Square Footage																								
Taxable Sales																										
Retail Buildings / (iv)	\$ 333	301,143	100,310,071																							
Office Buildings	\$ -	417,857	-																							
Total Direct Taxable Sales		<u>719,000</u>	<u>100,310,071</u>																							
Project Direct Sales and Use Tax to City																										
Sales Tax (@0.84% of taxable sales)	0.84% \$ 842,605 <u>\$ 842,605</u>																									
Total Project Direct Sales and Use Tax to City																										
<u>\$ 842,605</u>																										

Footnote:

(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 10

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2018	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	13,205	Y	100%	2.98	per person served	6,165	18,357
Utility Taxes	599,002	Y	100%	135.08	per person served	6,165	832,686
Solid Waste Tax	41,267	Y	100%	9.31	per person served	6,165	57,366
Telephone Tax	192,579	Y	100%	43.43	per person served	6,165	267,708
Electrical Tax	288,868	Y	100%	65.14	per person served	6,165	401,562
Water Utility Tax	29,987	Y	100%	6.76	per person served	6,165	41,686
Wastewater Utility Tax	46,301	Y	100%	10.44	per person served	6,165	64,365
Pull Tabs/Punch Boards	4,952	Y	100%	1.12	per person served	6,165	6,884
Licenses and Permits	198,012	Y	100%	44.65	per person served	6,165	275,261
Intergovernmental	606,702	Y	100%	136.81	per person served	6,165	843,391
Charges for Services	140,962	Y	100%	31.79	per person served	6,165	195,955
Fines and Forfeits	231,232	Y	100%	52.14	per person served	6,165	321,441
Miscellaneous Revenues	103,305	Y	100%	23.30	per person served	6,165	143,606
Total General Fund Revenue	<u>1,897,372</u>			<u>427.87</u>			<u>2,637,581</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 10

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2018	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 16,307	100%	100%	3.68	per person served	6,165	\$ 22,669
Judicial	312,915	100%	100%	70.56	per person served	6,165	434,991
Executive	18,720	100%	100%	4.22	per person served	6,165	26,023
Administration	403,189	100%	100%	90.92	per person served	6,165	560,483
Economic Development	181,183	100%	100%	40.86	per person served	6,165	251,867
City Clerk	104,356	100%	100%	23.53	per person served	6,165	145,067
Finance	303,591	100%	100%	68.46	per person served	6,165	422,028
Legal	154,063	100%	100%	34.74	per person served	6,165	214,166
Employee Benefit Program	4,127	100%	100%	0.93	per person served	6,165	5,737
Central Services	70,883	100%	100%	15.98	per person served	6,165	98,536
Information Tech. Central Services	126,978	100%	100%	28.63	per person served	6,165	176,515
Total Other Gov't Services	58,902	100%	100%	13.28	per person served	6,165	81,880
Law Enforcement	1,825,777	60%	100%	247.03	per person served	6,165	1,522,833 (iii)
Physical Environment	54,335	100%	100%	12.25	per person served	6,165	75,532
Stewardship Department	173,139	100%	100%	39.04	per person served	6,165	240,685
Community Development Department	173,244	100%	100%	39.07	per person served	6,165	240,830
Building Department	124,586	0%	100%	-	per person served	6,165	- (iv)
Planning Department	122,798	0%	100%	-	per person served	6,165	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	6,165	-
Code Enforcement	-	0%	0%	-	per person served	6,165	- (iv)
Mental and Physical Health	1,238	100%	100%	0.28	per person served	6,165	1,721
Parks and Recreation	4,402	100%	100%	0.99	per person served	6,165	6,119
Fire Department	870,968	100%	100%	196.41	per person served	6,165	1,210,753
Non Expenditure	-	0%	0%	-	per person served	6,165	-
General Fund Total	\$ 5,427,715			\$ 930.88			\$ 5,738,435

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 11

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 59,862	-	\$ 196,689	-	\$ -	\$ -	\$ -
Stacked Flats	51,310	77	205,241	-	3,950,884	-	3,950,884
Townhomes	162,482	53	243,723	24	8,611,559	5,849,361	14,460,919
Duets	227,475	20	341,213	19	4,549,503	6,483,041	11,032,544
40x85 alley	220,976	21	331,464	20	4,640,493	6,629,275	11,269,768
45x80 alley	233,974	20	350,962	19	4,679,488	6,668,271	11,347,760
40x90	233,974	13	350,962	-	3,041,668	-	3,041,668
45x85	248,598	-	372,897	-	-	-	-
45x100	292,468	13	438,702	13	3,802,084	5,703,127	9,505,211
50x90	292,468	23	438,702	22	6,726,765	9,651,445	16,378,210
50x100	324,964	33	487,447	32	10,723,828	15,598,295	26,322,123
55x100	357,461	59	536,191	58	21,090,195	31,099,101	52,189,295
60x100	389,957	17	584,936	16	6,629,275	9,358,977	15,988,252
70x100	454,950	-	682,425	-	-	-	-
80x100	519,943	-	779,915	-	-	-	-
Cluster	233,974	12	350,962	-	2,807,693	-	2,807,693
Carriage	354,895	17	532,343	16	6,033,222	8,517,490	14,550,712
		<u>378</u>		<u>239</u>			<u>192,845,038</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 59,862	-	\$ 256,551	379	\$ -	\$ 97,232,793	\$ 97,232,793
Stacked Flats	51,310	77	256,551	464	3,950,884	119,039,619	122,990,503
Townhomes	162,482	77	406,206	214	12,511,132	86,927,998	99,439,130
Duets	227,475	38	568,688	78	8,644,055	44,357,651	53,001,706
40x85 alley	220,976	41	552,440	98	9,060,010	54,139,082	63,199,092
45x80 alley	233,974	38	584,936	140	8,891,028	81,891,048	90,782,077
40x90	233,974	12	584,936	-	2,807,693	-	2,807,693
45x85	248,598	-	621,495	41	-	25,481,277	25,481,277
45x100	292,468	26	731,170	22	7,604,169	16,085,742	23,689,910
50x90	292,468	44	731,170	49	12,868,593	35,827,334	48,695,927
50x100	324,964	64	812,411	263	20,797,727	213,664,144	234,461,871
55x100	357,461	116	893,652	124	41,465,467	110,812,887	152,278,354
60x100	389,957	33	974,893	230	12,868,593	224,225,490	237,094,083
70x100	454,950	-	1,137,376	28	-	31,846,519	31,846,519
80x100	519,943	-	1,299,858	32	-	41,595,453	41,595,453
Cluster	233,974	12	584,936	-	2,807,693	-	2,807,693
Carriage	354,895	32	887,239	126	11,356,653	111,792,056	123,148,710
		<u>610</u>		<u>2,288</u>			<u>1,450,552,792</u>

(B)

Non-Residential	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
New Construction				
Retail Buildings	42%	23,107	\$ 240.21	5,550,650
Office Buildings	58%	32,143	156.56	5,032,193
	100%	55,250		<u>10,582,843</u>
From Prior Years				
Retail Buildings	42%	301,143	\$ 240.21	72,338,612
Office Buildings	58%	417,857	156.56	65,418,514
	100%	719,000		<u>137,757,125</u>

(C)

(D)

Raw Land	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land for Residential	241.59	20.07%	\$ 125,710	\$ 30,370,517
Raw Land for Non-Residential	-	0.00%	\$ 125,710	\$ -
Total Value for Raw Land	<u>241.59</u>	<u>20.07%</u>		<u>\$ 30,370,517</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) 1,822,108,315

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 11

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 1,822,108,315	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.66	(B)
City Tax Share				1,206,577	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 1,206,577</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.83	(D)
City Tax Share				1,511,566	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 1,511,566</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.49	
Personal Property Value /(iii)	\$ 10,849,653	2,611	6,072	\$ 15,855,378	
Total City Share of Property Taxes, Levy Rate				1.49	(F) = (B)+(D)
City Tax Share, Dollars				23,652.37	(F)
City Tax Share-Rounded				<u>\$ 23,652</u>	
Residents per SF HH /(iv)				2,4030	
Residents per MF HH /(iv)				2,4030	
Total Residents				<u>6,072</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	324,250			813	
Office	450,000			434	
Employees					
Retail				399	
Office				1,037	
Total Employees				<u>1,436</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				203,427,882	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				1,588,309,917	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 313,926,652</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 1,017,139	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				552,494	(K)
Total Amount, Rounded				<u>\$ 1,569,633</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 11

**APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009**

Description	Amount	
Residential		
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$	1,470,849,731 (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30%	\$ 441,254,919 (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30%	\$ 132,376,476 (C)
Projected Off-Site Taxable Sales Captured in City (@57%)	(D) = (C)* 57%	\$ 75,454,591 (D)
Project Indirect Sales and Use Tax to City - New Residents		
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)		
Assessed Valuation Percentage		
(1) Sales Tax (@0.84% of taxable sales)	0.84%	\$ 633,819
		<u>\$ 633,819</u>
Per Capita		
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor
	\$ 397,636	89.67
		Resident Factor
		100%
		Units
		6,072
		<u>\$ 544,469</u>
Project Indirect Sales and Use Tax to City - New Employees		
Per Capita		
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor
	\$ 397,636	89.67
		Employee Factor
		50%
		Units
		718
		<u>\$ 64,382</u>
Total Project Indirect Sales and Use Tax to City		
		<u>\$ 608,851</u>
Project Direct Sales and Use Tax to City - Businesses		
	Taxable Sales	Square Footage
	Per Square Feet	
Taxable Sales		
Retail Buildings / (iv)	\$ 344	324,250 111,506,440
Office Buildings	\$ -	450,000 -
Total Direct Taxable Sales		<u>774,250 111,506,440</u>
Project Direct Sales and Use Tax to City		
Sales Tax (@0.84% of taxable sales)	0.84%	\$ 936,654
Total Project Direct Sales and Use Tax to City		<u>\$ 936,654</u>

Footnote:

- (i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
- (ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
- (iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
- (iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 11

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2019	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	13,633	Y	100%	3.07	per person served	6,790	20,875
Utility Taxes	618,410	Y	100%	139.45	per person served	6,790	946,894
Solid Waste Tax	42,604	Y	100%	9.61	per person served	6,790	65,234
Telephone Tax	198,818	Y	100%	44.83	per person served	6,790	304,426
Electrical Tax	298,227	Y	100%	67.25	per person served	6,790	456,638
Water Utility Tax	30,959	Y	100%	6.98	per person served	6,790	47,403
Wastewater Utility Tax	47,802	Y	100%	10.78	per person served	6,790	73,193
Pull Tabs/Punch Boards	5,112	Y	100%	1.15	per person served	6,790	7,828
Licenses and Permits	204,428	Y	100%	46.10	per person served	6,790	313,015
Intergovernmental	626,359	Y	100%	141.25	per person served	6,790	959,067
Charges for Services	145,529	Y	100%	32.82	per person served	6,790	222,831
Fines and Forfeits	238,724	Y	100%	53.83	per person served	6,790	365,528
Miscellaneous Revenues	106,652	Y	100%	24.05	per person served	6,790	163,303
Total General Fund Revenue	<u>1,958,847</u>			<u>441.73</u>			<u>2,999,340</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 11

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2019	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 16,836	100%	100%	3.80	per person served	6,790	\$ 25,778
Judicial	323,054	100%	100%	72.85	per person served	6,790	494,652
Executive	19,327	100%	100%	4.36	per person served	6,790	29,592
Administration	416,253	100%	100%	93.87	per person served	6,790	637,356
Economic Development	187,054	100%	100%	42.18	per person served	6,790	286,412
City Clerk	107,737	100%	100%	24.30	per person served	6,790	164,964
Finance	313,427	100%	100%	70.68	per person served	6,790	479,912
Legal	159,055	100%	100%	35.87	per person served	6,790	243,540
Employee Benefit Program	4,260	100%	100%	0.96	per person served	6,790	6,523
Central Services	73,179	100%	100%	16.50	per person served	6,790	112,050
Information Tech. Central Services	131,092	100%	100%	29.56	per person served	6,790	200,725
Total Other Gov't Services	60,810	100%	100%	13.71	per person served	6,790	93,111
Law Enforcement	1,884,932	60%	100%	255.04	per person served	6,790	1,731,698 (iii)
Physical Environment	56,095	100%	100%	12.65	per person served	6,790	85,891
Stewardship Department	178,749	100%	100%	40.31	per person served	6,790	273,696
Community Development Department	178,857	100%	100%	40.33	per person served	6,790	273,861
Building Department	128,623	0%	100%	-	per person served	6,790	- (iv)
Planning Department	126,776	0%	100%	-	per person served	6,790	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	6,790	-
Code Enforcement	-	0%	0%	-	per person served	6,790	- (iv)
Mental and Physical Health	1,278	100%	100%	0.29	per person served	6,790	1,957
Parks and Recreation	4,544	100%	100%	1.02	per person served	6,790	6,958
Fire Department	899,188	100%	100%	202.77	per person served	6,790	1,376,815
Non Expenditure	-	0%	0%	-	per person served	6,790	-
General Fund Total	\$ 5,603,573			\$ 961.04			\$ 6,525,494

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 12

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 62,855	-	\$ 206,523	-	\$ -	\$ -	\$ -
Stacked Flats	53,876	35	215,503	77	1,885,649	16,593,712	18,479,362
Townhomes	170,606	22	255,910	53	3,753,340	13,563,205	17,316,545
Duets	238,849	18	358,273	19	4,299,280	6,807,193	11,106,473
40x85 alley	232,025	-	348,037	21	-	7,308,776	7,308,776
45x80 alley	245,673	19	368,510	19	4,667,790	7,001,685	11,669,474
40x90	245,673	-	368,510	12	-	4,422,117	4,422,117
45x85	261,028	-	391,542	-	-	-	-
45x100	307,091	-	460,637	13	-	5,988,283	5,988,283
50x90	307,091	-	460,637	22	-	10,134,017	10,134,017
50x100	341,213	28	511,819	32	9,553,956	16,378,210	25,932,165
55x100	375,334	64	563,001	58	24,021,374	32,654,056	56,675,430
60x100	409,455	59	614,183	17	24,157,859	10,441,109	34,598,968
70x100	477,698	22	716,547	-	10,509,351	-	10,509,351
80x100	545,940	-	818,910	-	-	-	-
Cluster	245,673	34	368,510	12	8,352,887	4,422,117	12,775,004
Carriage	372,640	16	558,960	16	5,962,243	8,943,365	14,905,608
		<u>317</u>		<u>371</u>			<u>241,821,572</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 62,855	-	\$ 269,378	379	\$ -	\$ 102,094,432	\$ 102,094,432
Stacked Flats	53,876	154	269,378	464	8,296,856	124,991,600	133,288,457
Townhomes	170,606	106	426,516	238	18,084,273	101,510,779	119,595,052
Duets	238,849	39	597,122	97	9,315,107	57,920,856	67,235,963
40x85 alley	232,025	42	580,062	118	9,745,035	68,447,268	78,192,303
45x80 alley	245,673	39	614,183	159	9,581,253	97,655,075	107,236,328
40x90	245,673	25	614,183	-	6,141,829	-	6,141,829
45x85	261,028	-	652,569	41	-	26,755,341	26,755,341
45x100	307,091	26	767,729	35	7,984,377	26,870,500	34,854,878
50x90	307,091	45	767,729	71	13,819,114	54,508,729	68,327,844
50x100	341,213	65	853,032	295	22,178,826	251,644,368	273,823,193
55x100	375,334	117	938,335	182	43,914,075	170,776,957	214,691,032
60x100	409,455	34	1,023,638	246	13,921,478	251,814,974	265,736,452
70x100	477,698	-	1,194,244	28	-	33,438,845	33,438,845
80x100	545,940	-	1,364,851	32	-	43,675,226	43,675,226
Cluster	245,673	24	614,183	-	5,896,155	-	5,896,155
Carriage	372,640	33	931,600	142	12,297,126	132,287,267	144,584,393
		<u>749</u>		<u>2,527</u>			<u>1,725,567,722</u>

(B)

Non-Residential	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
New Construction				
Retail Buildings	0%	-	\$ 245.02	-
Office Buildings	0%	-	159.69	-
	<u>0%</u>			
From Prior Years				
Retail Buildings	42%	324,250	\$ 245.02	79,447,047
Office Buildings	58%	450,000	159.69	71,859,721
	<u>100%</u>	<u>774,250</u>		<u>151,306,768</u>

(C)

(D)

Raw Land	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land for Residential	120.80	10.04%	\$ 131,995	\$ 15,944,521
Raw Land for Non-Residential	-	0.00%	\$ 131,995	\$ -
Total Value for Raw Land	<u>120.80</u>	<u>10.04%</u>		<u>\$ 15,944,521</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) \$ 2,134,640,583

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 12

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 2,134,640,583	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.64	(B)
City Tax Share				1,363,698	
City Tax Share-Rounded			(C) = (A)*(B)	\$ 1,363,698	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.80	(D)
City Tax Share				1,708,403	
City Tax Share-Rounded			(E) = (A)*(D)	\$ 1,708,403	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.44	
Personal Property Value /(iii)	\$ 11,392,136	2,742	6,964	\$ 19,093,823	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.44	(F)
City Tax Share, Dollars				27,479.17	
City Tax Share-Rounded				\$ 27,479	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				6,964	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	324,250			813	
Office	450,000			434	
Employees					
Retail				399	
Office				1,037	
Total Employees				1,436	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				241,821,572	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				1,876,874,490	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				\$ 372,641,748	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 1,209,108	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				654,101	(K)
Total Amount, Rounded				\$ 1,863,209	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 12

**APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009**

Description	Amount	
Residential		
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$	1,778,574,576 (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30%	\$ 533,572,373 (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30%	\$ 160,071,712 (C)
Projected Off-Site Taxable Sales Captured in City (@60%)	(D) = (C)* 60%	\$ 96,043,027 (D)
Project Indirect Sales and Use Tax to City - New Residents		
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)		
Assessed Valuation Percentage		
(1) Sales Tax (@0.84% of taxable sales)	0.84%	\$ 806,761
		<u>\$ 806,761</u>
Per Capita		
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor
	\$ 410,520	92.57
		Resident Factor
		100%
		Units
		6,964
		<u>\$ 644,686</u>
Project Indirect Sales and Use Tax to City - New Employees		
Per Capita		
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor
	\$ 410,520	92.57
		Employee Factor
		50%
		Units
		718
		<u>\$ 66,468</u>
Total Project Indirect Sales and Use Tax to City		
		<u>\$ 711,154</u>
Project Direct Sales and Use Tax to City - Businesses		
	Taxable Sales	Square Footage
	Per Square Feet	
Taxable Sales		
Retail Buildings / (iv)	\$ 355	324,250
Office Buildings	\$ -	450,000
Total Direct Taxable Sales		<u>774,250</u>
		<u>115,119,249</u>
Project Direct Sales and Use Tax to City		
Sales Tax (@0.84% of taxable sales)	0.84%	\$ 967,002
Total Project Direct Sales and Use Tax to City		
		<u>\$ 967,002</u>
Footnote:		
(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.		
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West		
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.		
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development		

Appendix C - Fiscal Impact Model Year No. 12

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2020	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	14,075	Y	100%	3.17	per person served	7,682	24,382
<u>Utility Taxes</u>	638,446	Y	100%	143.97	per person served	7,682	1,105,997
Solid Waste Tax	43,984	Y	100%	9.92	per person served	7,682	76,195
Telephone Tax	205,260	Y	100%	46.29	per person served	7,682	355,577
Electrical Tax	307,890	Y	100%	69.43	per person served	7,682	533,365
Water Utility Tax	31,962	Y	100%	7.21	per person served	7,682	55,368
Wastewater Utility Tax	49,350	Y	100%	11.13	per person served	7,682	85,491
Pull Tabs/Punch Boards	5,278	Y	100%	1.19	per person served	7,682	9,143
Licenses and Permits	211,051	Y	100%	47.59	per person served	7,682	365,609
Intergovernmental	646,654	Y	100%	145.82	per person served	7,682	1,120,215
Charges for Services	150,244	Y	100%	33.88	per person served	7,682	260,272
Fines and Forfeits	246,458	Y	100%	55.58	per person served	7,682	426,946
Miscellaneous Revenues	110,107	Y	100%	24.83	per person served	7,682	190,742
Total General Fund Revenue	<u>2,022,314</u>			<u>456.04</u>			<u>3,503,307</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 12

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2020	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 17,381	100%	100%	3.92	per person served	7,682	\$ 30,110
Judicial	333,521	100%	100%	75.21	per person served	7,682	577,767
Executive	19,953	100%	100%	4.50	per person served	7,682	34,565
Administration	429,739	100%	100%	96.91	per person served	7,682	744,449
Economic Development	193,114	100%	100%	43.55	per person served	7,682	334,537
City Clerk	111,227	100%	100%	25.08	per person served	7,682	192,682
Finance	323,582	100%	100%	72.97	per person served	7,682	560,549
Legal	164,208	100%	100%	37.03	per person served	7,682	284,462
Employee Benefit Program	4,398	100%	100%	0.99	per person served	7,682	7,620
Central Services	75,550	100%	100%	17.04	per person served	7,682	130,878
Information Tech. Central Services	135,340	100%	100%	30.52	per person served	7,682	234,452
Total Other Gov't Services	62,780	100%	100%	14.16	per person served	7,682	108,756
Law Enforcement	1,946,004	60%	100%	263.30	per person served	7,682	2,022,668 (iii)
Physical Environment	57,913	100%	100%	13.06	per person served	7,682	100,324
Stewardship Department	184,540	100%	100%	41.61	per person served	7,682	319,684
Community Development Department	184,652	100%	100%	41.64	per person served	7,682	319,877
Building Department	132,790	0%	100%	-	per person served	7,682	- (iv)
Planning Department	130,884	0%	100%	-	per person served	7,682	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	7,682	-
Code Enforcement	-	0%	0%	-	per person served	7,682	- (iv)
Mental and Physical Health	1,320	100%	100%	0.30	per person served	7,682	2,286
Parks and Recreation	4,692	100%	100%	1.06	per person served	7,682	8,127
Fire Department	928,321	100%	100%	209.34	per person served	7,682	1,608,155
Non Expenditure	-	0%	0%	-	per person served	7,682	-
General Fund Total	\$ 5,785,128			\$ 992.18			\$ 7,621,946

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 13

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 65,998	-	\$ 216,850	-	\$ -	\$ -	\$ -
Stacked Flats	56,569	35	226,278	77	1,979,932	17,423,398	19,403,330
Townhomes	179,137	23	268,705	53	4,120,143	14,241,365	18,361,509
Duets	250,791	19	376,187	20	4,765,035	7,523,740	12,288,775
40x85 alley	243,626	-	365,439	21	-	7,674,215	7,674,215
45x80 alley	257,957	20	386,935	20	5,159,136	7,738,704	12,897,840
40x90	257,957	-	386,935	13	-	5,030,158	5,030,158
45x85	274,079	-	411,119	-	-	-	-
45x100	322,446	-	483,669	13	-	6,287,697	6,287,697
50x90	322,446	-	483,669	23	-	11,124,387	11,124,387
50x100	358,273	28	537,410	33	10,031,653	17,734,530	27,766,184
55x100	394,101	64	591,151	59	25,222,443	34,877,909	60,100,352
60x100	429,928	60	644,892	17	25,795,680	10,963,164	36,758,844
70x100	501,583	22	752,374	-	11,034,819	-	11,034,819
80x100	573,237	-	859,856	-	-	-	-
Cluster	257,957	34	386,935	12	8,770,531	4,643,222	13,413,754
Carriage	391,272	17	586,908	17	6,651,627	9,977,441	16,629,068
		<u>322</u>		<u>378</u>			<u>258,770,932</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 65,998	-	\$ 282,847	379	\$ -	\$ 107,199,154	\$ 107,199,154
Stacked Flats	56,569	112	282,847	541	6,335,781	153,020,428	159,356,209
Townhomes	179,137	75	447,842	291	13,435,250	130,321,926	143,757,176
Duets	250,791	38	626,978	116	9,530,071	72,729,487	82,259,558
40x85 alley	243,626	21	609,065	139	5,116,143	84,659,990	89,776,133
45x80 alley	257,957	39	644,892	178	10,060,315	114,790,777	124,851,092
40x90	257,957	13	644,892	12	3,353,438	7,738,704	11,092,143
45x85	274,079	-	685,198	41	-	28,093,108	28,093,108
45x100	322,446	13	806,115	48	4,191,798	38,693,520	42,885,318
50x90	322,446	23	806,115	93	7,416,258	74,968,696	82,384,954
50x100	358,273	61	895,683	327	21,854,674	292,888,453	314,743,127
55x100	394,101	123	985,252	240	48,474,383	236,460,402	284,934,785
60x100	429,928	76	1,074,820	263	32,674,528	282,677,663	315,352,191
70x100	501,583	22	1,253,957	28	11,034,819	35,110,787	46,145,606
80x100	573,237	-	1,433,093	32	-	45,858,987	45,858,987
Cluster	257,957	46	644,892	12	11,866,013	7,738,704	19,604,717
Carriage	391,272	33	978,180	158	12,911,983	154,552,518	167,464,500
		<u>695</u>		<u>2,898</u>			<u>2,065,758,759</u>

(B)

	Mix	Building Sq. Ft.	Assessed Value Per Sq. Ft.	
Non-Residential				
New Construction				
Retail Buildings	0%	-	\$ 249.92	-
Office Buildings	0%	-	162.88	-
	0%	-	-	-
From Prior Years				
Retail Buildings	42%	324,250	\$ 249.92	81,035,988
Office Buildings	58%	450,000	162.88	73,296,915
	100%	774,250		154,332,903

(C)

(D)

	Raw Land Acreage	Percentage of Total Land	Assessed Value Per Acre (i)	
Raw Land				
Raw Land for Residential	-	0.00%	\$ 138,595	\$ -
Raw Land for Non-Residential	-	0.00%	\$ 138,595	\$ -
Total Value for Raw Land	-	0.00%	\$ -	\$ -

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E)

\$ 2,478,862,594

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 13

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 2,478,862,594	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.62	(B)
City Tax Share				1,527,534	
City Tax Share-Rounded			(C) = (A)*(B)	\$ 1,527,534	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.77	(D)
City Tax Share				1,913,652	
City Tax Share-Rounded			(E) = (A)*(D)	\$ 1,913,652	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.39	
Personal Property Value /(iii)	\$ 11,961,743	2,879	7,872	\$ 22,662,537	
Total City Share of Property Taxes, Levy Rate				1.39	(F) = (B)+(D)
City Tax Share, Dollars				31,460.40	(F)
City Tax Share-Rounded				\$ 31,460	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				7,872	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	324,250			813	
Office	450,000			434	
Employees					
Retail				399	
Office				1,037	
Total Employees				1,436	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction / <i>Shown In Table 1, Letters (A) and (C)</i>				258,770,932	(G)
Assessed Valuation - Existing & Prior Years / <i>Shown In Table 1, Letters (B) and (D)</i>				2,220,091,662	(H)
AV of Transferred Real Estate (Resale and New Construction) / <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				\$ 414,041,774	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 1,293,855	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				776,354	(K)
Total Amount, Rounded				\$ 2,070,209	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 13

**APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009**

Description					Amount
Residential					
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1					\$ 2,118,976,774 (A)
Household Income (@30% of valuation) / (i)				(B) = (A)* 30%	\$ 635,693,032 (B)
Retail Taxable Sales (@30% of household income) / (ii)				(C) = (B)* 30%	\$ 190,707,910 (C)
Projected Off-Site Taxable Sales Captured in City (@60%)				(D) = (C)* 60%	\$ 114,424,746 (D)
Project Indirect Sales and Use Tax to City - New Residents					
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)					
Assessed Valuation Percentage					
(1) Sales Tax (@0.84% of taxable sales)				0.84%	\$ 961,168
					<u>\$ 961,168</u>
Per Capita					
(2) Projected Sales tax per Capita (based on 2008 City Budget)	<u>Budget</u>	<u>Factor</u>	<u>Resident Factor</u>	<u>Units</u>	
	\$ 423,821	95.57	100%	7,872	\$ 752,354
Project Indirect Sales and Use Tax to City - New Employees					
Per Capita					
Projected Sales tax per Capita (based on City Budget) / (iii)	<u>Budget</u>	<u>Factor</u>	<u>Employee Factor</u>	<u>Units</u>	
	\$ 423,821	95.57	50%	718	\$ 68,622
Total Project Indirect Sales and Use Tax to City					<u>\$ 820,976</u>
Project Direct Sales and Use Tax to City - Businesses					
			<u>Taxable Sales Per Square Feet</u>	<u>Square Footage</u>	
Taxable Sales					
Retail Buildings / (iv)		\$	367	324,250	118,849,113
Office Buildings		\$	-	450,000	-
Total Direct Taxable Sales				<u>774,250</u>	<u>118,849,113</u>
Project Direct Sales and Use Tax to City					
Sales Tax (@0.84% of taxable sales)				0.84%	\$ 998,333
Total Project Direct Sales and Use Tax to City					<u>\$ 998,333</u>
Footnote:					
(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.					
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West					
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.					
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development					

Appendix C - Fiscal Impact Model Year No. 13

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2021	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	14,531	Y	100%	3.28	per person served	8,590	28,148
Utility Taxes	659,132	Y	100%	148.64	per person served	8,590	1,276,794
Solid Waste Tax	45,409	Y	100%	10.24	per person served	8,590	87,962
Telephone Tax	211,910	Y	100%	47.79	per person served	8,590	410,488
Electrical Tax	317,865	Y	100%	71.68	per person served	8,590	615,732
Water Utility Tax	32,997	Y	100%	7.44	per person served	8,590	63,919
Wastewater Utility Tax	50,949	Y	100%	11.49	per person served	8,590	98,693
Pull Tabs/Punch Boards	5,449	Y	100%	1.23	per person served	8,590	10,555
Licenses and Permits	217,889	Y	100%	49.13	per person served	8,590	422,070
Intergovernmental	667,605	Y	100%	150.55	per person served	8,590	1,293,207
Charges for Services	155,112	Y	100%	34.98	per person served	8,590	300,466
Fines and Forfeits	254,444	Y	100%	57.38	per person served	8,590	492,879
Miscellaneous Revenues	113,675	Y	100%	25.63	per person served	8,590	220,198
Total General Fund Revenue	<u>2,087,837</u>			<u>470.82</u>			<u>4,044,316</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 13

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 / (i)	LoS Adjustment	Efficiency Factor	Factor 2021	Measure / (ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 17,944	100%	100%	4.05	per person served	8,590	\$ 34,760
Judicial	344,327	100%	100%	77.65	per person served	8,590	666,990
Executive	20,599	100%	100%	4.65	per person served	8,590	39,902
Administration	443,663	100%	100%	100.05	per person served	8,590	859,412
Economic Development	199,371	100%	100%	44.96	per person served	8,590	386,199
City Clerk	114,831	100%	100%	25.89	per person served	8,590	222,438
Finance	334,066	100%	100%	75.33	per person served	8,590	647,114
Legal	169,528	100%	100%	38.23	per person served	8,590	328,390
Employee Benefit Program	4,541	100%	100%	1.02	per person served	8,590	8,796
Central Services	77,998	100%	100%	17.59	per person served	8,590	151,089
Information Tech. Central Services	139,725	100%	100%	31.51	per person served	8,590	270,658
Total Other Gov't Services	64,814	100%	100%	14.62	per person served	8,590	125,551
Law Enforcement	2,009,055	60%	100%	271.83	per person served	8,590	2,335,025 (iii)
Physical Environment	59,789	100%	100%	13.48	per person served	8,590	115,816
Stewardship Department	190,519	100%	100%	42.96	per person served	8,590	369,052
Community Development Department	190,634	100%	100%	42.99	per person served	8,590	369,275
Building Department	137,092	0%	100%	-	per person served	8,590	-
Planning Department	135,125	0%	100%	-	per person served	8,590	-
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	8,590	-
Code Enforcement	-	0%	0%	-	per person served	8,590	-
Mental and Physical Health	1,362	100%	100%	0.31	per person served	8,590	2,639
Parks and Recreation	4,844	100%	100%	1.09	per person served	8,590	9,383
Fire Department	958,399	100%	100%	216.12	per person served	8,590	1,856,500
Non Expenditure	-	0%	0%	-	per person served	8,590	-
General Fund Total	\$ 5,972,567			\$ 1,024.33			\$ 8,798,988

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 14

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 69,298	-	\$ 227,692	-	\$ -	\$ -	\$ -
Stacked Flats	59,398	44	237,592	35	2,613,510	8,315,713	10,929,222
Townhomes	188,094	15	282,140	22	2,821,403	6,207,086	9,028,488
Duets	263,331	20	394,996	18	5,266,618	7,109,934	12,376,552
40x85 alley	255,807	11	383,711	-	2,813,879	-	2,813,879
45x80 alley	270,855	24	406,282	19	6,500,511	7,719,357	14,219,869
40x90	270,855	-	406,282	-	-	-	-
45x85	287,783	-	431,675	-	-	-	-
45x100	338,568	70	507,852	-	23,699,781	-	23,699,781
50x90	338,568	-	507,852	-	-	-	-
50x100	376,187	51	564,281	28	19,185,537	15,799,854	34,985,391
55x100	413,806	35	620,709	64	14,483,200	39,725,348	54,208,547
60x100	451,424	17	677,137	59	7,674,215	39,951,060	47,625,275
70x100	526,662	5	789,993	22	2,633,309	17,379,840	20,013,149
80x100	601,899	-	902,849	-	-	-	-
Cluster	270,855	-	406,282	34	-	13,813,587	13,813,587
Carriage	410,836	-	616,254	16	-	9,860,059	9,860,059
		<u>292</u>		<u>317</u>			<u>253,573,800</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 69,298	-	\$ 296,990	379	\$ -	\$ 112,559,111	\$ 112,559,111
Stacked Flats	59,398	70	296,990	618	4,157,856	183,539,659	187,697,516
Townhomes	188,094	45	470,234	344	8,464,208	161,760,412	170,224,619
Duets	263,331	37	658,327	136	9,743,243	89,532,507	99,275,750
40x85 alley	255,807	-	639,518	160	-	102,322,865	102,322,865
45x80 alley	270,855	39	677,137	198	10,563,331	134,073,048	144,636,379
40x90	270,855	-	677,137	25	-	16,928,415	16,928,415
45x85	287,783	-	719,458	41	-	29,497,763	29,497,763
45x100	338,568	-	846,421	61	-	51,631,666	51,631,666
50x90	338,568	-	846,421	116	-	98,184,808	98,184,808
50x100	376,187	56	940,468	360	21,066,472	338,568,304	359,634,776
55x100	413,806	128	1,034,514	299	52,967,130	309,319,764	362,286,894
60x100	451,424	119	1,128,561	280	53,719,504	315,997,083	369,716,587
70x100	526,662	44	1,316,655	28	23,173,119	36,866,326	60,039,446
80x100	601,899	-	1,504,748	32	-	48,151,936	48,151,936
Cluster	270,855	68	677,137	24	18,418,116	16,251,279	34,669,394
Carriage	410,836	33	1,027,090	175	13,557,582	179,740,666	193,298,247
		<u>639</u>		<u>3,276</u>			<u>2,440,756,175</u>

(B)

	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
Non-Residential				
New Construction				
Retail Buildings	0%	-	\$ 254.92	-
Office Buildings	0%	-	166.14	-
	<u>0%</u>			
From Prior Years				
Retail Buildings	42%	324,250	\$ 254.92	82,656,708
Office Buildings	58%	450,000	166.14	74,762,854
	<u>100%</u>	<u>774,250</u>		<u>157,419,562</u>

(C)

(D)

	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land				
Raw Land for Residential	-	0.00%	\$ 145,525	\$ -
Raw Land for Non-Residential	-	0.00%	\$ 145,525	\$ -
Total Value for Raw Land	<u>-</u>	<u>0.00%</u>	<u>\$ -</u>	<u>\$ -</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) 2,851,749,536

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 14

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 2,851,749,536	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.59	(B)
City Tax Share				1,694,510	
City Tax Share-Rounded			(C) = (A)*(B)	\$ 1,694,510	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.74	(D)
City Tax Share				2,122,835	
City Tax Share-Rounded			(E) = (A)*(D)	\$ 2,122,835	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.34	
Personal Property Value /(iii)	\$ 12,559,830	3,023	8,634	\$ 26,099,055	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.34	(F)
City Tax Share, Dollars				34,936.13	
City Tax Share-Rounded				\$ 34,936	
Residents per SF HH /(iv)				2,4030	
Residents per MF HH /(iv)				2,4030	
Total Residents				8,634	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	324,250			813	
Office	450,000			434	
Employees					
Retail				399	
Office				1,037	
Total Employees				1,436	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				253,573,800	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				2,598,175,736	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				\$ 435,784,505	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 1,267,869	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				911,054	(K)
Total Amount, Rounded				\$ 2,178,923	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 14

APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
 The Villages Fiscal Impact Analysis
 March 18, 2009

Description	Amount	
Residential		
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$	2,497,930,462 (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30%	\$ 749,379,139 (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30%	\$ 224,813,742 (C)
Projected Off-Site Taxable Sales Captured in City (@60%)	(D) = (C)* 60%	\$ 134,888,245 (D)
Project Indirect Sales and Use Tax to City - New Residents		
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)		
Assessed Valuation Percentage		
(1) Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,133,061
		<u>\$ 1,133,061</u>
Per Capita		
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor
	\$ 437,552	98.67
		Resident Factor
		100%
		Units
		8,634
		<u>\$ 851,917</u>
Project Indirect Sales and Use Tax to City - New Employees		
Per Capita		
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor
	\$ 437,552	98.67
		Employee Factor
		50%
		Units
		718
		<u>\$ 70,845</u>
Total Project Indirect Sales and Use Tax to City		
		<u>\$ 922,762</u>
Project Direct Sales and Use Tax to City - Businesses		
	Taxable Sales	
	Per Square Feet	Square Footage
Taxable Sales		
Retail Buildings / (iv)	\$ 378	324,250
Office Buildings	\$ -	450,000
Total Direct Taxable Sales		<u>774,250</u>
		<u>122,699,824</u>
Project Direct Sales and Use Tax to City		
Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,030,679
Total Project Direct Sales and Use Tax to City		
		<u>\$ 1,030,679</u>
Footnote:		
(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.		
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West		
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.		
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development		

Appendix C - Fiscal Impact Model Year No. 14

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2022	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	15,002	Y	100%	3.38	per person served	9,352	31,638
Utility Taxes	680,488	Y	100%	153.45	per person served	9,352	1,435,093
Solid Waste Tax	46,881	Y	100%	10.57	per person served	9,352	98,867
Telephone Tax	218,776	Y	100%	49.34	per person served	9,352	461,381
Electrical Tax	328,164	Y	100%	74.00	per person served	9,352	692,072
Water Utility Tax	34,067	Y	100%	7.68	per person served	9,352	71,844
Wastewater Utility Tax	52,600	Y	100%	11.86	per person served	9,352	110,929
Pull Tabs/Punch Boards	5,626	Y	100%	1.27	per person served	9,352	11,864
Licenses and Permits	224,949	Y	100%	50.73	per person served	9,352	474,399
Intergovernmental	689,236	Y	100%	155.43	per person served	9,352	1,453,542
Charges for Services	160,138	Y	100%	36.11	per person served	9,352	337,718
Fines and Forfeits	262,688	Y	100%	59.24	per person served	9,352	553,987
Miscellaneous Revenues	117,358	Y	100%	26.46	per person served	9,352	247,498
Total General Fund Revenue	<u>2,155,483</u>			<u>486.07</u>			<u>4,545,738</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 14

**APPENDIX C
TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS**

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2022	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 18,526	100%	100%	4.18	per person served	9,352	\$ 39,069
Judicial	355,483	100%	100%	80.16	per person served	9,352	749,685
Executive	21,267	100%	100%	4.80	per person served	9,352	44,850
Administration	458,038	100%	100%	103.29	per person served	9,352	965,964
Economic Development	205,831	100%	100%	46.42	per person served	9,352	434,081
City Clerk	118,552	100%	100%	26.73	per person served	9,352	250,016
Finance	344,890	100%	100%	77.77	per person served	9,352	727,344
Legal	175,021	100%	100%	39.47	per person served	9,352	369,105
Employee Benefit Program	4,688	100%	100%	1.06	per person served	9,352	9,887
Central Services	80,525	100%	100%	18.16	per person served	9,352	169,821
Information Tech. Central Services	144,252	100%	100%	32.53	per person served	9,352	304,215
Total Other Gov't Services	66,914	100%	100%	15.09	per person served	9,352	141,117
Law Enforcement	2,074,148	60%	100%	280.64	per person served	9,352	2,624,526 (iii)
Physical Environment	61,726	100%	100%	13.92	per person served	9,352	130,175
Stewardship Department	196,692	100%	100%	44.36	per person served	9,352	414,808
Community Development Department	196,811	100%	100%	44.38	per person served	9,352	415,058
Building Department	141,534	0%	100%	-	per person served	9,352	- (iv)
Planning Department	139,503	0%	100%	-	per person served	9,352	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	9,352	-
Code Enforcement	-	0%	0%	-	per person served	9,352	- (iv)
Mental and Physical Health	1,406	100%	100%	0.32	per person served	9,352	2,966
Parks and Recreation	5,001	100%	100%	1.13	per person served	9,352	10,546
Fire Department	989,451	100%	100%	223.13	per person served	9,352	2,086,672
Non Expenditure	-	0%	0%	-	per person served	9,352	-
General Fund Total	\$ 6,166,078			\$ 1,057.52			\$ 9,889,904

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 15

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 72,762	-	\$ 239,077	-	\$ -	\$ -	\$ -
Stacked Flats	62,368	44	249,471	35	2,744,185	8,731,498	11,475,684
Townhomes	197,498	15	296,247	23	2,962,473	6,813,687	9,776,160
Duets	276,497	20	414,746	19	5,529,949	7,880,177	13,410,126
40x85 alley	268,598	11	402,896	-	2,954,573	-	2,954,573
45x80 alley	284,397	25	426,596	20	7,109,934	8,531,921	15,641,856
40x90	284,397	-	426,596	-	-	-	-
45x85	302,172	-	453,258	-	-	-	-
45x100	355,497	70	533,245	-	24,884,770	-	24,884,770
50x90	355,497	-	533,245	-	-	-	-
50x100	394,996	51	592,495	28	20,144,814	16,589,847	36,734,661
55x100	434,496	35	651,744	64	15,207,360	41,711,615	56,918,975
60x100	473,996	17	710,993	60	8,057,926	42,659,606	50,717,532
70x100	552,995	6	829,492	22	3,317,969	18,248,832	21,566,801
80x100	631,994	-	947,991	-	-	-	-
Cluster	284,397	-	426,596	34	-	14,504,266	14,504,266
Carriage	431,378	-	647,066	17	-	11,000,129	11,000,129
		<u>294</u>		<u>322</u>			<u>269,585,531</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 72,762	-	\$ 311,839	379	\$ -	\$ 118,187,067	\$ 118,187,067
Stacked Flats	62,368	79	311,839	653	4,927,060	203,631,015	208,558,075
Townhomes	197,498	38	493,745	366	7,504,931	180,710,832	188,215,763
Duets	276,497	39	691,244	154	10,783,400	106,451,517	117,234,918
40x85 alley	268,598	11	671,494	160	2,954,573	107,439,008	110,393,581
45x80 alley	284,397	44	710,993	217	12,513,484	154,285,576	166,799,060
40x90	284,397	-	710,993	25	-	17,774,836	17,774,836
45x85	302,172	-	755,431	41	-	30,972,652	30,972,652
45x100	355,497	70	888,742	61	24,884,770	54,213,250	79,098,020
50x90	355,497	-	888,742	116	-	103,094,048	103,094,048
50x100	394,996	79	987,491	388	31,204,712	383,146,463	414,351,175
55x100	434,496	99	1,086,240	363	43,015,103	394,305,110	437,320,213
60x100	473,996	77	1,184,989	339	36,497,663	401,711,292	438,208,955
70x100	552,995	27	1,382,487	50	14,930,862	69,124,362	84,055,224
80x100	631,994	-	1,579,985	32	-	50,559,533	50,559,533
Cluster	284,397	34	710,993	58	9,669,511	41,237,619	50,907,130
Carriage	431,378	17	1,078,444	191	7,333,419	205,982,803	213,316,222
		<u>614</u>		<u>3,593</u>			<u>2,829,046,473</u>

(B)

	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
Non-Residential				
New Construction				
Retail Buildings	0%	-	\$ 260.01	-
Office Buildings	0%	-	169.46	-
	<u>0%</u>			
From Prior Years				
Retail Buildings	42%	324,250	\$ 260.01	84,309,842
Office Buildings	58%	450,000	169.46	76,258,111
	<u>100%</u>	<u>774,250</u>		<u>160,567,953</u>

(C)

(D)

	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land				
Raw Land for Residential	-	0.00%	\$ 152,801	\$ -
Raw Land for Non-Residential	-	0.00%	\$ 152,801	\$ -
Total Value for Raw Land	<u>-</u>	<u>0.00%</u>	<u>\$ -</u>	<u>\$ -</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) \$ 3,259,199,958

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 15

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 3,259,199,958	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.57	(B)
City Tax Share				1,867,188	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 1,867,188</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.72	(D)
City Tax Share				2,339,161	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 2,339,161</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.29	
Personal Property Value /(iii)	\$ 13,187,822	3,174	9,408	\$ 29,860,656	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.29	(F)
City Tax Share, Dollars				38,538.39	
City Tax Share-Rounded				<u>\$ 38,538</u>	
Residents per SF HH /(iv)				2,4030	
Residents per MF HH /(iv)				2,4030	
Total Residents				<u>9,408</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	324,250			813	
Office	450,000			434	
Employees					
Retail				399	
Office				1,037	
Total Employees				<u>1,436</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				269,585,531	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				2,989,614,426	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 479,688,677</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 1,347,928	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				1,050,516	(K)
Total Amount, Rounded				<u>\$ 2,398,443</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 15

APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
 The Villages Fiscal Impact Analysis
 March 18, 2009

Description	Amount	
Residential		
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$	2,913,641,491 (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30%	\$ 874,092,447 (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30%	\$ 262,227,734 (C)
Projected Off-Site Taxable Sales Captured in City (@60%)	(D) = (C)* 60%	\$ 157,336,641 (D)
Project Indirect Sales and Use Tax to City - New Residents		
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)		
Assessed Valuation Percentage		
(1) Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,321,628
		<u>\$ 1,321,628</u>
Per Capita		
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor
	\$ 451,729	101.87
		Resident Factor
		100%
		Units
		9,408
		<u>\$ 958,364</u>
Project Indirect Sales and Use Tax to City - New Employees		
Per Capita		
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor
	\$ 451,729	101.87
		Employee Factor
		50%
		Units
		718
		<u>\$ 73,140</u>
Total Project Indirect Sales and Use Tax to City		
		<u>\$ 1,031,505</u>
Project Direct Sales and Use Tax to City - Businesses		
	Taxable Sales	Square Footage
	Per Square Feet	
Taxable Sales		
Retail Buildings / (iv)	\$ 391	324,250
Office Buildings	\$ -	450,000
Total Direct Taxable Sales		<u>774,250</u>
		<u>126,675,298</u>
Project Direct Sales and Use Tax to City		
Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,064,073
Total Project Direct Sales and Use Tax to City		<u>\$ 1,064,073</u>

Footnote:

- (i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
- (ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
- (iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
- (iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 15

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2023	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	15,488	Y	100%	3.49	per person served	10,126	35,366
Utility Taxes	702,535	Y	100%	158.42	per person served	10,126	1,604,211
Solid Waste Tax	48,400	Y	100%	10.91	per person served	10,126	110,518
Telephone Tax	225,864	Y	100%	50.93	per person served	10,126	515,752
Electrical Tax	338,797	Y	100%	76.40	per person served	10,126	773,629
Water Utility Tax	35,170	Y	100%	7.93	per person served	10,126	80,310
Wastewater Utility Tax	54,304	Y	100%	12.25	per person served	10,126	124,002
Pull Tabs/Punch Boards	5,808	Y	100%	1.31	per person served	10,126	13,262
Licenses and Permits	232,237	Y	100%	52.37	per person served	10,126	530,304
Intergovernmental	711,567	Y	100%	160.46	per person served	10,126	1,624,834
Charges for Services	165,326	Y	100%	37.28	per person served	10,126	377,516
Fines and Forfeits	271,199	Y	100%	61.16	per person served	10,126	619,271
Miscellaneous Revenues	121,160	Y	100%	27.32	per person served	10,126	276,664
Total General Fund Revenue	<u>2,225,320</u>			<u>501.82</u>			<u>5,081,428</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 15

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2023	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 19,126	100%	100%	4.31	per person served	10,126	\$ 43,673
Judicial	367,001	100%	100%	82.76	per person served	10,126	838,031
Executive	21,956	100%	100%	4.95	per person served	10,126	50,135
Administration	472,878	100%	100%	106.64	per person served	10,126	1,079,798
Economic Development	212,500	100%	100%	47.92	per person served	10,126	485,235
City Clerk	122,393	100%	100%	27.60	per person served	10,126	279,479
Finance	356,064	100%	100%	80.29	per person served	10,126	813,058
Legal	180,692	100%	100%	40.75	per person served	10,126	412,602
Employee Benefit Program	4,840	100%	100%	1.09	per person served	10,126	11,052
Central Services	83,134	100%	100%	18.75	per person served	10,126	189,834
Information Tech. Central Services	148,925	100%	100%	33.58	per person served	10,126	340,065
Total Other Gov't Services	69,082	100%	100%	15.58	per person served	10,126	157,747
Law Enforcement	2,141,350	60%	100%	289.73	per person served	10,126	2,933,812 (iii)
Physical Environment	63,726	100%	100%	14.37	per person served	10,126	145,516
Stewardship Department	203,065	100%	100%	45.79	per person served	10,126	463,691
Community Development Department	203,188	100%	100%	45.82	per person served	10,126	463,971
Building Department	146,120	0%	100%	-	per person served	10,126	- (iv)
Planning Department	144,022	0%	100%	-	per person served	10,126	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	10,126	-
Code Enforcement	-	0%	0%	-	per person served	10,126	- (iv)
Mental and Physical Health	1,452	100%	100%	0.33	per person served	10,126	3,316
Parks and Recreation	5,163	100%	100%	1.16	per person served	10,126	11,789
Fire Department	1,021,509	100%	100%	230.36	per person served	10,126	2,332,575
Non Expenditure	-	0%	0%	-	per person served	10,126	-
General Fund Total	\$ 6,365,859			\$ 1,091.78			\$ 11,055,375

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 16

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 76,401	-	\$ 251,031	-	\$ -	\$ -	\$ -
Stacked Flats	65,486	45	261,945	44	2,946,881	11,525,578	14,472,459
Townhomes	207,373	15	311,060	15	3,110,596	4,665,894	7,776,491
Duets	290,322	21	435,483	20	6,096,769	8,709,670	14,806,438
40x85 alley	282,027	12	423,041	11	3,384,329	4,653,452	8,037,781
45x80 alley	298,617	25	447,926	24	7,465,431	10,750,221	18,215,652
40x90	298,617	-	447,926	-	-	-	-
45x85	317,281	-	475,921	-	-	-	-
45x100	373,272	70	559,907	70	26,129,009	39,193,513	65,322,522
50x90	373,272	-	559,907	-	-	-	-
50x100	414,746	52	622,119	51	21,566,801	31,728,082	53,294,883
55x100	456,221	35	684,331	35	15,967,728	23,951,591	39,919,319
60x100	497,695	18	746,543	17	8,958,517	12,691,233	21,649,750
70x100	580,645	6	870,967	5	3,483,868	4,354,835	7,838,703
80x100	663,594	-	995,391	-	-	-	-
Cluster	298,617	-	447,926	-	-	-	-
Carriage	452,946	-	679,420	-	-	-	-
		<u>299</u>		<u>292</u>			<u>251,333,997</u>

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 76,401	-	\$ 327,431	379	\$ -	\$ 124,096,420	\$ 124,096,420
Stacked Flats	65,486	88	327,431	688	5,762,789	225,272,658	231,035,446
Townhomes	207,373	30	518,433	389	6,221,193	201,670,326	207,891,519
Duets	290,322	40	725,806	173	11,612,893	125,564,404	137,177,296
40x85 alley	282,027	22	705,068	160	6,204,603	112,810,959	119,015,561
45x80 alley	298,617	49	746,543	237	14,632,245	176,930,717	191,562,962
40x90	298,617	-	746,543	25	-	18,663,578	18,663,578
45x85	317,281	-	793,202	41	-	32,521,284	32,521,284
45x100	373,272	140	933,179	61	52,258,018	56,923,912	109,181,930
50x90	373,272	-	933,179	116	-	108,248,751	108,248,751
50x100	414,746	102	1,036,865	416	42,304,110	431,336,019	473,640,128
55x100	456,221	70	1,140,552	427	31,935,455	487,015,692	518,951,147
60x100	497,695	34	1,244,239	399	16,921,644	496,451,168	513,372,811
70x100	580,645	11	1,451,612	72	6,387,091	104,516,035	110,903,126
80x100	663,594	-	1,658,985	32	-	53,087,510	53,087,510
Cluster	298,617	-	746,543	92	-	68,681,966	68,681,966
Carriage	452,946	-	1,132,366	208	-	235,532,168	235,532,168
		<u>586</u>		<u>3,915</u>			<u>3,253,563,605</u>

(B)

Non-Residential	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
New Construction				
Retail Buildings	0%	-	\$ 265.22	-
Office Buildings	0%	-	172.85	-
	<u>0%</u>			
From Prior Years				
Retail Buildings	42%	324,250	\$ 265.22	85,996,039
Office Buildings	58%	450,000	172.85	77,783,273
	<u>100%</u>	<u>774,250</u>		<u>163,779,312</u>

(C)

(D)

Raw Land	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land for Residential	-	0.00%	\$ 160,441	\$ -
Raw Land for Non-Residential	-	0.00%	\$ 160,441	\$ -
Total Value for Raw Land	<u>-</u>	<u>0.00%</u>	<u>\$ -</u>	<u>\$ -</u>

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) \$ 3,668,676,914

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 16

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 3,668,676,914	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.55	(B)
City Tax Share				2,025,689	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 2,025,689</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.69	(D)
City Tax Share				2,537,727	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 2,537,727</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.24	
Personal Property Value /(iii)	\$ 13,847,213	3,333	10,109	\$ 33,689,885	
Total City Share of Property Taxes, Levy Rate				1.24	(F) = (B)+(D)
City Tax Share, Dollars				41,906.38	
City Tax Share-Rounded				<u>\$ 41,906</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				<u>10,109</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	324,250			813	
Office	450,000			434	
Employees					
Retail				399	
Office				1,037	
Total Employees				<u>1,436</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				251,333,997	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				3,417,342,917	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 491,920,363</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 1,256,670	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				1,202,932	(K)
Total Amount, Rounded				<u>\$ 2,459,602</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 16

APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
 The Villages Fiscal Impact Analysis
 March 18, 2009

Description	Amount	
Residential		
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$	3,308,228,024 (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30%	\$ 992,468,407 (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30%	\$ 297,740,522 (C)
Projected Off-Site Taxable Sales Captured in City (@60%)	(D) = (C)* 60%	\$ 178,644,313 (D)
Project Indirect Sales and Use Tax to City - New Residents		
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)		
Assessed Valuation Percentage		
(1) Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,500,612
		<u>\$ 1,500,612</u>
Per Capita		
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor
	\$ 466,365	105.17
		Resident Factor
		100%
		Units
		10,109
		<u>\$ 1,063,138</u>
Project Indirect Sales and Use Tax to City - New Employees		
Per Capita		
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor
	\$ 466,365	105.17
		Employee Factor
		50%
		Units
		718
		<u>\$ 75,510</u>
Total Project Indirect Sales and Use Tax to City		
		<u>\$ 1,138,648</u>
Project Direct Sales and Use Tax to City - Businesses		
	Taxable Sales	Square Footage
	Per Square Feet	
Taxable Sales		
Retail Buildings / (iv)	\$ 403	324,250 130,779,578
Office Buildings	\$ -	450,000 -
Total Direct Taxable Sales		<u>774,250 130,779,578</u>
Project Direct Sales and Use Tax to City		
Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,098,548
Total Project Direct Sales and Use Tax to City		<u>\$ 1,098,548</u>

Footnote:

- (i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
- (ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
- (iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
- (iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 16

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2024	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	15,990	Y	100%	3.61	per person served	10,827	39,039
Utility Taxes	725,298	Y	100%	163.56	per person served	10,827	1,770,841
Solid Waste Tax	49,968	Y	100%	11.27	per person served	10,827	121,998
Telephone Tax	233,183	Y	100%	52.58	per person served	10,827	569,324
Electrical Tax	349,774	Y	100%	78.88	per person served	10,827	853,986
Water Utility Tax	36,310	Y	100%	8.19	per person served	10,827	88,652
Wastewater Utility Tax	56,064	Y	100%	12.64	per person served	10,827	136,882
Pull Tabs/Punch Boards	5,996	Y	100%	1.35	per person served	10,827	14,640
Licenses and Permits	239,762	Y	100%	54.07	per person served	10,827	585,387
Intergovernmental	734,622	Y	100%	165.66	per person served	10,827	1,793,606
Charges for Services	170,683	Y	100%	38.49	per person served	10,827	416,729
Fines and Forfeits	279,986	Y	100%	63.14	per person served	10,827	683,595
Miscellaneous Revenues	125,086	Y	100%	28.21	per person served	10,827	305,402
Total General Fund Revenue	<u>2,297,421</u>			<u>518.08</u>			<u>5,609,240</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 16

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2024	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 19,746	100%	100%	4.45	per person served	10,827	\$ 48,210
Judicial	378,892	100%	100%	85.44	per person served	10,827	925,078
Executive	22,667	100%	100%	5.11	per person served	10,827	55,342
Administration	488,199	100%	100%	110.09	per person served	10,827	1,191,957
Economic Development	219,385	100%	100%	49.47	per person served	10,827	535,636
City Clerk	126,358	100%	100%	28.49	per person served	10,827	308,509
Finance	367,601	100%	100%	82.90	per person served	10,827	897,511
Legal	186,546	100%	100%	42.07	per person served	10,827	455,459
Employee Benefit Program	4,997	100%	100%	1.13	per person served	10,827	12,200
Central Services	85,828	100%	100%	19.35	per person served	10,827	209,552
Information Tech. Central Services	153,751	100%	100%	34.67	per person served	10,827	375,388
Total Other Gov't Services	71,321	100%	100%	16.08	per person served	10,827	174,132
Law Enforcement	2,210,730	60%	100%	299.12	per person served	10,827	3,238,549 (iii)
Physical Environment	65,791	100%	100%	14.84	per person served	10,827	160,631
Stewardship Department	209,644	100%	100%	47.28	per person served	10,827	511,855
Community Development Department	209,771	100%	100%	47.30	per person served	10,827	512,164
Building Department	150,854	0%	100%	-	per person served	10,827	- (iv)
Planning Department	148,689	0%	100%	-	per person served	10,827	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	10,827	-
Code Enforcement	-	0%	0%	-	per person served	10,827	- (iv)
Mental and Physical Health	1,499	100%	100%	0.34	per person served	10,827	3,660
Parks and Recreation	5,330	100%	100%	1.20	per person served	10,827	13,013
Fire Department	1,054,606	100%	100%	237.82	per person served	10,827	2,574,861
Non Expenditure	-	0%	0%	-	per person served	10,827	-
General Fund Total	\$ 6,572,112			\$ 1,127.15			\$ 12,203,705

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 17

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 80,221	-	\$ 263,582	-	\$ -	\$ -	\$ -
Stacked Flats	68,761	-	275,042	44	-	12,101,857	12,101,857
Townhomes	217,742	-	326,613	15	-	4,899,189	4,899,189
Duets	304,838	-	457,258	20	-	9,145,153	9,145,153
40x85 alley	296,129	-	444,193	11	-	4,886,125	4,886,125
45x80 alley	313,548	-	470,322	25	-	11,758,054	11,758,054
40x90	313,548	-	470,322	-	-	-	-
45x85	333,145	-	499,717	-	-	-	-
45x100	391,935	-	587,903	70	-	41,153,189	41,153,189
50x90	391,935	-	587,903	-	-	-	-
50x100	435,483	-	653,225	51	-	33,314,486	33,314,486
55x100	479,032	-	718,548	35	-	25,149,171	25,149,171
60x100	522,580	-	783,870	17	-	13,325,794	13,325,794
70x100	609,677	-	914,515	6	-	5,487,092	5,487,092
80x100	696,774	-	1,045,160	-	-	-	-
Cluster	313,548	-	470,322	-	-	-	-
Carriage	475,594	-	713,391	-	-	-	-
				294			161,220,110

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 80,221	-	\$ 343,803	379	\$ -	\$ 130,301,241	\$ 130,301,241
Stacked Flats	68,761	89	343,803	732	6,119,689	251,663,611	257,783,300
Townhomes	217,742	30	544,354	404	6,532,252	219,919,158	226,451,410
Duets	304,838	41	762,096	193	12,498,376	147,084,545	159,582,921
40x85 alley	296,129	23	740,322	171	6,810,962	126,595,048	133,406,009
45x80 alley	313,548	50	783,870	261	15,677,405	204,590,139	220,267,544
40x90	313,548	-	783,870	25	-	19,596,757	19,596,757
45x85	333,145	-	832,862	41	-	34,147,348	34,147,348
45x100	391,935	140	979,838	131	54,870,919	128,358,756	183,229,674
50x90	391,935	-	979,838	116	-	113,661,188	113,661,188
50x100	435,483	103	1,088,709	467	44,854,798	508,426,963	553,281,762
55x100	479,032	70	1,197,580	462	33,532,228	553,281,762	586,813,990
60x100	522,580	35	1,306,450	416	18,290,306	543,483,384	561,773,690
70x100	609,677	12	1,524,192	77	7,316,122	117,362,798	124,678,920
80x100	696,774	-	1,741,934	32	-	55,741,885	55,741,885
Cluster	313,548	-	783,870	92	-	72,116,064	72,116,064
Carriage	475,594	-	1,188,985	208	-	247,308,776	247,308,776
		593		4,207			3,680,142,482

(B)

	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
Non-Residential				
New Construction				
Retail Buildings	0%	-	\$ 270.52	-
Office Buildings	0%	-	176.31	-
	0%	-		-
From Prior Years				
Retail Buildings	42%	324,250	\$ 270.52	87,715,960
Office Buildings	58%	450,000	176.31	79,338,939
	100%	774,250		167,054,898

(C)

(D)

	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land				
Raw Land for Residential	-	0.00%	\$ 168,463	\$ -
Raw Land for Non-Residential	-	0.00%	\$ 168,463	\$ -
Total Value for Raw Land	-	0.00%	\$ -	\$ -

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) **\$ 4,008,417,491**

Footnote:
(i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
(ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 17

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 4,008,417,491	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.55	(B)
City Tax Share				2,213,177	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 2,213,177</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.86	(D)
City Tax Share				3,447,239	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 3,447,239</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.41	
Personal Property Value /(iii)	\$ 14,539,573	3,499	10,816	\$ 37,848,381	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.41	(F)
City Tax Share, Dollars				53,446,92	
City Tax Share-Rounded				<u>\$ 53,447</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				<u>10,816</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	324,250			813	
Office	450,000			434	
Employees					
Retail				399	
Office				1,037	
Total Employees				<u>1,436</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				161,220,110	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				3,847,197,380	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 432,440,175</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 806,101	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				1,356,100	(K)
Total Amount, Rounded				<u>\$ 2,162,201</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 17

APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
 The Villages Fiscal Impact Analysis
 March 18, 2009

Description	Amount	
Residential		
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$	3,737,297,168 (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30%	\$ 1,121,189,150 (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30%	\$ 336,356,745 (C)
Projected Off-Site Taxable Sales Captured in City (@60%)	(D) = (C)* 60%	\$ 201,814,047 (D)
Project Indirect Sales and Use Tax to City - New Residents		
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)		
Assessed Valuation Percentage		
(1) Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,695,238
		<u>\$ 1,695,238</u>
Per Capita		
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget \$ 481,475	Factor 108.57
	Resident Factor 100%	Units 10,816
		<u>\$ 1,174,346</u>
Project Indirect Sales and Use Tax to City - New Employees		
Per Capita		
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget \$ 481,475	Factor 108.57
	Employee Factor 50%	Units 718
		<u>\$ 77,957</u>
Total Project Indirect Sales and Use Tax to City		
		<u>\$ 1,252,303</u>
Project Direct Sales and Use Tax to City - Businesses		
	Taxable Sales	Square Footage
Taxable Sales	Per Square Feet	
Retail Buildings / (iv)	\$ 416	324,250
Office Buildings	\$ -	450,000
Total Direct Taxable Sales		<u>774,250</u>
		<u>135,016,836</u>
Project Direct Sales and Use Tax to City		
Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,134,141
Total Project Direct Sales and Use Tax to City		
		<u>\$ 1,134,141</u>
Footnote:		
(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.		
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West		
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.		
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development		

Appendix C - Fiscal Impact Model Year No. 17

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2025	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	16,508	Y	100%	3.72	per person served	11,534	42,936
Utility Taxes	748,797	Y	100%	168.86	per person served	11,534	1,947,599
Solid Waste Tax	51,587	Y	100%	11.63	per person served	11,534	134,175
Telephone Tax	240,738	Y	100%	54.29	per person served	11,534	626,151
Electrical Tax	361,106	Y	100%	81.43	per person served	11,534	939,227
Water Utility Tax	37,486	Y	100%	8.45	per person served	11,534	97,501
Wastewater Utility Tax	57,880	Y	100%	13.05	per person served	11,534	150,545
Pull Tabs/Punch Boards	6,190	Y	100%	1.40	per person served	11,534	16,101
Licenses and Permits	247,530	Y	100%	55.82	per person served	11,534	643,818
Intergovernmental	758,423	Y	100%	171.03	per person served	11,534	1,972,636
Charges for Services	176,213	Y	100%	39.74	per person served	11,534	458,325
Fines and Forfeits	289,057	Y	100%	65.18	per person served	11,534	751,829
Miscellaneous Revenues	129,139	Y	100%	29.12	per person served	11,534	335,885
Total General Fund Revenue	<u>2,371,857</u>			<u>534.86</u>			<u>6,169,128</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 17

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 (i)	LoS Adjustment	Efficiency Factor	Factor 2025	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 20,385	100%	100%	4.60	per person served	11,534	\$ 53,022
Judicial	391,168	100%	100%	88.21	per person served	11,534	1,017,415
Executive	23,401	100%	100%	5.28	per person served	11,534	60,866
Administration	504,017	100%	100%	113.66	per person served	11,534	1,310,933
Economic Development	226,493	100%	100%	51.08	per person served	11,534	589,101
City Clerk	130,452	100%	100%	29.42	per person served	11,534	339,302
Finance	379,511	100%	100%	85.58	per person served	11,534	987,096
Legal	192,590	100%	100%	43.43	per person served	11,534	500,921
Employee Benefit Program	5,159	100%	100%	1.16	per person served	11,534	13,418
Central Services	88,609	100%	100%	19.98	per person served	11,534	230,468
Information Tech. Central Services	158,732	100%	100%	35.79	per person served	11,534	412,857
Total Other Gov't Services	73,631	100%	100%	16.60	per person served	11,534	191,513
Law Enforcement	2,282,358	60%	100%	308.81	per person served	11,534	3,561,806 (iii)
Physical Environment	67,922	100%	100%	15.32	per person served	11,534	176,664
Stewardship Department	216,437	100%	100%	48.81	per person served	11,534	562,946
Community Development Department	216,568	100%	100%	48.84	per person served	11,534	563,286
Building Department	155,742	0%	100%	-	per person served	11,534	- (iv)
Planning Department	153,506	0%	100%	-	per person served	11,534	- (iv)
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	11,534	-
Code Enforcement	-	0%	0%	-	per person served	11,534	- (iv)
Mental and Physical Health	1,548	100%	100%	0.35	per person served	11,534	4,025
Parks and Recreation	5,503	100%	100%	1.24	per person served	11,534	14,312
Fire Department	1,088,775	100%	100%	245.52	per person served	11,534	2,831,872
Non Expenditure	-	0%	0%	-	per person served	11,534	-
General Fund Total	\$ 6,785,049			\$ 1,163.67			\$ 13,421,823

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 18

**APPENDIX C
TABLE 1 - Residential Land Use and Phasing
The Villages Fiscal Impact Analysis
March 18, 2009**

Product Type	Bulk Land Sale Value <i>New Land Value per Unit</i>		Unit Sale Value (i) <i>Building Value Only</i>		Total New Land Values	Total New Building Value	Total New Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
New Construction							
Apartments	\$ 84,232	-	\$ 276,761	-	\$ -	\$ -	\$ -
Stacked Flats	72,199	-	288,794	45	-	12,995,744	12,995,744
Townhomes	228,629	-	342,943	15	-	5,144,149	5,144,149
Duets	320,080	-	480,121	21	-	10,082,531	10,082,531
40x85 alley	310,935	-	466,403	12	-	5,596,834	5,596,834
45x80 alley	329,226	-	493,838	25	-	12,345,957	12,345,957
40x90	329,226	-	493,838	-	-	-	-
45x85	349,802	-	524,703	-	-	-	-
45x100	411,532	-	617,298	70	-	43,210,848	43,210,848
50x90	411,532	-	617,298	-	-	-	-
50x100	457,258	-	685,886	52	-	35,666,097	35,666,097
55x100	502,983	-	754,475	35	-	26,406,630	26,406,630
60x100	548,709	-	823,064	18	-	14,815,148	14,815,148
70x100	640,161	-	960,241	6	-	5,761,446	5,761,446
80x100	731,612	-	1,097,418	-	-	-	-
Cluster	329,226	-	493,838	-	-	-	-
Carriage	499,373	-	749,060	-	-	-	-
				299			172,025,383

(A)

Product Type	Existing Developed Lots <i>Existing Land Value per Unit</i>		Existing Unit Value (ii) <i>Building and Lot Value</i>		Total Existing Land Value	Total Existing Building Value	Total Existing Valuation
	Value	No. Lots	Value	No. Units			
	(a)	(b)	(c)	(d)	(e)=(a)*(b)	(f)=(c)*(d)	(g)=(e)+(f)
Residential							
From Prior Years							
Apartments	\$ 84,232	-	\$ 360,993	379	\$ -	\$ 136,816,303	\$ 136,816,303
Stacked Flats	72,199	45	360,993	776	3,248,936	280,130,479	283,379,415
Townhomes	228,629	15	571,572	419	3,429,432	239,488,696	242,918,129
Duets	320,080	21	800,201	213	6,721,688	170,442,791	177,164,478
40x85 alley	310,935	12	777,338	182	3,731,222	141,475,518	145,206,741
45x80 alley	329,226	25	823,064	286	8,230,638	235,396,240	243,626,878
40x90	329,226	-	823,064	25	-	20,576,594	20,576,594
45x85	349,802	-	874,505	41	-	35,854,716	35,854,716
45x100	411,532	70	1,028,830	201	28,807,232	206,794,774	235,602,006
50x90	411,532	-	1,028,830	116	-	119,344,248	119,344,248
50x100	457,258	52	1,143,144	518	23,777,398	592,148,662	615,926,060
55x100	502,983	35	1,257,459	497	17,604,420	624,956,899	642,561,319
60x100	548,709	18	1,371,773	433	9,876,765	593,977,693	603,854,458
70x100	640,161	6	1,600,402	83	3,840,964	132,833,349	136,674,313
80x100	731,612	-	1,829,031	32	-	58,528,980	58,528,980
Cluster	329,226	-	823,064	92	-	75,721,868	75,721,868
Carriage	499,373	-	1,248,434	208	-	259,674,215	259,674,215
		299		4,501			4,033,430,722

(B)

New Construction	Mix	Building Sq. Ft.	Assessed Value	
			Per Sq. Ft.	
Retail Buildings	0%	-	\$ 275.93	-
Office Buildings	0%	-	179.83	-
	0%	-		-
From Prior Years				
Retail Buildings	42%	324,250	\$ 275.93	89,470,279
Office Buildings	58%	450,000	179.83	80,925,717
	100%	774,250		170,395,996

(C)

(D)

Raw Land	Raw Land Acreage	Percentage of Total Land	Assessed Value	
			Per Acre (i)	
Raw Land for Residential	-	0.00%	\$ 176,887	\$ -
Raw Land for Non-Residential	-	0.00%	176,887	-
Total Value for Raw Land	-	0.00%		\$ -

(E)

Total Project Assessed Valuation = (A) + (B) + (C) + (D) + (E) **\$ 4,375,852,102**

Footnote:
 (i) The market values shown for the final unit sale price per unit do not include the lot value for the lot on which each new unit is constructed. All Assessed Values and Market Value per information provided by developer.
 (ii) The market value shown for the existing units include the value of the lot on which each unit is placed.

Appendix C - Fiscal Impact Model Year No. 18

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 4,375,852,102	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.53	(B)
City Tax Share				2,326,687	
City Tax Share-Rounded			(C) = (A)*(B)	<u>\$ 2,326,687</u>	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.83	(D)
City Tax Share				3,624,042	
City Tax Share-Rounded			(E) = (A)*(D)	<u>\$ 3,624,042</u>	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.36	
Personal Property Value /(iii)	\$ 15,266,552	3,674	11,534	\$ 42,378,919	
Total City Share of Property Taxes, Levy Rate			(F) = (B)+(D)	1.36	(F)
City Tax Share, Dollars				57,631.17	
City Tax Share-Rounded				<u>\$ 57,631</u>	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				<u>11,534</u>	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	324,250			813	
Office	450,000			434	
Employees					
Retail				399	
Office				1,037	
Total Employees				<u>1,436</u>	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				172,025,383	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				4,203,826,718	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				<u>\$ 468,647,378</u>	
<u>Real Estate Excise Tax (REET) /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ 860,127	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				1,483,110	(K)
Total Amount, Rounded				<u>\$ 2,343,237</u>	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 18

**APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009**

Description	Amount	
Residential		
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1	\$	4,205,456,106 (A)
Household Income (@30% of valuation) / (i)	(B) = (A)* 30%	\$ 1,261,636,832 (B)
Retail Taxable Sales (@30% of household income) / (ii)	(C) = (B)* 30%	\$ 378,491,050 (C)
Projected Off-Site Taxable Sales Captured in City (@60%)	(D) = (C)* 60%	\$ 227,094,630 (D)
Project Indirect Sales and Use Tax to City - New Residents		
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)		
Assessed Valuation Percentage		
(1) Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,907,595
		<u>\$ 1,907,595</u>
Per Capita		
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget \$ 497,075	Factor 112.09
	Resident Factor 100%	Units 11,534
		<u>\$ 1,292,877</u>
Project Indirect Sales and Use Tax to City - New Employees		
Per Capita		
Projected Sales tax per Capita (based on City Budget)/(iii)	Budget \$ 497,075	Factor 112.09
	Employee Factor 50%	Units 718
		<u>\$ 80,483</u>
Total Project Indirect Sales and Use Tax to City		
		<u>\$ 1,373,360</u>
Project Direct Sales and Use Tax to City - Businesses		
	Taxable Sales Per Square Feet	Square Footage
Taxable Sales		
Retail Buildings /(iv)	\$ 430	324,250
Office Buildings	\$ -	450,000
Total Direct Taxable Sales		<u>774,250</u>
		<u>139,391,382</u>
Project Direct Sales and Use Tax to City		
Sales Tax (@0.84% of taxable sales)	0.84%	\$ 1,170,888
Total Project Direct Sales and Use Tax to City		
		<u>\$ 1,170,888</u>
Footnote:		
(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.		
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West		
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.		
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development		

Appendix C - Fiscal Impact Model Year No. 18

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2026	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	17,043	Y	100%	3.84	per person served	12,252	47,087
Utility Taxes	773,058	Y	100%	174.33	per person served	12,252	2,135,869
Solid Waste Tax	53,258	Y	100%	12.01	per person served	12,252	147,146
Telephone Tax	248,538	Y	100%	56.05	per person served	12,252	686,680
Electrical Tax	372,806	Y	100%	84.07	per person served	12,252	1,030,020
Water Utility Tax	38,701	Y	100%	8.73	per person served	12,252	106,926
Wastewater Utility Tax	59,756	Y	100%	13.48	per person served	12,252	165,097
Pull Tabs/Punch Boards	6,391	Y	100%	1.44	per person served	12,252	17,657
Licenses and Permits	255,550	Y	100%	57.63	per person served	12,252	706,054
Intergovernmental	782,996	Y	100%	176.57	per person served	12,252	2,163,326
Charges for Services	181,922	Y	100%	41.02	per person served	12,252	502,630
Fines and Forfeits	298,423	Y	100%	67.30	per person served	12,252	824,506
Miscellaneous Revenues	133,323	Y	100%	30.06	per person served	12,252	368,355
Total General Fund Revenue	<u>2,448,705</u>			<u>552.19</u>			<u>6,765,484</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 18

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 / (i)		LoS Adjustment	Efficiency Factor	Factor 2026	Measure / (ii)	Equivalent Units	Cost
		Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)	(e)	(f)=(e)*(d)		
Legislative	\$	21,046	100%	100%	4.75	per person served	12,252	\$ 58,147
Judicial		403,842	100%	100%	91.07	per person served	12,252	1,115,766
Executive		24,160	100%	100%	5.45	per person served	12,252	66,750
Administration		520,347	100%	100%	117.34	per person served	12,252	1,437,657
Economic Development		233,831	100%	100%	52.73	per person served	12,252	646,048
City Clerk		134,679	100%	100%	30.37	per person served	12,252	372,102
Finance		391,807	100%	100%	88.35	per person served	12,252	1,082,516
Legal		198,830	100%	100%	44.84	per person served	12,252	549,344
Employee Benefit Program		5,326	100%	100%	1.20	per person served	12,252	14,715
Central Services		91,480	100%	100%	20.63	per person served	12,252	252,747
Information Tech. Central Services		163,875	100%	100%	36.95	per person served	12,252	452,767
Total Other Gov't Services		76,017	100%	100%	17.14	per person served	12,252	210,026
Law Enforcement		2,356,306	60%	100%	318.81	per person served	12,252	3,906,117 (iii)
Physical Environment		70,123	100%	100%	15.81	per person served	12,252	193,742
Stewardship Department		223,449	100%	100%	50.39	per person served	12,252	617,364
Community Development Department		223,584	100%	100%	50.42	per person served	12,252	617,737
Building Department		160,788	0%	100%	-	per person served	12,252	- (iv)
Planning Department		158,480	0%	100%	-	per person served	12,252	- (iv)
Pass Through Costs/Deve.Reg.		-	0%	0%	-	per person served	12,252	-
Code Enforcement		-	0%	0%	-	per person served	12,252	- (iv)
Mental and Physical Health		1,598	100%	100%	0.36	per person served	12,252	4,414
Parks and Recreation		5,681	100%	100%	1.28	per person served	12,252	15,696
Fire Department		1,124,052	100%	100%	253.48	per person served	12,252	3,105,622
Non Expenditure		-	0%	0%	-	per person served	12,252	-
General Fund Total	\$	7,004,884			\$ 1,201.38			\$ 14,719,279

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

Appendix C - Fiscal Impact Model Year No. 19

APPENDIX C

TABLE 2 - Raw Land Phasing and Property Tax Calculations

The Villages Fiscal Impact Analysis

March 18, 2009

Total Project Assessed Valuation				\$ 4,589,532,827	(A)
<u>Property Tax</u>					
City Share of Basic Tax /(i)				\$ 0.51	(B)
City Tax Share				2,347,340	
City Tax Share-Rounded			(C) = (A)*(B)	\$ 2,347,340	(C)
<u>Property Tax - Special Levy</u>					
City Dedicated Public Safety Tax /(ii)				\$ 0.80	(D)
City Tax Share				3,656,212	
City Tax Share-Rounded			(E) = (A)*(D)	\$ 3,656,212	(E)
<u>Personal Property Tax</u>					
	<u>2006/07 Assessed Value</u>	<u>Per Resident</u>	<u>Residents</u>		
City Share of Basic Tax - New Construction /(i)				\$ 1.31	
Personal Property Value /(iii)	\$ 16,029,880	3,858	11,534	\$ 44,497,865	
Total City Share of Property Taxes, Levy Rate				1.31	(F) = (B)+(D)
City Tax Share, Dollars				58,207.51	(F)
City Tax Share-Rounded				\$ 58,208	
Residents per SF HH /(iv)				2.4030	
Residents per MF HH /(iv)				2.4030	
Total Residents				11,534	
<u>Square Feet per Employee /(v)</u>					
	<u>Square Footage</u>				
Retail	324,250			813	
Office	450,000			434	
Employees					
Retail				399	
Office				1,037	
Total Employees				1,436	
<u>Transfer Parameters</u>					
Turnover Rate /(vi)					
Residential				7.14%	
Non-Residential				5.00%	
Assessed Valuation - New Construction/ <i>Shown In Table 1, Letters (A) and (C)</i>				-	(G)
Assessed Valuation - Existing & Prior Years/ <i>Shown In Table 1, Letters (B) and (D)</i>				4,589,532,827	(H)
AV of Transferred Real Estate (Resale and New Construction)/ <i>Equal to Table 1, (B)*7.14% and (D)*5.00%, Plus (A) and (C)</i>				\$ 324,099,404	
<u>Real Estate Excise Tax ('REET') /(vii)</u>					
REET Rate				0.5000%	(I)
REET from New Construction			(J) = (G)*(I)	\$ -	(J)
REET from Re-sale of Existing Property / <i>Equal to The Sum of Table 1, (B)*7.14% and (D)*5.00%, times (I)</i>				1,620,497	(K)
Total Amount, Rounded				\$ 1,620,497	

Footnote:

- (i) Estimated levy rate based on rate of \$1.92035 per \$1,000 in 2006 per King County.
- (ii) Approved on 9/14/04 to be terminated in 2011. This FIA assumes the Public Safety Levy Lid Lift is re-approved each time it expires.
- (iii) Assessed Value is estimated based on actual 2006 assessed value increased by 5.00% per year.
- (iv) The People per Household amounts pursuant to the Puget Sound Regional Council.
- (v) Per Energy Information Administration (2003 Office Energy Statistics from the U.S. Government)
- (vi) Assumes existing homes are sold every 14 years and existing non-residential property is sold every 20 years. Please note REET revenue is not used for City General Fund operations.
- (vii) REET is not used for General Fund Operations, but is shown in this FIA for informational purposes.

Appendix C - Fiscal Impact Model Year No. 19
APPENDIX C
TABLE 3 - SALES AND USE TAX REVENUE CALCULATIONS
The Villages Fiscal Impact Analysis
March 18, 2009

Description					Amount
Residential					
Residential Building Valuation / (A) = Total AV of all New and Existing Residential Units as shown in Table 1					\$ 4,415,728,911 (A)
Household Income (@30% of valuation) / (i)				(B) = (A)* 30%	\$ 1,324,718,673 (B)
Retail Taxable Sales (@30% of household income) / (ii)				(C) = (B)* 30%	\$ 397,415,602 (C)
Projected Off-Site Taxable Sales Captured in City (@60%)				(D) = (C)* 60%	\$ 238,449,361 (D)
Project Indirect Sales and Use Tax to City - New Residents					
Sales tax calculated on the Lesser of the assessed valuation percentage (@0.84% of taxable sales) (1) or per capita (2)					
Assessed Valuation Percentage					
(1) Sales Tax (@0.84% of taxable sales)				0.84%	\$ 2,002,975
					\$ 2,002,975
Per Capita					
(2) Projected Sales tax per Capita (based on 2008 City Budget)	Budget	Factor	Resident Factor	Units	
	\$ 513,180	115.72	100%	11,534	\$ 1,334,766
Project Indirect Sales and Use Tax to City - New Employees					
Per Capita					
Projected Sales tax per Capita (based on City Budget) / (iii)	Budget	Factor	Employee Factor	Units	
	\$ 513,180	115.72	50%	718	\$ 83,090
Total Project Indirect Sales and Use Tax to City					\$ 1,417,857
Project Direct Sales and Use Tax to City - Businesses					
			Taxable Sales Per Square Feet	Square Footage	
Taxable Sales					
Retail Buildings / (iv)			\$ 444	324,250	143,907,663
Office Buildings			\$ -	450,000	-
Total Direct Taxable Sales				774,250	143,907,663
Project Direct Sales and Use Tax to City					
Sales Tax (@0.84% of taxable sales)				0.84%	\$ 1,208,824
Total Project Direct Sales and Use Tax to City					\$ 1,208,824

Footnote:

(i) Housing is considered affordable when 30% of household income is spent on housing per King County Office of Management and Budget and US Census Data.
(ii) Estimates based on Federal Bureau of Labor Statistics "Consumer Expenditure Survey" for 2002 for the West
(iii) Assumes new employees make purchases in Black Diamond at 50% of the rate of residents.
(iv) Taxable Sales per Square foot based on "Estimating Retail Sales per Square Foot" report by Center for Community Economic Development

Appendix C - Fiscal Impact Model Year No. 19

APPENDIX C

TABLE 4 - OTHER GENERAL FUND REVENUE CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Revenue Source	Revenues (2008) (i)	Recurring Revenue	Percentage Rev Applied	Factor 2027	Measure /(ii)	Equivalent Units	Revenue
General Fund (Fund 001)	(a)		(b)	(c)		(d)	(e) = (c)*(d)
Taxes							
TV Cable Tax	17,595	Y	100%	3.97	per person served	12,252	48,612
Utility Taxes	798,105	Y	100%	179.98	per person served	12,252	2,205,071
Solid Waste Tax	54,984	Y	100%	12.40	per person served	12,252	151,913
Telephone Tax	256,590	Y	100%	57.86	per person served	12,252	708,928
Electrical Tax	384,885	Y	100%	86.79	per person served	12,252	1,063,392
Water Utility Tax	39,955	Y	100%	9.01	per person served	12,252	110,390
Wastewater Utility Tax	61,692	Y	100%	13.91	per person served	12,252	170,447
Pull Tabs/Punch Boards	6,598	Y	100%	1.49	per person served	12,252	18,230
Licenses and Permits	263,830	Y	100%	59.49	per person served	12,252	728,930
Intergovernmental	808,365	Y	100%	182.29	per person served	12,252	2,233,418
Charges for Services	187,817	Y	100%	42.35	per person served	12,252	518,915
Fines and Forfeits	308,091	Y	100%	69.48	per person served	12,252	851,220
Miscellaneous Revenues	137,642	Y	100%	31.04	per person served	12,252	380,289
Total General Fund Revenue	<u>2,528,043</u>			<u>570.09</u>			<u>6,984,685</u>

Footnote:

- (i) Per 2008 City Budget escalated and the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Equivalent Units are equal to one per Project resident and 0.5 per Project employee.

Appendix C - Fiscal Impact Model Year No. 19

APPENDIX C

TABLE 5 - GENERAL FUND & SPECIAL FUND COST CALCULATIONS

The Villages Fiscal Impact Analysis

March 18, 2009

Cost	Budget FY 2008 /(i)	LoS Adjustment	Efficiency Factor	Factor 2027	Measure /(ii)	Equivalent Units	Cost
	Budget						
General Fund (Fund 001)	(a)	(b)	(c)	(d)		(e)	(f)=(e)*(d)
Legislative	\$ 21,728	100%	100%	4.90	per person served	12,252	\$ 60,031
Judicial	416,926	100%	100%	94.02	per person served	12,252	1,151,917
Executive	24,942	100%	100%	5.62	per person served	12,252	68,913
Administration	537,206	100%	100%	121.14	per person served	12,252	1,484,238
Economic Development	241,407	100%	100%	54.44	per person served	12,252	666,980
City Clerk	139,043	100%	100%	31.35	per person served	12,252	384,158
Finance	404,502	100%	100%	91.22	per person served	12,252	1,117,590
Legal	205,272	100%	100%	46.29	per person served	12,252	567,143
Employee Benefit Program	5,498	100%	100%	1.24	per person served	12,252	15,191
Central Services	94,443	100%	100%	21.30	per person served	12,252	260,936
Information Tech. Central Services	169,185	100%	100%	38.15	per person served	12,252	467,437
Total Other Gov't Services	78,480	100%	100%	17.70	per person served	12,252	216,831
Law Enforcement	2,432,650	60%	100%	329.14	per person served	12,252	4,032,676 (iii)
Physical Environment	72,395	100%	100%	16.33	per person served	12,252	200,019
Stewardship Department	230,689	100%	100%	52.02	per person served	12,252	637,367
Community Development Department	230,828	100%	100%	52.05	per person served	12,252	637,752
Building Department	165,997	0%	100%	-	per person served	12,252	-
Planning Department	163,615	0%	100%	-	per person served	12,252	-
Pass Through Costs/Deve.Reg.	-	0%	0%	-	per person served	12,252	-
Code Enforcement	-	0%	0%	-	per person served	12,252	-
Mental and Physical Health	1,650	100%	100%	0.37	per person served	12,252	4,557 (iv)
Parks and Recreation	5,865	100%	100%	1.32	per person served	12,252	16,204
Fire Department	1,160,471	100%	100%	261.69	per person served	12,252	3,206,245
Non Expenditure	-	0%	0%	-	per person served	12,252	-
General Fund Total	\$ 7,231,843			\$ 1,240,30			\$ 15,196,184

Footnote:

- (i) Per 2008 City Budget escalated at the Consumer Price Index of 3.24%, for the Bureau of Labor Statistics, Western Region from 1998 to 2008.
- (ii) Based on total population and 50% employment
- (iii) The Law Enforcement Level of Service Factor reduces the City's current 2.88 officers/1,000 to 1.72 officers per 1,000 residents. City standard per the 2006 budget is 1.6 per 1,000.
- (iv) Building, Planning and Code Enforcement are assumed to be funded via fee revenue.

**Appendix D
Property Tax / Levy Lid Calculation**

3/18/2009

FIA Model year No.	2008 0	2009 1	2010 2	2011 3	2012 4	2013 5	2014 6	2015 7	2016 8	2017 9	2018 10
Calculation of Limit Factor Levy											
	2008 Tax Roll	2009 Tax Roll	2010 Tax Roll	2011 Tax Roll	2012 Tax Roll	2013 Tax Roll	2014 Tax Roll	2015 Tax Roll	2016 Tax Roll	2017 Tax Roll	2018 Tax Roll
Levy Basis for calculation (Initial Levy) (note 2)	\$ 951,400	\$ 960,914	\$ 970,523	\$ 607,089	\$ 1,407,805	\$ 1,558,347	\$ 1,807,521	\$ 2,065,758	\$ 2,305,908	\$ 2,603,431	\$ 1,415,801
x Limit Levy	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100
= Levy	\$ 960,914	\$ 970,523	\$ 980,228	\$ 613,159	\$ 1,421,883	\$ 1,573,930	\$ 1,825,597	\$ 2,086,416	\$ 2,328,967	\$ 2,629,466	\$ 1,429,959
Local new construction {Project}	\$ -	\$ -	\$ 56,792,033	\$ 59,203,352	\$ 140,163,247	\$ 150,556,938	\$ 160,130,145	\$ 151,470,587	\$ 196,193,852	\$ 161,444,395	\$ 234,695,465
Local new construction {Non-Project}	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
+ Increase In utility value (note 3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
= Total New Construction	\$ -	\$ -	\$ 56,792,033	\$ 59,203,352	\$ 140,163,247	\$ 150,556,938	\$ 160,130,145	\$ 151,470,587	\$ 196,193,852	\$ 161,444,395	\$ 234,695,465
x Last Year's regular levy rate	1.64022	1.57952	1.51934	1.46598	0.97360	1.55151	1.49979	1.44907	1.39894	1.35108	1.30341
= New construction levy	\$ -	\$ -	\$ 86,287	\$ 86,791	\$ 136,463	\$ 233,591	\$ 240,162	\$ 219,492	\$ 274,464	\$ 218,124	\$ 305,905
Total limit factor levy	\$ 960,914	\$ 970,523	\$ 1,066,515	\$ 699,951	\$ 1,558,347	\$ 1,807,521	\$ 2,065,758	\$ 2,305,908	\$ 2,603,431	\$ 2,847,590	\$ 1,735,863
Annexation Levy											
Omitted Assessment Levy (note 4)	1.2881	1.0500	1.1389	1.1314	1.2203	1.1999	1.1829	1.1563	1.1690	1.1338	1.1574
Total Limit Factor Levy + new lid lifts - omits	\$ 960,914	\$ 970,523	\$ 1,066,515	\$ 699,951	\$ 1,558,347	\$ 1,807,521	\$ 2,065,758	\$ 2,305,908	\$ 2,603,431	\$ 2,847,590	\$ 1,735,863
+ regular levy assessed value less annexations	\$ 608,359,424	\$ 638,777,396	\$ 727,508,298	\$ 823,087,065	\$ 1,004,404,665	\$ 1,205,181,837	\$ 1,425,571,073	\$ 1,648,320,214	\$ 1,926,930,077	\$ 2,184,720,976	\$ 2,528,652,490
= Annexation rate (cannot exceed statutory maximum rate)	1.57952	1.51934	1.46598	0.85040	1.55151	1.49979	1.44907	1.39894	1.35108	1.30341	0.68648
x Annexation assessed value	0	0	0	0	0	0	0	0	0	0	0
= Annexation Levy	0	0	0	0	0	0	0	0	0	0	0
Lid Lifts, Refunds, & Total											
+ First Year lid lifts	\$ -	\$ -	\$ -	\$ 707,855	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,174,641
+ Limit Factor Levy	\$ 960,914	\$ 970,523	\$ 1,066,515	\$ 699,951	\$ 1,558,347	\$ 1,807,521	\$ 2,065,758	\$ 2,305,908	\$ 2,603,431	\$ 2,847,590	\$ 1,735,863
= Total RCW 84.55 levy	\$ 960,914	\$ 970,523	\$ 1,066,515	\$ 1,407,805	\$ 1,558,347	\$ 1,807,521	\$ 2,065,758	\$ 2,305,908	\$ 2,603,431	\$ 2,847,590	\$ 3,910,505
+ Relevey for prior year refunds (note 5)	0	0	0	0	0	0	0	0	0	0	0
= Total RCW 84.55 levy + refunds	\$ 960,914	\$ 970,523	\$ 1,066,515	\$ 1,407,805	\$ 1,558,347	\$ 1,807,521	\$ 2,065,758	\$ 2,305,908	\$ 2,603,431	\$ 2,847,590	\$ 3,910,505
Allowable Levy (note 6)											
Levy Rate based on allowable levy	1.5795	1.5193	1.4660	1.7104	1.5515	1.4998	1.4491	1.3989	1.3511	1.3034	1.5465
last years ACTUAL regular levy	\$ 906,952	\$ 960,914	\$ 970,523	\$ 1,066,515	\$ 1,407,805	\$ 1,558,347	\$ 1,807,521	\$ 2,065,758	\$ 2,305,908	\$ 2,603,431	\$ 2,847,590
Dollar increase over last year other than N/C - Annex	\$ 8,980	\$ 53,962	\$ 9,609	\$ 95,992	\$ 341,290	\$ 150,541	\$ 249,175	\$ 258,237	\$ 240,150	\$ 297,523	\$ 244,158
Percent increase over last year other than N/C - Annex	1.0000%	5.9498%	1.0000%	9.8907%	32.0005%	10.6933%	15.9897%	14.2868%	11.6253%	12.9027%	9.3783%

Green Cells: 1st year levy lid lifts
Orange Cells: Value of Local new construction from development of the project.

Notes: (All notes are summarized from King County Levy Lid Worksheets)

Note 1: (Regarding Fire and Library Districts, does not apply to the City's levy lid calculation)

Note 2: Maximum allowable levy, may be different from actual levy in prior years if the City has been levying less than the maximum levy.

Note 3: This is the increase in the value of state-assessed property belonging to utility and transportation companies. DPFPG has made the conservative assumption that there will be no increase in this value.

Note 4: This is the value of property which should have been on prior year property taxes, but was omitted. The value of omitted property does not affect the current year levy lid lift and is therefore not included.

Note 5: It is assumed there will be no administrative refunds.

Note 6: DPFPG has assumed the Levy Limit Factor of 1.01 as shown above will be the more conservative calculation. A Levy Lid calculation utilizing the Implicit Price Deflator method is not shown.

Notes 7 and 8 also do not apply to this calculation.

**Appendix D
Property Tax / Levy Lid Calculation**

FIA Model year No.	2019 11	2020 12	2021 13	2022 14	2023 15	2024 16	2025 17	2026 18	2027 19
Calculation of Limit Factor Levy									
	2019 Tax Roll	2020 Tax Roll	2021 Tax Roll	2022 Tax Roll	2023 Tax Roll	2024 Tax Roll	2025 Tax Roll	2026 Tax Roll	2027 Tax Roll
Levy Basis for calculation (Initial Levy) (note 2)	\$ 3,910,505	\$ 4,264,206	\$ 4,667,587	\$ 5,086,677	\$ 5,489,558	\$ 5,905,320	\$ 2,791,559	\$ 7,723,987	\$ 8,044,152
x Limit Levy	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100	1.0100
= Levy	\$ 3,949,610	\$ 4,306,848	\$ 4,714,263	\$ 5,137,544	\$ 5,544,454	\$ 5,964,373	\$ 2,819,475	\$ 7,801,227	\$ 8,124,594
Local new construction {Project}	\$ 203,427,882	\$ 241,821,572	\$ 258,770,932	\$ 253,573,800	\$ 269,585,531	\$ 251,333,997	\$ 161,220,110	\$ 172,025,383	\$ -
Local new construction {Non-Project}	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
+ Increase In utility value (note 3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
= Total New Construction	\$ 203,427,882	\$ 241,821,572	\$ 258,770,932	\$ 253,573,800	\$ 269,585,531	\$ 251,333,997	\$ 161,220,110	\$ 172,025,383	\$ -
x Last Year's regular levy rate	1.54648	1.49176	1.43917	1.38821	1.33860	1.29061	1.24389	1.41213	1.35990
= New construction levy	\$ 314,597	\$ 360,739	\$ 372,414	\$ 352,014	\$ 360,866	\$ 324,374	\$ 200,539	\$ 242,923	\$ -
Total limit factor levy	\$ 4,264,206	\$ 4,667,587	\$ 5,086,677	\$ 5,489,558	\$ 5,905,320	\$ 6,288,747	\$ 3,020,014	\$ 8,044,149	\$ 8,124,594
Annexation Levy									
	1.1304	1.1346	1.1298	1.1192	1.1157	1.1049	1.0819	1.0815	1.0500
Omitted Assessment Levy (note 4)	0	0	0	0	0	0	0	0	0
Total Limit Factor Levy + new lid lifts - omits	\$ 4,264,206	\$ 4,667,587	\$ 5,086,677	\$ 5,489,558	\$ 5,905,320	\$ 6,288,747	\$ 3,020,014	\$ 8,044,149	\$ 8,124,594
+ regular levy assessed value less annexations	\$ 2,858,512,996	\$ 3,243,260,218	\$ 3,664,194,161	\$ 4,100,977,669	\$ 4,575,612,084	\$ 5,055,726,685	\$ 5,469,733,129	\$ 5,915,245,169	\$ 6,211,007,428
= Annexation rate (cannot exceed statutory maximum rate)	1.49176	1.43917	1.38821	1.33860	1.29061	1.24389	0.55213	1.35990	1.30810
x Annexation assessed value	0	0	0	0	0	0	0	0	0
= Annexation Levy	0	0	0	0	0	0	0	0	0
Lid Lifts, Refunds, & Total									
+ First Year lid lifts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,703,970	\$ -	\$ -
+ Limit Factor Levy	\$ 4,264,206	\$ 4,667,587	\$ 5,086,677	\$ 5,489,558	\$ 5,905,320	\$ 6,288,747	\$ 3,020,014	\$ 8,044,149	\$ 8,124,594
= Total RCW 84.55 levy	\$ 4,264,206	\$ 4,667,587	\$ 5,086,677	\$ 5,489,558	\$ 5,905,320	\$ 6,288,747	\$ 7,723,985	\$ 8,044,149	\$ 8,124,594
+ Relevy for prior year refunds (note 5)	0	0	0	0	0	1	2	3	3.6
= Total RCW 84.55 levy + refunds	\$ 4,264,206	\$ 4,667,587	\$ 5,086,677	\$ 5,489,558	\$ 5,905,320	\$ 6,288,748	\$ 7,723,987	\$ 8,044,152	\$ 8,124,598
Allowable Levy (note 6)									
	\$ 4,264,206	\$ 4,667,587	\$ 5,086,677	\$ 5,489,558	\$ 5,905,320	\$ 6,288,748	\$ 7,723,987	\$ 8,044,152	\$ 8,124,598
Levy Rate based on allowable levy	1.4918	1.4392	1.3882	1.3386	1.2906	1.2439	1.4121	1.3599	1.3081
last years ACTUAL regular levy	\$ 3,910,505	\$ 4,264,206	\$ 4,667,587	\$ 5,086,677	\$ 5,489,558	\$ 5,905,320	\$ 6,288,748	\$ 7,723,987	\$ 8,044,152
Dollar increase over last year other than N/C - Annex	\$ 1,062,915	\$ 353,702	\$ 403,381	\$ 419,090	\$ 402,881	\$ 415,762	\$ 383,428	\$ 1,435,239	\$ 320,165
Percent increase over last year other than N/C - Annex	37.3268%	9.0449%	9.4597%	8.9787%	7.9203%	7.5737%	6.4929%	22.8223%	4.1451%

Green Cells: 1st year levy lid lifts

Orange Cells: Value of Local new construction from development of the project.

Notes: (All notes are summarized from King County Levy Lid Worksheets)

Note 1: (Regarding Fire and Library Districts, does not apply to the City's levy lid calculation)

Note 2: Maximum allowable levy, may be different from actual levy in prior years if the City has been levying less than the maximum levy.

Note 3: This is the increase in the value of state-assessed property belonging to utility and transportation companies. DPFG has made the conservative assumption that there will be no increase in this value.

Note 4: This is the value of property which should have been on prior year property taxes, but was omitted. The value of omitted property does not affect the current year levy lid lift and is therefore not included.

Note 5: It is assumed there will be no administrative refunds.

Note 6: DPFG has assumed the Levy Limit Factor of 1.01 as shown above will be the more conservative calculation. A Levy Lid calculation utilizing the Implicit Price Deflator method is not shown.

Notes 7 and 8 also do not apply to this calculation.