

FISCAL AND ECONOMIC
IMPACT STUDY

SANTOLINA MASTER PLAN (LEVEL B)
BERNALILLO COUNTY, NEW MEXICO

JANUARY 21, 2016

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FISCAL AND ECONOMIC IMPACT STUDY

SANTOLINA MASTER PLAN (LEVEL B) BERNALILLO COUNTY, NEW MEXICO

Prepared For

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EXECUTIVE SUMMARY

I. PURPOSE OF STUDY

The objective of this Fiscal and Economic Impact Study (the “Study”) is to analyze the fiscal and economic impacts of the proposed development of the Santolina Level B Master Plan (the “Project”) on the County of Bernalillo (the “County”). The Study analyzes the recurring fiscal impacts of the Project’s development on the County General Fund, and also identifies the general economic impacts on the County in terms of employment, gross receipts, and earnings creation for County residents and workers. This is being specifically done to satisfy the “No Net Expense” element of the County’s Planned Communities Criteria (“PCC”) and the executed Santolina Level A Development Agreement, as outlined below.

II. TYPES OF FISCAL AND ECONOMIC IMPACTS TO COUNTY OF BERNALILLO EVALUATED IN THE STUDY

A. FISCAL IMPACTS ON COUNTY OF BERNALILLO GENERAL FUND

The purpose of the fiscal analysis component of this Study is to estimate the net fiscal impacts of the Project’s proposed development and construction on the County General Fund. Again, this is being specifically done to satisfy the “No Net Expense” element of the County’s PCC, as well as Section 7 of the executed Santolina Level A Development Agreement. The PCC is a commitment to achieve the goal of a responsible balance of infrastructure costs, including construction, operation and maintenance, shared between the public and private sectors. The “No Net Expense” test can be satisfied if the County’s on-site public expenditures and off-site public expenditures reasonably allocated to the Project have been, or will be, offset by revenues and/or benefits from the Project. The fiscal impacts identified in this Study include recurring municipal revenues and costs to the County General Fund that result from the land use scenario analyzed. County General Fund revenues are generated from a variety of sources, including but not limited to, property taxes, gross receipts taxes, fees, and fines. Costs to the County General Fund are associated with a variety of services, such as sheriff, fire, public works maintenance, and general government services.

B. ECONOMIC IMPACTS ON COUNTY OF BERNALILLO

The Study also identifies the general economic impacts on the County and Project area that would occur and quantifies these impacts wherever possible. General economic impacts include additions to the County’s employment (number of average annual full- & part-time jobs), economic output, and earnings. The Study also distinguishes between one-time impacts and recurring impacts. One-time impacts include benefits to the County that occur on a non-recurring basis as a result of construction activity, while recurring impacts refer to benefits that occur on a continuing basis, year after year.

III. DESCRIPTION OF THE PROJECT

The Project, located in the County of Bernalillo, is envisioned as a master planned community that will develop over a 40- to 50-year timeframe. Currently, the property is undeveloped rangeland on a large mesa framed by two (2) escarpments. The mesa offers panoramic views of the Sandia and Manzano Mountains and immediate views of the City of Albuquerque and Bernalillo County's South Valley. The approved plan has Residential Villages, an Urban Center, a Town Center, Business Parks, a large-scale Industrial and Business Park, and public and private open spaces. Based on the Plan approvals, the Project is permitted 38,045 dwelling units.

The land area within the Project is the western gateway to and from the metropolitan area and includes approximately six (6) miles of exposure along Interstate 40 ("I-40"). Along with access from I-40, the property is readily accessible from many significant roadways, including Central Avenue, I-40 Frontage Road, Shelly Road, Dennis Chavez Boulevard, Atrisco Vista Boulevard, and 118th Street.

The Project (in total) devotes approximately 7,200 acres or 52% of its acreage to non-residential land uses, of which approximately 3,200 acres are reserved for open space and parks and approximately 4,000 acres are reserved for employment based activity. Only 6,618 acres or 48% of the total Project area is reserved for residential use. This is a unique commitment to employment based acreage for a mixed-use, non-infill community.

By way of comparison, the Mesa Del Sol Master Plan, approved by the City of Albuquerque in 2005, established the following maximum land uses, 37,500 homes and 18 million sq. ft. of employment square footage (480 sq. ft./DU). On the other hand the Project, Santolina Master Plan, which envisions 38,045 dwelling units, includes approximately 30 million sq. ft. of employment square footage (789 sq. ft./DU). That 12 million sq. ft. increase (67%) is a commendable commitment to providing employment opportunities on the west side of the City of Albuquerque and in Bernalillo County.

IV. CONCLUSIONS OF ANALYSIS RELATED TO PROJECT

Following are the major conclusions related to the fiscal and economic impacts of the Project:

A. FISCAL IMPACTS

As reflected in **Table A** and **Figure A** below, the positive Net Fiscal Impact of the Level B Plan is estimated to be \$7,645,317 annually, based on \$19,450,443 in fiscal revenues and \$11,805,126 in fiscal costs. The fiscal surplus results primarily from property tax (51.2%) and gross receipts tax revenues (35.3%) that are generated by the retail and residential developments, together constituting approximately 86.5% of total recurring revenues to the County General Fund.

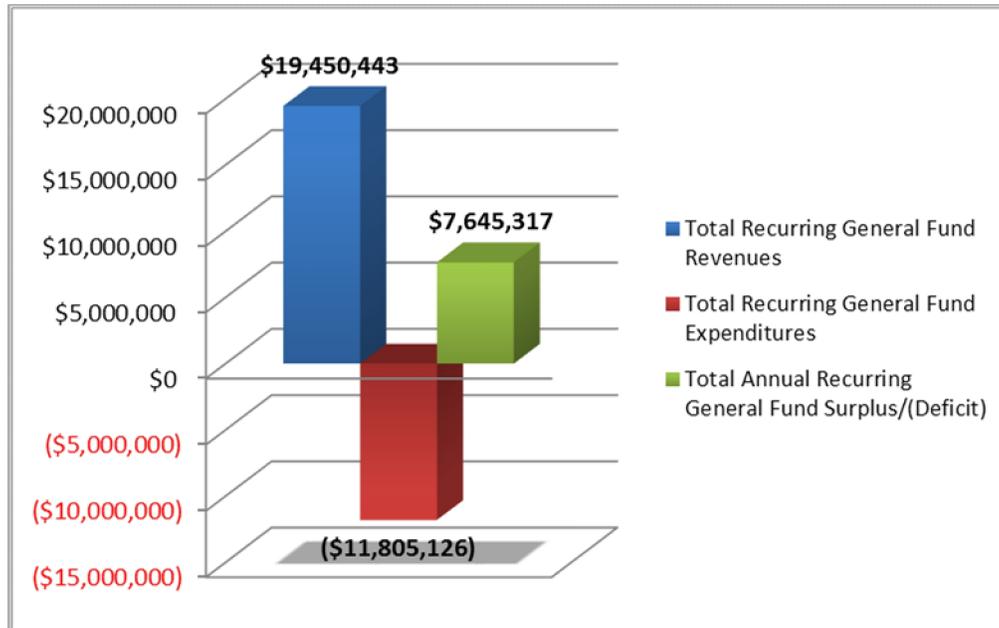
The Annual Revenue/Cost Ratio of 1.65 demonstrates that **the Project will have a positive impact on the County General Fund, and therefore satisfy the “No Net Expense”** element of the County’s PCC and executed Level A Development Agreement, even prior to taking economic benefits into consideration. The Project will also have a significant contribution to the County’s Dedicated Revenue Funds/Streams. When incorporated, these revenue streams raise the Annual Revenue/Cost Ratio to 2.38. In comparison, the County’s General Fund currently runs a Revenue/Cost Ratio of ~1.05. Notably, the County’s surpluses resulting from the Project are significant due to the fact that the Project will have strong retail, office, and industrial components, in addition to the residential development.

**TABLE A
NET FISCAL IMPACT (COUNTY GENERAL FUND)**

Category	Amount	
	General Fund Only	General Fund & Dedicated
Total Recurring Revenues	\$19,450,443	\$28,095,853
Total Recurring Costs	\$11,805,126	\$11,805,126
Annual Recurring Surplus/(Deficit)	\$7,645,317	\$16,290,727
<i>Total Annual Revenue/Cost Ratio</i>	1.65	2.38

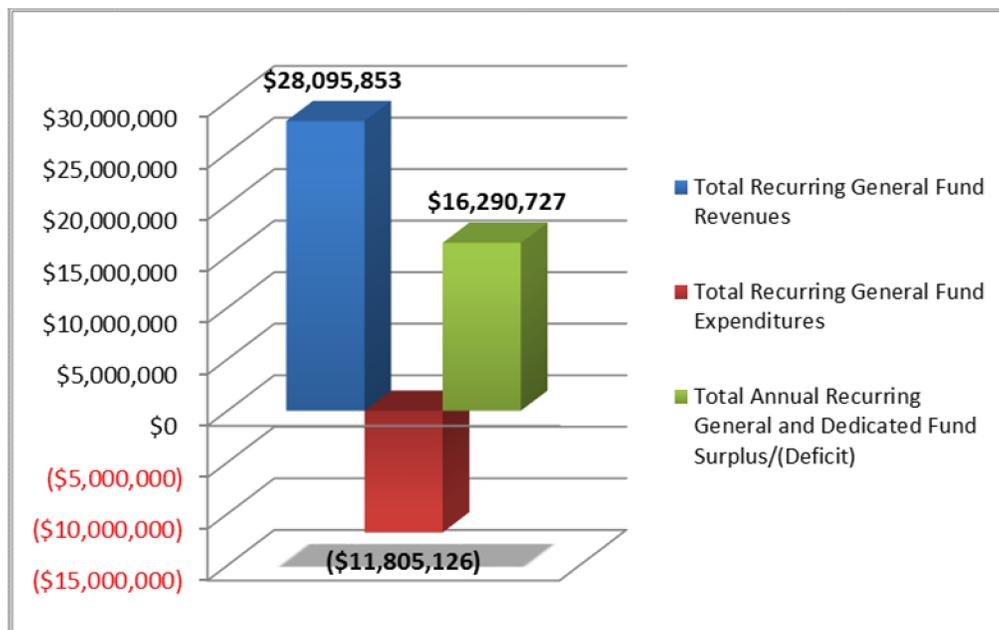
*Satisfies the “No Net Expense” requirement.

FIGURE A
NET FISCAL IMPACT (COUNTY GENERAL FUND)



*Satisfies the “No Net Expense” requirement.

FIGURE B
NET FISCAL IMPACT (COUNTY GENERAL FUND & DEDICATED)



*Satisfies the “No Net Expense” requirement.

B. ECONOMIC IMPACTS

As noted previously, the economic impacts of the Project that are analyzed within the Study are (1) Permanent Employment – direct-on-site and indirect/induced (which supplies or supports direct employment); (2) Permanent Output – total direct output *plus* output produced by suppliers and employee spending; and (3) One-Time Construction Impacts. As reflected in **Tables B** and **C** below, the County’s Permanent Employees and Permanent Gross Receipts, as well as its One-Time Construction Employees, Gross Receipts, and Gross Earnings are all substantially higher following Project development.

1. PERMANENT (RECURRING) EMPLOYMENT, WAGES, AND GROSS RECEIPTS

TABLE B
(ALL NUMBERS SUBJECT TO ROUNDING)

Recurring Impact	Direct	Indirect	Induced	Total
<u>Employees</u>				
Countywide	27,259	6,376	7,910	41,545
Project	27,259	3,188	3,955	34,402
<u>Employee Wages</u>				
Countywide	\$1,089,928,156	\$275,560,503	\$341,879,970	\$1,707,368,629
Project	\$1,089,928,156	\$137,780,251	\$170,939,985	\$1,398,648,392
<u>Overall Output</u>				
Countywide	\$2,213,306,526	\$699,690,458	\$878,699,627	\$3,791,696,611
Project	\$2,213,306,526	\$349,845,229	\$439,349,814	\$3,002,501,569

2. CONSTRUCTION (ONE-TIME) EMPLOYMENT, WAGES, AND GROSS RECEIPTS

TABLE C
(ALL NUMBERS SUBJECT TO ROUNDING)

One-Time Impact	Direct	Indirect	Induced	Total
<u>Construction Employees</u>				
Countywide	28,748	6,125	13,439	48,312
Project	28,748	3,062	6,720	38,530
<u>Construction Employee Wages</u>				
Countywide	\$1,273,136,789	\$264,715,681	\$580,841,059	\$2,118,693,529
Project	\$1,273,136,789	\$132,357,840	\$290,420,529	\$1,695,915,159
<u>Construction Overall Output</u>				
Countywide	\$3,560,868,556	\$1,059,564,047	\$1,305,012,822	\$5,925,445,425
Project	\$3,560,868,556	\$529,782,023	\$652,506,411	\$4,743,156,991

3. OTHER IMPACT CONCLUSIONS

TABLE D

(ALL NUMBERS SUBJECT TO ROUNDING)

Jobs-Housing Balance	Balance without Project	Balance with Project	% Increase / (Decrease)
Countywide	1.09	1.20	9.87%
Unincorporated	1.12	1.57	40.92%

In sum, the Project is expected to generate sizeable revenues to the County at buildout. As **Tables A, B, C, and D** illustrate, the Project's retail, office, industrial, and warehousing components are expected to generate sizeable, substantial, and lasting employment, wage, output, and revenue impacts. In particular, the Jobs-Housing Balance ratio in the County, which is critical to the well-being of the County's residents and the sustainability of the County's economy, would grow from 1.09 local jobs per household to 1.20 local jobs per household, amounting to a 9.87% increase.

SECTION 1 INTRODUCTION

David Taussig and Associates, Inc. (“DTA”) has been engaged by Western Albuquerque Land Holdings LLC to prepare a Fiscal and Economic Impact Study (the “Study”) that evaluates the likely fiscal and economic impacts of the proposed Level B Plan development and construction of the Santolina Master Plan (the “Project”) on the County of Bernalillo (the “County”). The net impact of the Project on the County’s General Fund was thoroughly analyzed. Additionally, due to the size of the Project, DTA has also evaluated the impact of the revenues accruing to the County’s dedicated funds.

The County’s Planned Community Criteria (“PCC”) generally require:

- 1) *Determination of scale and mixture of land use, and development phasing such that infrastructure provided and revenue generated from the development shall continuously be sufficient to provide required public services. Interim revenue generation shortfall for public service costs shall be borne by the development so as to prevent net expense.*
- 2) *Maintenance of essential public services at acceptable levels (per nationally recognized standards) throughout the development stages of the planned community.*
- 3) *Determination of local governmental responsibilities relative to appropriate public and private services and activities in new communities over time.*
- 4) *Determination of public services financing plans and public/private responsibilities for funding, operating, maintaining, and rehabilitating based on a financial feasibility analysis.*

Similarly, the executed Santolina Level A Development Agreement notes the “No Net Expense” test is satisfied if the County’s on-site public expenditures and off-site public expenditures reasonably allocated to the project have been, or will be, off-set by revenues and/or economic and fiscal benefits (direct, indirect and induced) from the Project. See Section 7.1. Additionally, Section 7.2.2 notes that “if the development of a phase results in excess revenue, then such excess revenue will be carried forward and used when applying the not net expense test to future phases.”

I. SCOPE AND METHODOLOGY

A. RECURRING FISCAL IMPACTS

Fiscal impacts arising from a land development plan can be broadly categorized as one of two types: one-time impacts or recurring impacts. Each of these broad types may, in turn, be divided into a revenue component and a cost component. For purposes of this Study, it has been assumed that one-time revenues would directly offset one-time costs; thus, the fiscal impacts considered in this Study focus on ongoing, or recurring, fiscal impacts of the Project on the County General Fund. To the extent that revenues are generated outside of the County’s General Fund (e.g., special district revenues) or costs are incurred by the County outside of the General Fund (e.g., costs financed through a special district), they are not included within this fiscal analysis.

The fiscal impacts projected for the Study are based generally on the *Multiplier Methodology*. The primary *Multiplier Methodology* used to project the fiscal impacts in this Study was the *Per Capita-Employee (“Persons Served”) Methodology*. The Persons Served Methodology considers the fact that the exact relationship of service demands and revenue-generating potential between residents and employees is difficult to measure. Thus, utilizing a service population, or Persons Served population, comprised of all residents and 50% of employees is common fiscal practice, and suggests that a resident generally has twice the fiscal impact of an employee. This methodology involves calculating the average Countywide and Unincorporated County revenues/costs per Persons Served, utilizing the fiscal year 2015-2016 County budget, and applying these revenue/cost factors to the specific number of Persons Served projected for the Project.

While most recurring revenues analyzed in the Study are projected using the *Multiplier Methodology*, some major revenue sources, including property taxes and gross receipts taxes, are calculated using a *Case Study Methodology* that involves calculating the *marginal revenues* to be specifically generated by a particular land use, instead of applying an average Countywide or Unincorporated County revenue factor. For purposes of the Study, all recurring revenues and costs are stated in constant (un-inflated) 2015 dollars, based on the assumption that the relative impacts of inflation in future years will be the same for both of these fiscal impact categories.

B. GENERAL ECONOMIC IMPACTS

The Study also identifies the general economic impacts on the County that would occur due to the Project, and quantifies these impacts wherever possible. General economic impacts include additions to the County’s employment (number of average annual full- & part-time jobs), economic output, and earnings (the sum of wages, salaries, and benefits). The Study also distinguishes between one-time economic impacts and permanent economic impacts. One-time impacts include benefits to the community that occur on a non-recurring basis as a result of construction and development activity, while permanent, recurring impacts refer to benefits that occur on a continuing basis, year after year.

In evaluating economic impacts, the Study quantifies both direct and indirect/induced economic impacts on the County. Direct economic impacts reflect the initial or first-round increases in jobs, earnings, and output, all of which occur directly on-site. Indirect/induced economic impacts are the secondary and other additional rounds of economic activity that occur as a consequence of the direct impacts, and can occur elsewhere within the County. The **indirect** impacts represent the economic activity – buying and selling of goods and services – of suppliers to the land use types analyzed. In this Study, suppliers to the Project consist primarily of maintenance and repair professionals, utilities’ providers, wholesale trade companies, and business support services. Furthermore, the suppliers representing the indirect one-time impacts are mainly heavy industrial and construction suppliers for the actual development of buildings and facilities. The **induced** impacts represent the economic activity that results from household spending by employees of all companies directly and indirectly affected by the construction and operation of the land uses analyzed in this Study. Indirect and induced impacts can occur throughout all industries of the economy, and have been categorized using the North American Industry Classification System (“NAICS”).

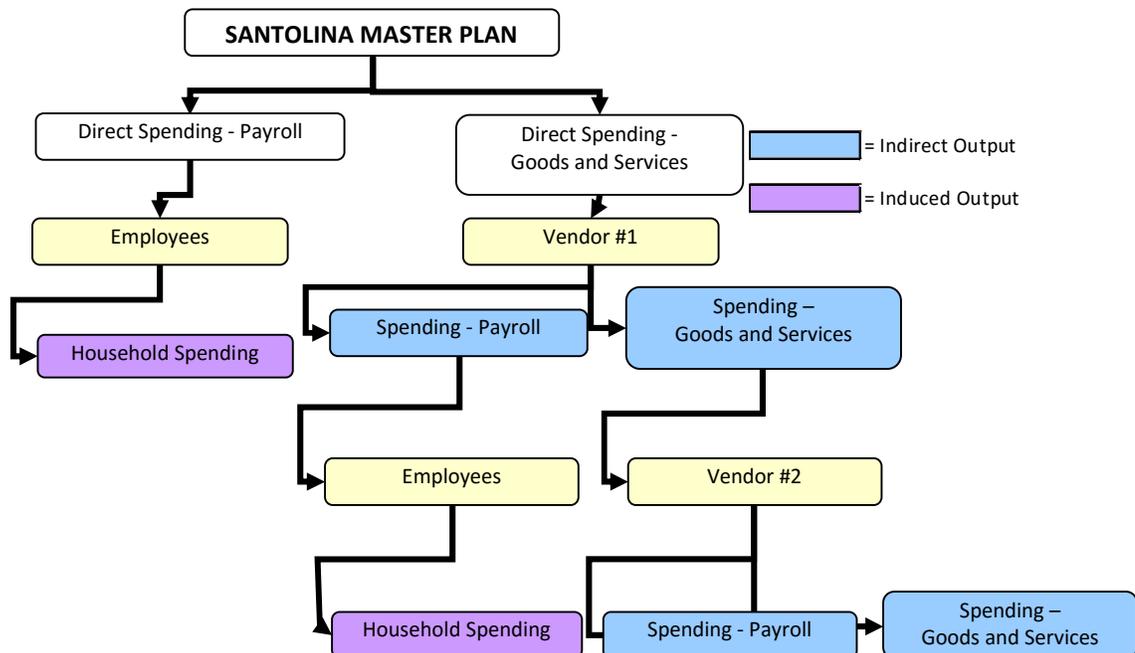
Adopted by the Office of Management and Budget (“OMB”) in 1997 to replace the Standard Industrial Classification System (“SIC”), NAICS is a widely-used system to classify business establishments for the collection, analysis, and publication of statistical data in Canada, Mexico, and the United States. NAICS industries are identified using a six-digit coding system to classify all economic activity into twenty (20) broad sectors, five (5) of which are mainly goods-producing sectors and fifteen (15) of which are services-producing sectors. This six-digit hierarchical structure allows for the identification of nearly 1,170 industries.

(i) **IMPLAN MULTIPLIER METHOD**

Although most economists agree that indirect and induced, or “multiplier” effects exist, most economists also agree that such effects are difficult to measure. Patterns on spending and employment among suppliers and employee households often vary over time and from one region to another. Nevertheless, there are certain input-output models that can be used to estimate indirect and induced effects.

In quantifying the indirect and induced economic impacts for the Study, DTA utilized the Impact Analysis for Planning (“IMPLAN”) Input/Output Modeling System, a type of quantitative economic model that provides an approximate measure of the “multiplier effect” of a firm’s spending on payroll and the purchasing of goods and services. Like similar econometric models, IMPLAN helps to calculate the flow of payments for goods and services across different industry sectors, and between households and industries. The IMPLAN model can be envisioned simply as a large spreadsheet with hundreds of industries (plus the household sector) arrayed across the top as producers, and the same industries and households listed down the side as consumers. Each million dollars (output) in spending by any one consumer (i.e. the Project) is allocated across the producing industries from which it buys goods and services. These producing industries, in turn, spend money buying goods and services from their own distinct sets of suppliers. Thus, the IMPLAN multiplier model allows one to gauge the effect on each dollar an industry spends as it diffuses through a regional economy. Furthermore, it allows one to translate the overall regional impact of spending into jobs and employee compensation. Please refer to **Table 1** for a diagram of the multiplier effect.

TABLE 1
EXAMPLE OF THE MULTIPLIER EFFECT (INDIRECT AND INDUCED OUTPUT)



II. LIMITATIONS

A. ACCURACY OF INFORMATION

The fiscal and economic models in the Study contain an analysis of revenues, costs, and impacts to the County resulting from the Project. These models are based on both (i) information provided to DTA by Western Albuquerque Land Holdings LLC and Garret Development Corporation staff and (ii) certain DTA assumptions taken from DTA's municipal cost database, as compiled by DTA from previous fiscal impact studies prepared by the firm. The sources of information and basis of the estimates calculated in the Study are stated herein. While DTA is confident that the sources of information are reliable, DTA does not express an opinion or any other form of assurance on the accuracy of such information. The analysis of fiscal impacts contained in this report is not considered to be a "financial forecast" or a "financial projection" as technically defined by the American Institute of Certified Public Accountants. The word "projection" used within this report relates to broad expectations of future events or market conditions. Since the analyses contained herein are based on estimates and assumptions that are inherently subject to uncertainty and variation depending on evolving events, DTA cannot represent that such estimates will definitely be achieved. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, the actual results achieved may vary from these projections stated throughout the Study.

SECTION 2 DESCRIPTION OF RECURRING FISCAL REVENUES/COSTS

The following section presents the recurring revenue and cost impacts to the County General Fund and the methodology and assumptions utilized in the Study to project these impacts. Detailed numerical analyses of the revenue and cost impacts subsequently discussed in this section are contained in **Appendix A**.

I. ANALYSIS OF RECURRING REVENUES

CASE STUDY METHOD:

A. PROPERTY TAXES

Property tax revenues are conservatively projected based on the County Operational, County Debt Service, and Judgement A tax rates (in mills) as found in the *2015 Bernalillo County Certificate of Property Tax Rates*. Please refer to **Table 2A** below and **Exhibit 4** of **Appendix A** for details regarding the property tax assumptions utilized in the fiscal impact analysis.

DTA *conservatively* estimated housing prices by evaluating the cost of construction plus completed lot value per single-family detached and single-family attached unit, all in 2015 dollars. All residential construction cost values are based on the 2013 RS Means, Square Foot Costs (34th Edition). Additional multi-family property data is based on information provided by David Pearson, MAI. Finally, DTA incorporated the 33.33% assessment rate per Section 1, Article VIII of the New Mexico Constitution.

Information related to non-residential property values and construction costs are based on comparable sales data compiled by Godfrey Appraisal Services. Estimates on the value for energy uses are based on data reported on CleanTechnica.com.

TABLE 2A – PROPERTY TAX ASSUMPTIONS

Property Tax Assumptions (in mills)	County of Bernalillo		
	Total	Debt Service/Other	General Fund
Residential Tax Rate (Mills)			
County Operational	7.25	0.00	7.25
County Debt Service	1.27	1.27	0.00
Judgment A	0.01	0.01	0.00
Total Residential County Property Tax Rate	8.54	1.28	7.25

TABLE 2A – PROPERTY TAX ASSUMPTIONS
(CONTINUED)

Property Tax Assumptions (in mills)	County of Bernalillo		
Non-Residential Tax Rate (Mills)	Total	Debt Service/Other	General Fund
County Operational	10.75	0.00	10.75
County Debt Service	1.27	1.27	0.00
Judgment A	0.01	0.01	0.00
Total Non-Residential General Fund Property Tax Rate	12.03	1.28	10.75

B. GROSS RECEIPTS TAXES (GRT)

Pursuant to the County Gross Receipts Tax Act (NMSA 1978, §7-9-1 *et seq.*), GRT revenues are generated from a variety of businesses within the County limits. **Exhibit 5 of Appendix A** reflects taxable receipts per square foot for each on-site non-residential land use type, based on data from the *Urban Land Institute’s Dollars & Cents of Shopping Projects (2008)* publication and total taxable receipts for the Project, based on land use information provided by Western Albuquerque Land Holdings and the County.

DTA estimated taxable gross receipts per square foot of non-retail land uses using data from the New Mexico Taxation and Revenue, Gross Receipts by Geographic Area & NAICS Code (RP-80) quarterly report and the New Mexico Department of Labor, Quarterly Census of Employment & Wages Report.

Indirect gross receipts tax revenues, as also summarized in **Exhibit 5 of Appendix A**, are generated by the purchases made by the Project’s residents and employees within the County. Based on studies outlined in the *International Council of Shopping Projects’ Office Worker Local Retail Spending Patterns*, DTA assumed that each on-site employee spends approximately \$5,145 annually within the County.

The County GRT charges are based on Bernalillo County Code, Article II, Chapter 78. The revenues from the various GRT charges are either directed into the County General Fund or another Dedicated/Special/Enterprise Account. **Table 2B** below specifies the GRT amounts and how the funds are directed.

TABLE 2B – GROSS RECEIPTS TAX BREAKDOWN

County of Bernalillo Gross Receipts Tax Assumptions			
	Total	Dedicated	General Fund
First 1/8 Percent Tax - General Fund (Sec. 78-41)	0.125%	0.00%	0.125%
Second 1/8 Percent Tax - County Indigent Care (Sec. 78-42)	0.125%	0.00%	0.125%
County Environmental Services Gross Receipts Tax (Sec. 78-43)	0.125%	0.125%	0.00%
Third 1/8 Percent Tax - General County Purposes (Sec. 78-44)	0.125%	0.00%	0.125%
“Health Care” Tax (Sec. 78-47)	0.063%	0.063%	0.000%
“Health Care” Tax (Sec. 78-48)	0.063%	0.063%	0.000%
2/8 - Hold Harmless (Sec. 78-49)	0.250%	0.125%	0.125%
County Correctional (NMSA 7-20F, 1-12)	0.125%	0.125%	0.00%
Judgment A	0.00%	0.00%	0.00%
Total	1.000%	0.500%	0.500%

TABLE 2C – ADDITIONAL GROSS RECEIPTS TAX ASSUMPTIONS

Gross Receipts Tax Assumptions	
% Gross Receipts Tax Passed Through to County	1.00%
% Gross Receipts Tax for County’s General Fund	0.50%
Local Employee Spending (Annual)	\$5,145
Capture Rate of Employee Spending (within Unincorporated County)	56.25%
Displacement Rate (of existing taxable sales within County)	10%
Percentage of Project Resident and Employee Spending outside of the Project	25%
Adjusted Taxable Sales per Square Foot – Retail	\$263

C. INVESTMENT INCOME REVENUES

Investment Income revenues are generated by the increase in General Fund Revenues resulting from the Project. This increase reflects growth in the following revenue categories: property taxes, gross receipts taxes, and multiplier revenues (as discussed below).

Revenues from this source are estimated by multiplying the projected Recurring General Fund Revenues Available for Investment of \$18,838,498 by the Local Government Investment Pool (“LGIP”) investment fund rate of return of 3.25%, and subtracted by the LGIP Participation Costs of 0.05%. This calculation results in estimated Investment Income of \$611,945 (which when added to \$18,838,498 equals \$19,450,443). LGIP factors are determined quarterly by the New Mexico State Treasurer whose office governs the investment of revenues by public entities.

Please refer to **Table 2D** below and **Exhibit 6** of **Appendix A** for details regarding the investment income assumptions utilized in the fiscal impact analysis.

TABLE 2D – INVESTMENT INCOME ASSUMPTIONS

Investment Income Assumptions	
Investment Period for Recurring Non-Interest General Fund Revenues	12 Months
Local Government Investment Pool (LGIP) Rate of Return	3.25%
Local Government Investment Pool (LGIP) Participation Costs	0.05%
<i>Projected Recurring General Fund Revenues Available for Investment</i>	\$18,838,498

MULTIPLIER METHOD:

D. UTILITY GROSS RECEIPTS TAX

Utility Gross Receipts Revenues were forecasted at \$4.26 per Persons Served using the *Per Capita-Employee Multiplier Method*. The Utility Gross Receipts Revenues have been increasing steadily year over year over for 11 years, despite revenues in other categories declining due to the state of the economy. Please note that this revenue multiplier has been reduced by 25% to account for only the portion of Utility Gross Receipts Tax that is expected to be variable with population and employee growth in the County.

E. MOTOR VEHICLE TAXES

The Motor Vehicle Excise Tax Act (NMSA 1978, Chapter 7, Article 14) imposes a tax rate equal to 3.00% of the price paid for a vehicle. If the price paid does not represent the value of the vehicle in the condition that existed at the time it was acquired, the tax rate would be applied to a reasonably developed value of the vehicle. Motor Vehicle Taxes were forecasted at \$3.40 per Persons Served using the *Per Capita-Employee Multiplier Method*.

Please note that this revenue multiplier has also been reduced by 25% to account for only the portion of Motor Vehicle Tax that is expected to be variable with population and employee growth in the County.

F. GASOLINE TAXES

Gasoline Taxes are forecasted using a *Per Capita-Employee Multiplier Method* that results in a total multiplier of \$1.56 per Persons Served. Pursuant to Chapter 7, Article 13 (NMSA 1978) the Gasoline Tax is \$0.17 per gallon, of which only a fraction flows back to the County. Please note that this revenue multiplier has been reduced by 25% to account for only the portion of Gasoline Taxes that is expected to be variable with population and employee growth in the County.

G. INTERGOVERNMENTAL REVENUES

Intergovernmental revenues fell to \$405,500 (from \$1,705,050 in FY 2013-2014) mainly due to the removal of General Election (2012) funding from the State and property custodial funds from the City of Albuquerque. Intergovernmental Revenues are forecasted using a *Per Capita-Employee Multiplier Method* that results in a total multiplier of \$0.24 per Persons Served. Please note that this revenue multiplier has been reduced by 50% to account for only the portion of Intergovernmental Revenues that is expected to be variable with population and employee growth in the County.

H. LICENSES AND PERMITS

Licenses and Permits are based on the County's collection of fees for various types of permits, e.g., building, issuance, transportation, etc. Revenues are forecasted using a *Per Capita-Employee Multiplier Method* that results in a total multiplier of \$9.55 per Persons Served. Please note that this revenue multiplier has been reduced by 50% to account for only the portion of Licenses and Permits that is expected to be variable with population and employee growth in the County.

I. FEES FOR SERVICES

Current Services, including inspection charges, plan check fees, and administrative fees, were projected at \$40.00 per Persons Served, based on the *Per Capita-Employee Multiplier Method*. Please note that this revenue multiplier has likewise been reduced by 25% to account for only the portion of fees for services that is expected to be variable with population and employee growth in the County.

TABLE 2E – OTHER GENERAL FUND REVENUES (MULTIPLIER METHOD)

Category	Discount	Amount
Utility Gross Receipts Tax	25%	\$4.26
Motor Vehicle	25%	\$3.40
Gasoline Tax	25%	\$1.56
Intergovernmental	50%	\$0.24
Licenses and Permits	50%	\$9.55
Fees for Service	25%	\$40.00

Please refer to **Exhibit 7** of **Appendix A** for more details on the assumptions and revenue multipliers utilized in the Study.

II. ANALYSIS OF RECURRING COSTS

CASE STUDY METHOD:

A. INFRASTRUCTURE AND PARKS MAINTENANCE

The Project requires new infrastructure and parks to be ultimately owned by the County and maintained by the County’s General Fund. To comply with the Bernalillo County Parks Standards, as outlined by the Bernalillo County Department of Parks & Recreation, it is estimated that there will be 623 acres of Open Space and 307 acres of developed parkland. At least one (1) swimming pool and two (2) community centers will be required in the Project to maintain the County Levels of Service (LOS). DTA estimated the infrastructure and parks maintenance costs using County-provided data, which includes employee compensation, to be \$2,025,500, as shown in **Table 2F** below.

TABLE 2F – INFRASTRUCTURE & PARK MAINTENANCE (CASE STUDY)

Infrastructure & Parklands Maintenance Cost Assumptions			
Estimates	Cost per Employee/Unit	Number of Employees/Units	Total Cost
Open Space			
Employee	\$27,000	8	\$216,000
Supervisor	\$48,000	1	\$48,000
Parkland			
Employee	\$27,000	30	\$810,000
Supervisor	\$48,000	3	\$144,000
Maintenance Costs			
Swimming Pool(s)	\$85,000	1	\$85,000
Community Center(s)	\$425,000	2	\$722,500

*May not sum to total due to rounding.

B. GENERAL GOVERNMENT COSTS

General Government costs are projected at a marginal rate of 11.22% of the County General Fund recurring costs, based on the assumption that the fiscal impact 2015-2016 General Government expenditures, equaling \$58.6 million, will remain at the same relative proportion of the fiscal impact 2015-2016 County General Fund recurring non-governmental expenditures of approximately \$172 million in future years. The current percentage of General Government expenditures to County General Fund non-governmental expenditures is approximately 34%; however, these General Government costs are not expected to increase on a one-for-one basis as a result of the land use development depicted in this Study. Therefore, this Study assumes that General Government costs increase at an estimated marginal rate of 33.33%, or 11.22%, of the existing General Government cost overhead rate. This approach results in annual General Government costs of \$1.19 million.

MULTIPLIER METHOD:

C. SHERIFF – FIELD SERVICES

The Bernalillo County Sheriff’s Department is comprised of three divisions: Administrative, Field Services, and Criminal Investigations. These divisions provide services which include: Metro Air Support, K-9 Unit, Traffic Unit, Training, Regional Academy, Public Information Office, Mobile Command Unit, Reserve Deputies, School Crossing Guards, Court Security, and Extradition. The County currently has 188 Field Services employees and 216 Administration and General Employees, which include Criminal Investigations, Court Services, and Support Services employees. This approximately 50% split between Field

Services and Administration and General Employees suggests that the Bernalillo County Sheriff really serves two distinct populations – Field Services generally in the Unincorporated areas (as the Incorporated Cities in Bernalillo County typically maintain their own police) and the Administrations and General Operations services extending Countywide. DTA has thus applied different underlying populations (Countywide versus Incorporated) to arrive at the multipliers for these two types of sheriff services, and has also bifurcated the overall budget to reflect County staffing.

Taking this into account, Sheriff – Field Services costs are forecasted at \$100.58 per Persons Served using the Per Capita-Employee-Multiplier Method. Please note that this cost multiplier has been reduced by 25% to account for only the portion of Sheriff (Field Services) costs that is expected to be variable with population and employee growth in the County.

D. SHERIFF – ADMINISTRATION/GENERAL

Following the analysis outlined in (C) above, Sheriff’s Administration and General Expenses are forecasted at \$11.02 per Persons Served using the Per Capita-Employee-Multiplier Method. Please note that this cost multiplier has been reduced by 50% to account for only the portion of Sheriff (Administration/General) costs that is expected to be variable with population and employee growth in the County.

E. Fire – Operations, Search, and Rescue

Similar to how DTA bifurcated Sheriff Services, County Fire has been split – Operations, Search, and Rescue on one hand, and Administration on the other. The Operations Division provides service to sixteen (16) fire department facilities that include four (4) staffed fire stations and one (1) substation in the North Valley and North Albuquerque Acres area, four (4) staffed fire stations and three (3) substations in the East Mountain Area, and four (4) staffed fire stations in the South Valley. Additionally, the department participates in five (5) areas that are considered special operations, these include wildland firefighting, aquatic rescue, hazardous materials/weapons of mass destruction, and training. Each of these areas is led by a team of highly trained members of the County Fire Department.

It is expected that the Level of Service (LOS) provided to populations residing in the Unincorporated County and the Incorporated County is expected to differ; that is, certain services costs will be weighted more towards the Unincorporated County population than the Countywide population. Fire Services for Operations, Search, and Rescue, are forecasted at \$57.69 per Persons Served. DTA assumes that this expense will be attributable to the Unincorporated County. Please note that this cost multiplier has been reduced by 25% to account for only the portion of Fire (Operations, Search, and Rescue) costs that is expected to be variable with population and employee growth in the County.

F. FIRE – ADMINISTRATION/GENERAL

Following the analysis outlined in (D) above, Fire Administration and General Expenses are forecasted at \$6.32 per Persons Served using the Per Capita-Employee-Multiplier Method. DTA assumes that this expense is attributable to services for the entire County. Please note that this cost multiplier has been reduced by 50% to account for only the portion of Fire (Administration/General) costs that is expected to be variable with population and employee growth in the County.

On average, Bernalillo County Fire Department runs over 12,000 calls a calendar year, which continues to increase every year by about 4%. Of these calls run in the year 2010, 79% were Emergency Medical Services (EMS) calls, 6% were fire calls, and 15% were other calls including medical assists to non-medical assists.

G. METROPOLITAN DETENTION CENTER

The Bernalillo County Metropolitan Detention Center (“MDC”) works with the Bernalillo County Commission, the Bernalillo County Manager’s Office, criminal justice stakeholders, and the community to provide safe and efficient solutions for the safety, health, and welfare of inmates housed in the County jail. MDC provides comprehensive health care and inmate programming in an effort to maintain inmate health and reduce recidivism.

MDC costs were forecasted at \$38.71 per Persons Served using the *Per Capita-Employee-Multiplier Method*. Please note that this cost multiplier has also been reduced by 50% to account for only the portion of MDC costs that is expected to be variable with population and employee growth in the County.

H. HEALTH AND WELFARE

The Health and Welfare expense was increased by \$6.1 million for Metropolitan Detention Center medical professional services, which is not covered in the Metropolitan Detention Center cost, in the fiscal year 2014-2015 budget. Aside from this, the Health and Welfare expense category is largely for Bernalillo County Social Services, which provide health and quality of life initiatives for County residents to improve economic well-being, education, health, and family and community development. The Health and Welfare costs were forecasted at \$8.43 per Persons Served using the *Per Capita-Employee-Multiplier Method*. Please note that this cost multiplier has been reduced by 25% to account for only the portion of Health and Welfare costs that is expected to be variable with population and employee growth in the County.

I. PUBLIC WORKS

The Public Works Division oversees Infrastructure and Planning and Geo-Resources, Technical Services, Operations and Maintenance, Solid Waste, Capital Improvement Project Planning, and Fleet and Facilities Management. Public Works costs were projected at

\$28.25 per Persons Served using the *Per Capita-Employee Multiplier Method*. Please note that this cost multiplier has likewise been reduced by 25% to account for only the portion of Public Works costs that is expected to be variable with population and employee growth in the County.

TABLE 2G
OTHER GENERAL FUND COSTS (MULTIPLIER METHOD)

Category	Discount	Amount
Sheriff - Field Services	25%	\$100.58
Sheriff - Administration/General	50%	\$11.02
Fire - Operations, Search & Rescue	25%	\$57.69
Fire - Administration/General	50%	\$6.32
Metropolitan Detention Center	50%	\$38.71
Health & Welfare	25%	\$8.43
Public Works	25%	\$28.25

SECTION 3 FISCAL IMPACTS

I. TOTAL RECURRING REVENUES: COUNTY OF BERNALILLO

Total recurring revenues to the County equal approximately \$19,450,443 per year. As illustrated in **Table 3A** below, the largest percentage of revenue is attributed to the property tax (51.19%) and gross receipts tax revenues (35.28%), together constituting approximately 86.50% of total recurring revenues to the County General Fund. **Exhibits 1-7** of **Appendix A** provide additional details about all recurring revenues and the assumptions used in their derivation.

TABLE 3A
RECURRING FISCAL REVENUES (COUNTY GENERAL FUND)

Category	Amount	Percent*
Property Tax	\$9,956,631	51.19%
Gross Receipts Tax	\$6,862,786	35.28%
Fees for Service	\$1,368,628	7.04%
Investment Income	\$611,945	3.15%
Licenses and Permits	\$326,803	1.68%
Other Tax Revenue	\$315,319	1.62%
Intergovernmental	\$8,331	0.04%
Total Revenues	\$19,450,443	100.00%

*Numbers may not sum due to rounding

II. TOTAL RECURRING SERVICES COSTS: COUNTY OF BERNALILLO

As illustrated in **Table 3B** below, total annual recurring costs to the County are estimated at \$11,805,126 per year. A majority of the costs are estimated to result from the sheriff and fire services, as well as the parkland and infrastructure maintenance. **Exhibits 2** and **8-10** of **Appendix A** provide additional details about all recurring costs and the assumptions used in their derivation.

**TABLE 3B
RECURRING FISCAL COSTS (COUNTY GENERAL FUND)**

Category	Amount	Percent*
Sheriff - Field Services	\$3,441,401	29.15%
Parkland & Infrastructure Maintenance	\$2,025,500	17.16%
Fire - Operations, Search & Rescue	\$1,974,041	16.72%
Metropolitan Detention Center	\$1,324,488	11.22%
General Government	\$1,191,046	10.09%
Public Works	\$966,558	8.19%
Sheriff - Administration/General	\$377,197	3.20%
Health & Welfare	\$288,529	2.44%
Fire - Administration/General	\$216,366	1.83%
Total Expenditures	\$11,805,126	100.00%

*Numbers may not sum due to rounding

III. OVERALL NET FISCAL IMPACT TO THE COUNTY OF BERNALILLO

As shown in **Table 3C** below, the overall fiscal impact to the County as a result of revenues generated by the Project is a recurring annual fiscal surplus of \$7,645,317, excluding the revenues flowing to County dedicated/special funds. If we include these revenues, the Project will generate a recurring annual fiscal surplus of \$16,290,727. Evaluating only the General Fund, the Project will have an annual revenue to cost ratio of 1.65, which satisfies the “No Net Expense” element of the County’s PCC and Level A Development Agreement, even prior to taking into account the economic benefits. If we include revenues toward dedicated funds, the ratio increases to 2.38. A summary of the overall fiscal impacts to the County is provided in **Exhibit 11** of **Appendix A**.

**TABLE 3C
NET FISCAL IMPACT (COUNTY GENERAL FUND & DEDICATED FUND)**

Category	Amount	
	General Fund Only	General Fund & Dedicated
Total Recurring Revenues	\$19,450,443	\$28,095,853
Total Recurring Costs	\$11,805,126	\$11,805,126
Annual Recurring Surplus/(Deficit)	\$7,645,317	\$16,290,727
<i>Total Annual Revenue/Cost Ratio</i>	1.65	2.38

Again note, Section 7.2.2 of the executed Development Agreement states that “if the development of a phase results in excess revenue, then such excess revenue will be carried forward and used when applying the not net expense test to future phases.”

DTA has also evaluated the One-Time GRT that would be created by the construction and development of the Project’s infrastructure – trunk, residential tracts, and commercial tracts. Applying the GRT assumptions outlined above in Section 4, DTA demonstrates that this additional GRT is substantial. Please see **Table 3D** and Exhibit B-1 for further information.

**TABLE 3D
ONE-TIME GRT**

Fiscal Impact Category	(Exhibit B-1)
Total One-Time (Construction) GRT	\$35,726,000
General Fund	\$17,863,000
Dedicated Fund	\$17,863,000

SECTION 4 ECONOMIC IMPACTS

The Study also identifies the general economic impacts on the County that would occur due to the Project, and quantifies these impacts wherever possible. General economic impacts include additions to the County's employment (number of average annual full- & part-time jobs), economic output, and earnings (the sum of wages, salaries, and benefits). The Study also distinguishes between one-time economic impacts and recurring economic impacts. One-time impacts include benefits to the community that occur on a non-recurring time basis as a result of construction and development activity, while recurring/permanent impacts refer to benefits that occur on a continuing basis, year after year.

I. RECURRING ECONOMIC IMPACTS

A. ASSUMPTIONS

In evaluating economic impacts, the Study quantifies both direct and indirect/induced economic impacts on the County. Direct economic impacts reflect the initial or first-round increases in jobs, earnings, and output, all of which occur directly on-site. Indirect/induced economic impacts are the secondary and other additional rounds of economic activity that occur as a consequence of the direct impacts, and can occur elsewhere within the County. The **indirect** impacts represent the economic activity – buying and selling of goods and services – of suppliers to the land use types analyzed. In this Study, suppliers to the Project consist primarily of maintenance and repair professionals, utilities' providers, wholesale trade companies, and business support services. Furthermore, the suppliers representing the indirect one-time impacts are mainly heavy industrial and construction suppliers for the actual development of buildings and facilities. The **induced** impacts represent the economic activity that results from household spending by employees of all companies directly and indirectly affected by the construction and operation of the land uses analyzed in this Study. Indirect and induced impacts can occur throughout all industries of the economy, and have been categorized using the North American Industry Classification System ("NAICS"). Adopted by the Office of Management and Budget ("OMB") in 1997 to replace the Standard Industrial Classification System ("SIC"), NAICS is a widely-used system to classify business establishments for the collection, analysis, and publication of statistical data in Canada, Mexico, and the United States. NAICS industries are identified using a six-digit coding system to classify all economic activity into twenty (20) broad sectors, five (5) of which are mainly goods-producing sectors and fifteen (15) of which are services-producing sectors. This six-digit hierarchical structure allows for the identification of nearly 1,170 industries. The broad NAICS sectors include Construction and Transportation/Warehousing, which are the focal NAICS categories analyzed within this Study to determine the indirect and induced economic impacts generated under the analysis.

Based on land use information from the Level B Plan, DTA estimated the number of direct retail, office, industrial, warehousing, manufacturing, and institutional employees in the proposed development based upon an average employee per square foot ratio for similar land uses in the region. Other assumptions used to analyze the economic impact of the Project are summarized in **Table 4A** below.

**TABLE 4A
ASSUMPTIONS**

Land Use, Employment, Wage, & Output Assumptions	
Land Use Assumptions [1]	<i>Building Sq. Ft. (Est.)</i>
Retail/Commercial	3,776,826
Office	2,458,352
Industrial/Warehousing	3,506,928
Industrial/Manufacturing	1,168,976
Institutional	1,254,528
Wage Assumptions [2]	<i>Annual \$</i>
Retail/Commercial	\$24,993
Office	\$54,822
Industrial/Warehousing	\$44,166
Industrial/Manufacturing	\$53,403
Institutional	\$42,426
[1] Source: DTA Public Works Database; estimate, subject to change. <i>Identical to metrics utilized in FIR, please see Exhibit 3 of Appendix A.</i>	
[2] Source: Quarterly Workforce Indicators, U.S. Census Bureau (Bernalillo County, 2014)	

B. JOB CREATION & EMPLOYEE WAGES

Development will contribute to the creation of new jobs in the Unincorporated County and Incorporated County. As shown below in **Table 4B**, development of the Level B Plan is projected to generate approximately 27,259 estimated new on-site recurring jobs within the County. Since the analyses contained herein are based on estimates and assumptions that are inherently subject to uncertainty and variation depending on evolving events, DTA cannot represent that such estimates will definitely be achieved. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, the actual results achieved may vary from these projections stated throughout the Study.

In addition to these employment opportunities, DTA estimates that the Project will generate new off-site jobs in all industries of the economy, which constitute the indirect/induced employment impacts of the Project. Seven thousand one hundred and forty-three (7,143) indirect/induced jobs are expected to be created in the Project.

This estimate was derived utilizing the Impact Analysis for Planning (“IMPLAN”) Input/Output Modeling System, a type of quantitative economic model that provides an approximate measure of the “multiplier effect” of a firm’s spending on payroll and the purchasing of goods and services. Like similar econometric models, IMPLAN helps to calculate the flow of

payments for goods and services across different industry sectors, and between households and industries. Unlike similar econometric models, e.g., the Regional Input-Output Modeling System (“RIMS II”), IMPLAN is the industry standard. RIMS II and IMPLAN both include induced effects, but RIMS II differs from IMPLAN in two ways: (i) RIMS II uses a single household type for induced personal consumption while IMPLAN uses nine (9) household types; and (ii) RIMS II uses the traditional single row/column Type II formulation whereas IMPLAN uses a more robust mapping of factor income to household consumption using several sub-matrices. RIMS II uses location quotients to regionalize the national technical coefficients, a method which underestimates inter-regional trade and overestimates regional multipliers when cross-hauling is present.

The IMPLAN model can be envisioned simply as a large spreadsheet with hundreds of industries (plus the household sector) arrayed across the top as producers, and the same industries and households listed down the side as consumers. Each million dollars (output) in spending by any one consumer (i.e. the Project) is allocated across the producing industries from which it buys goods and services. These producing industries, in turn, spend money buying goods and services from their own distinct sets of suppliers. Thus, the IMPLAN multiplier model allows one to gauge the effect on each dollar an industry spends as it diffuses through a regional economy. Furthermore, it allows one to translate the overall regional impact of spending into jobs and employee compensation.

While the location of the additional indirect jobs created within the County cannot be specifically determined, experience and modeling indicate that a large percentage of these jobs will be support service jobs, and are likely to be located close to the Project. For purposes of this Study, it is conservatively modeled that one-half of these indirect/induced jobs will be located within the Project. **Table 4B** shown below, and **Exhibits 1** and **3** of **Appendix B** summarize the direct and indirect employment impacts of the Project.

TABLE 4B
RECURRING EMPLOYMENT AND WAGES
(ALL NUMBERS SUBJECT TO ROUNDING)

Recurring Impact	Direct	Indirect	Induced	Total
<u>Recurring Employees</u>				
Countywide	27,259	6,376	7,910	41,545
Project	27,259	3,188	3,955	34,402
<u>Recurring Employee Wages</u>				
Countywide	\$1,089,928,156	\$275,560,503	\$341,879,970	\$1,707,368,629
Project	\$1,089,928,156	\$137,780,251	\$170,939,985	\$1,398,648,392

Overall, the creation of new jobs will provide many benefits to the County. More jobs will lead to more consumer spending by employees in existing retail establishments within the County, as well as new retail development that will be attracted to the County as a result of

this spending. Job creation also results in increased tax revenues to the County through increased property taxes and gross receipts taxes related to this new development.

However, because of the difference in timing of the various Project developments, the number of employees summarized above will not be realized simultaneously. Furthermore, it is estimated the build-out of the Project will occur over many years, and the demand for the many individual elements may fluctuate over time.

C. OVERALL ECONOMIC OUTPUT

Total Output (i.e., total expenditures including sales or gross receipts, or other operating income) within the County will increase substantially as a result of the Project. Total output is estimated based on the different types of development projected to occur. As stated in Section I, this Study analyzes direct and indirect/induced impacts. Regarding gross receipts, the direct impact reflects the initial or first-round increases in output (total spending/gross receipts, including payroll), all of which occur directly on the Project site. Indirect/induced economic impacts are the secondary and other additional rounds of economic activity that occur as a consequence of the direct output impacts, and can occur outside of the Project. The indirect impacts represent the economic activity – buying and selling of goods and services – of suppliers and/or supporting businesses. The induced impacts represent the economic activity that results from household spending by employees of all companies directly and indirectly affected by the Project (please see **Table 1** on *Page 3* for a graphical representation of the indirect and induced effects). **Table 4C** shown below and **Exhibit 2 of Appendix B** summarize the Total Output projections anticipated.

Based again on IMPLAN multipliers and other assumptions utilized in the fiscal impact model, DTA estimated that the direct and indirect/induced effects would total \$3.79 billion in the County, of which \$3.00 billion would occur within the Project area.

TABLE 4C
RECURRING TOTAL OUTPUT
(ALL NUMBERS SUBJECT TO ROUNDING)

Recurring Impact	Direct	Indirect	Induced	Total
<u>Recurring Output</u>				
Countywide	\$2,213,306,526	\$699,690,458	\$878,699,627	\$3,791,696,611
Project	\$2,213,306,526	\$349,845,229	\$439,349,814	\$3,002,501,569

However, Project absorption will have a similar effect on the generation of total output as it does on employment, specifically due to the difference in timing of the various Project developments. As a result, the overall output summarized above will accrue over a long period of time as the Project builds out.

II. ONE-TIME EMPLOYMENT, WAGES, AND OUTPUT IMPACTS (CONSTRUCTION)

According to IMPLAN, development of the Project is also projected to create an estimated 38,530 in construction-related jobs within the Project. An additional 9,782 new off-site jobs will be created Countywide. One-time construction and development costs will also have multiplier effects on the economy, generating one-time increases in output and wages from construction of the non-residential buildings and all related site improvements.

As with recurring economic impacts, experience and modeling indicate that a large percentage of these jobs will be support service jobs, and are likely to be located close to the Project, and therefore within the Unincorporated County. For purposes of this Study, it is conservatively modeled that one-half of these indirect/induced jobs will be located within the Project site. Table 4D and Table 4E below and Exhibit 5 of Appendix B summarize the projected increases in employment, wages, and output that are generated directly from construction of the Project land uses, based on DTA wage and construction cost assumptions.

TABLE 4D
ONE-TIME INCREASES IN EMPLOYMENT AND WAGES
(ALL NUMBERS SUBJECT TO ROUNDING)

One-Time Impact	Direct	Indirect	Induced	Total
<u>Construction Employees</u>				
Countywide	28,748	6,125	13,439	48,312
Project	28,748	3,062	6,720	38,530
<u>Construction Employee Wages</u>				
Countywide	\$1,273,136,789	\$264,715,681	\$580,841,059	\$2,118,693,529
Project	\$1,273,136,789	\$132,357,840	\$290,420,529	\$1,695,915,159

TABLE 4E
ONE-TIME TOTAL OUTPUT
(ALL NUMBERS SUBJECT TO ROUNDING)

One-Time Impact	Direct	Indirect	Induced	Total
<u>Construction Overall Output</u>				
Countywide	\$3,560,868,556	\$1,059,564,047	\$1,305,012,822	\$5,925,445,425
Project	\$3,560,868,556	\$529,782,023	\$652,506,411	\$4,743,156,991

III. OTHER IMPACTS (JOBS-HOUSING BALANCE)

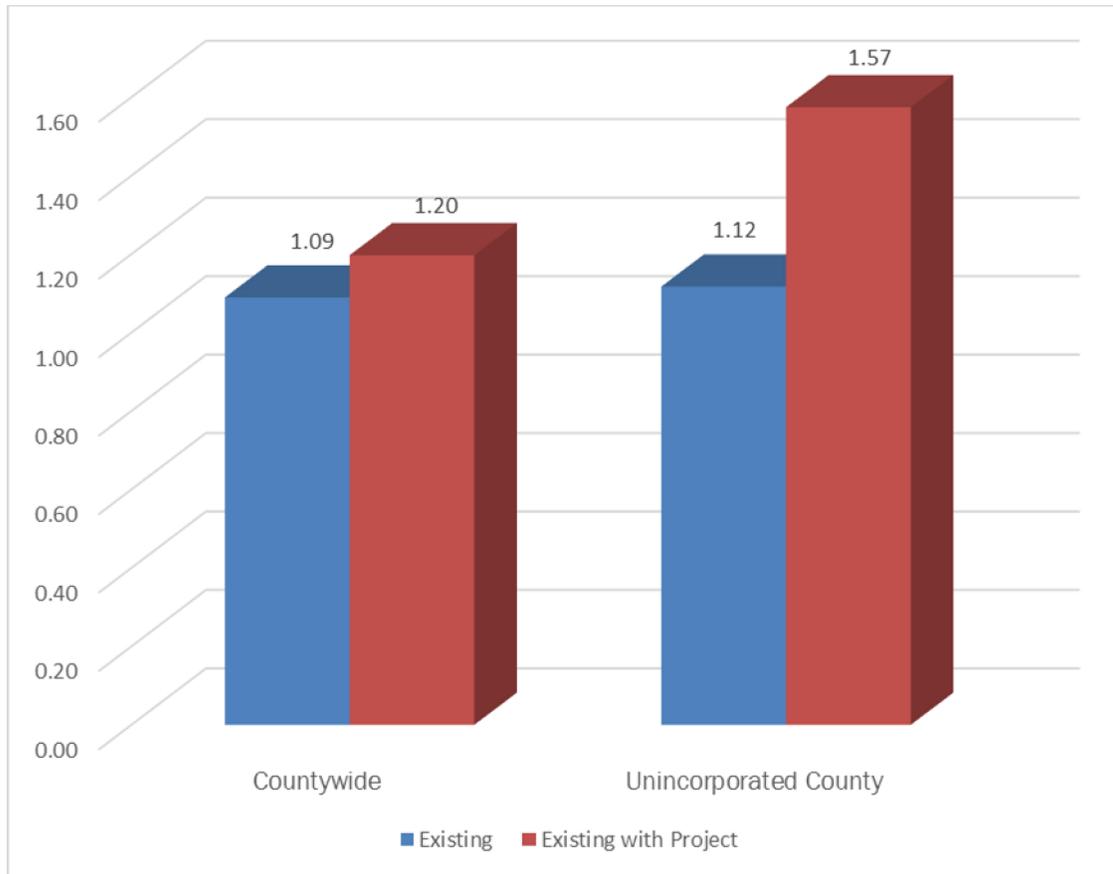
As stated earlier, the Project is estimated to create approximately 27,259 new on-site jobs, and DTA estimates that an additional 14,286 new off-site jobs will be created Countywide. As depicted in **Table 4F** and **Figure C** below, as well as in **Exhibit 4** of **Appendix B**, the Project will significantly affect the Jobs-Housing balance. The 41,545 new County employees from the Project will increase total County employment to 355,796 (projected) from 314,251 (current), resulting in an increase in the County Jobs-Housing balance as well, up to 1.20 from 1.09. **Table 4F** and **Figure C** below, and **Exhibit 4** of **Appendix B** summarize the pre- and post-Project Jobs-Housing Balance.

TABLE 4F
JOB-HOUSING BALANCE (COUNTYWIDE AND UNINCORPORATED)

Jobs-Housing Balance	Balance without Project	Balance with Project	% Increase / (Decrease)
Countywide	1.09	1.20	9.87%
Unincorporated	1.12	1.57	40.92%

However, as development of the Project is expected to occur over many years, the overall Jobs-Housing balance will not be significantly changed in the earlier years. As the County's current east-side Jobs-Housing balance is relatively low according to national and regional standards, the need for any employment on the Westside is immediate. A balance between jobs and housing has a positive impact on the County by decreasing costs associated with commuting and traffic congestion. A balanced Jobs-Housing ratio provides, inter alia, reduced commute times, improved social and cultural involvement, a more attractive work/life balance to residents, and savings to local public agencies in terms of the need to construct and maintain new road improvements and other facilities. For example, the lower transportation facility costs experienced by local public agencies and families will enable these agencies and families to invest their saved proceeds in other facilities that can improve the quality of life within the County, such as libraries, recreational centers, and other community amenities. The importance of a higher Jobs-Housing ratio to the County cannot be underestimated.

FIGURE C
JOBS-HOUSING BALANCE



APPENDIX A

FISCAL IMPACT MODEL

EXHIBIT A-1
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
COUNTY GENERAL FUND REVENUES (BY TYPE)

I. Demographics and Other Data

2015 Estimated Countywide Population ¹	675,551
2015 Estimated Countywide Employees ²	314,251
2015 Persons Served Population ³	832,677

Unincorporated County

2015 Estimated Unincorporated County Population ¹	111,774
2015 Estimated Unincorporated County Employees ²	50,250
2015 Unincorporated County Persons Served ³	136,899

Notes:

- ¹ U.S. Census Bureau: State and County QuickFacts, as of September 1, 2015.
² New Mexico Department of Workforce Solutions, Quarterly Census of Employment & Wages (Q4, 2014), published May 2015.
³ Assumes County population plus 50% of employees.
⁴ Certain revenues are not expected to increase one-to-one with the new development. A discount was applied to reflect the estimated ratio of fixed revenues to variable revenues and/or one-time to recurring revenues.

II. County Revenue Sources (by Type)

Revenue Type	Total Revenues	Revenue Type	Fiscal Impact Jurisdiction	Fiscal Impact Basis	Discount ⁴	Fiscal Impact Revenue Factor
Tax Revenue	\$230,223,133			Persons Served		\$9.22
Property Tax	\$128,750,000	Recurring		Case Study	0%	
Gross Receipts Tax (Non-Utility)	\$91,241,467	Recurring		Case Study	0%	
Utility Gross Receipts Tax	\$4,725,697	Recurring	Countywide	Persons Served	25%	\$4.26
Motor Vehicle	\$3,776,441	Recurring	Countywide	Persons Served	25%	\$3.40
Gasoline Tax	\$1,729,528	Recurring	Countywide	Persons Served	25%	\$1.56
Intergovernmental	\$405,500	Recurring	Countywide	Persons Served	50%	\$0.24
Licenses and Permits	\$2,615,158	Recurring	Unincorporated	Persons Served	50%	\$9.55
Fees for Service	\$7,301,394	Recurring	Unincorporated	Persons Served	25%	\$40.00
Investment Income	\$1,100,001	Recurring		Case Study	0%	
Miscellaneous	\$9,292,914	Non-Recurring	Countywide	Persons Served	100%	\$0.00
Total Recurring Revenues	\$241,645,186					

EXHIBIT A-2
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 COUNTY GENERAL FUND EXPENDITURES (BY TYPE)

I. Demographics and Other Data	
2015 Estimated Countywide Population ¹	675,551
2015 Estimated Countywide Employees ²	314,251
2015 Persons Served Population ³	832,677

Unincorporated County

2015 Estimated Unincorporated County Population ¹	111,774
2015 Estimated Unincorporated County Employees ²	50,250
2015 Unincorporated County Persons Served ³	136,899

Notes:

- ¹ U.S. Census Bureau: State and County QuickFacts, as of September 1, 2015.
- ² New Mexico Department of Workforce Solutions, Quarterly Census of Employment & Wages (Q4, 2014), published May 2015.
- ³ Assumes County population plus 50% of employees.
- ⁴ Certain revenues are not expected to increase one-to-one with the new development. A discount was applied to reflect the estimated ratio of fixed revenues to variable revenues and/or one-time to recurring revenues.

II. County Expenditures (by Type)

Expenditure Type	Total Expenditures	Revenue Type	Fiscal Impact Jurisdiction	Fiscal Impact Basis	Discount ⁴	Fiscal Impact Revenue Factor
GENERAL GOVERNMENT						
Accounting	\$2,360,042	Recurring	Countywide	Case Study	0%	
Assessor	\$2,655,355	Recurring	Countywide	Case Study	0%	
Budget & Business Improvement	\$1,070,261	Recurring	Countywide	Case Study	0%	
Compliance	\$231,205	Recurring	Countywide	Case Study	0%	
County Commission	\$1,751,254	Recurring	Countywide	Case Study	0%	
County Manager	\$1,030,647	Recurring	Countywide	Case Study	0%	
Court of Wills, Estates & Probate	\$5,667,466	Recurring	Countywide	Case Study	0%	
Economic Development	\$686,181	Recurring	Countywide	Case Study	0%	
Finance Deputy County Manager	\$500,637	Recurring	Countywide	Case Study	0%	
Human Resources	\$4,306,518	Recurring	Countywide	Case Study	0%	
Information Technology	\$10,870,731	Recurring	Countywide	Case Study	0%	
Infrastructure Planning & Geo Resources	\$2,492,632	Recurring	Countywide	Case Study	0%	
Legal	\$3,160,979	Recurring	Countywide	Case Study	0%	
Planning & Development Services	\$3,624,357	Recurring	Countywide	Case Study	0%	
Procurement & Business Services	\$2,215,539	Recurring	Countywide	Case Study	0%	
Public Information Department	\$734,452	Recurring	Countywide	Case Study	0%	
Risk Management	\$4,137,971	Recurring	Countywide	Case Study	0%	
Office of Health & Social Services	\$50,000	Recurring	Countywide	Case Study	0%	
Solid Waste and Diversified Services	\$1,635,917	Recurring	Countywide	Case Study	0%	
Treasurer	\$2,638,129	Recurring	Countywide	Case Study	0%	
General County	\$6,760,967	Recurring	Countywide	Case Study	0%	
NON-GENERAL GOVERNMENT						
Sheriff - Field Services	\$18,359,285	Recurring	Unincorporated	Persons Served	25%	\$100.58
Sheriff - Administration/General	\$18,359,285	Recurring	Countywide	Persons Served	50%	\$11.02
Fire - Operations, Search & Rescue	\$10,531,169	Recurring	Unincorporated	Persons Served	25%	\$57.69
Fire - Administration/General	\$10,531,169	Recurring	Countywide	Persons Served	50%	\$6.32
Metropolitan Detention Center	\$64,466,771	Recurring	Countywide	Persons Served	50%	\$38.71
Health & Welfare	\$9,362,378	Recurring	Countywide	Persons Served	25%	\$8.43
Public Works	\$31,363,497	Recurring	Countywide	Persons Served	25%	\$28.25
Capital Functional Areas	\$2,808,738	Non-Recurring	Countywide	Persons Served	100%	\$0.00
Transfers Out (Debt Service)	\$13,107,957	Non-Recurring	Countywide	Persons Served	100%	\$0.00
Culture & Recreation	\$9,303,065	Recurring		Case Study	0%	
Total Recurring Expenditures	\$230,857,857					

**EXHIBIT A-3
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 LAND USE AND DEMOGRAPHICS SUMMARY**

FUTURE LAND USE DATA

I. Santolina Master Plan Developable Land Use Description

A. Development/Neighborhood	Acres¹	
Residential	1,345	
Non-Residential	1,860	
Industrial/Energy Park		
Warehousing	503	
Manufacturing	168	
Energy	250	
Business Park	195	
Town Center	285	
Urban Center		
Office	17	
Commercial	50	
Institutional/Schools/Public Facilities	240	
Village Centers		
Office	37	
Commercial	115	
B. Residential Land Uses	Number of Units¹	
Single-Family Detached	5,167	
Single-Family Attached	2,782	
Multi-Family	839	
C. Non-Residential Land Uses	FAR	BSF¹
Industrial/Energy Park		
Warehousing	0.16	3,506,928
Manufacturing	0.16	1,168,976
Energy		
Business Park	0.24	2,036,517
Town Center	0.20	2,484,662
Urban Center		
Office	0.18	132,510
Commercial	0.18	390,472
Institutional	0.12	1,254,528
Village Centers		
Office	0.18	289,326
Commercial	0.18	901,692

DEMOGRAPHIC DATA

II. Demographics

A. Residential Land Use Population	Persons per Household²
Persons per Household (SFD/SFA)	2.34
Persons per Household (MF)	2.34

**EXHIBIT A-3
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
LAND USE AND DEMOGRAPHICS SUMMARY**

B. Non-Residential Land Use Employee Generation	BSF per Employee³
Industrial/Energy Park	N/A
Warehousing	1,100
Manufacturing	1,100
Energy	N/A
Business Park	300
Town Center	300
Urban Center	N/A
Office	300
Commercial	550
Institutional	300
Village Centers	N/A
Office	300
Commercial	550

POPULATION AND EMPLOYEES (CALCULATIONS)

III. Residential Land Uses	Number of Units	Residential Population
Total	8,788	20,586
Single-Family Detached	5,167	12,103
Single-Family Attached	2,782	6,517
Multi-Family	839	1,966

IV. Non-Residential Land Uses	Land Use Category	BSF	Total Direct Employees
Industrial/Energy Park			
Warehousing	Industrial/Warehousing	3,506,928	3,188
Manufacturing	Industrial/Manufacturing	1,168,976	1,063
Energy	Industrial/Energy		
Business Park	Office	2,036,517	6,788
Town Center	Retail/Commercial	2,484,662	8,282
Urban Center			
Office	Office	132,510	442
Commercial	Retail/Commercial	390,472	710
Institutional	Institutional	1,254,528	4,182
Village Centers			
Office	Office	289,326	964
Commercial	Retail/Commercial	901,692	1,639

Sub-Totals:

Total	12,165,611	27,259
Retail/Commercial	3,776,826	10,632
Office	2,458,352	8,195
Industrial/Warehousing	3,506,928	3,188
Industrial/Manufacturing	1,168,976	1,063
Industrial/Energy	0	0
Institutional	1,254,528	4,182

**EXHIBIT A-3
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
LAND USE AND DEMOGRAPHICS SUMMARY**

POPULATION AND EMPLOYEES (TOTALS)

V. Total Projected Residential Population	20,586
VI. Total Projected Direct Employees	27,259
VII. Total Persons Served Population	34,215

NOTES:

- 1** Source: Santolina Level B Specific Plan.
- 2** Source: Santolina Level B Specific Plan.
- 3** U.S. Census Bureau: State and County QuickFacts, as of September 1, 2015.
All figures subject to rounding.

**EXHIBIT A-4
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
PROPERTY TAX REVENUE ANALYSIS**

GENERAL PROPERTY TAX ASSUMPTIONS

I. Property Tax Rates

	County of Bernalillo ¹		
	Total	Debt Service/Other	General Fund
Residential Tax Rate (Mills)²			
County Operational	7.25		7.25
County Debt Service	1.27	1.27	
Judgment A	0.01	0.01	
Total Residential County Property Tax Rate	8.54	1.28	7.25
Non-Residential Tax Rate (Mills)²			
County Operational	10.75		10.75
County Debt Service	1.27	1.27	
Judgment A	0.01	0.01	
Total Non-Residential General Fund Property Tax Rate	12.03	1.28	10.75
Assessment Rate - Applicable to Residential & Non-Residential²			33%

II. Head of Household Exemption

Head of Household Exemption (Annually)	\$2,000
Percent of Sale Units Taking Homeowner's Exemption ³	50%

TAXABLE VALUATION ASSUMPTIONS

III. Assessed Valuation - Projected Land Uses

Residential Land Uses

A. Single-Family Detached

Number of Units ⁴	5,167
Estimated Blended Appraised Value per Unit ⁵	\$277,706
Total Estimated Net Taxable Value ⁶	\$473,132,635

B. Single-Family Attached

Number of Units ⁴	2,782
Estimated Blended Appraised Value per Unit ⁵	\$147,500
Total Estimated Net Taxable Value ⁶	\$134,000,706

C. Multi-Family

Number of Units ⁴	839
Estimated Appraised Value per Unit ⁵	\$139,375
Total Estimated Net Taxable Value	\$38,988,089

Non-Residential Land Uses

D. Retail/Commercial

Estimated BSF ⁴	3,776,826
Estimated Valuation per BSF ⁷	\$215
Total Estimated Net Taxable Value	\$271,054,735

E. Office

Estimated BSF ⁴	2,458,352
Estimated Valuation per BSF ⁷	\$122
Total Estimated Net Taxable Value	\$100,079,661

F. Industrial/Warehousing

Estimated BSF ⁴	3,506,928
Estimated Valuation per BSF ⁷	\$58
Total Estimated Net Taxable Value	\$67,960,962

**EXHIBIT A-4
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
PROPERTY TAX REVENUE ANALYSIS**

G. Industrial/Manufacturing		
Estimated BSF ⁴		1,168,976
Estimated Valuation per BSF ⁷		\$58
Total Estimated Net Taxable Value		\$22,653,654
H. Industrial/Energy		
Estimated Acre ⁴		250
Estimated Valuation per Acre ⁷		\$350,000
Total Estimated Net Taxable Value		\$29,166,667
I. Institutional		
Estimated BSF ⁴		1,254,528
Estimated Valuation per BSF ⁸		\$0
Total Estimated Net Taxable Value		\$0
J. Total Land Use Net Taxable Value (Includes Takeout from Homeowner's Exemption)		\$1,137,037,109

FISCAL IMPACT CALCULATION

IV. Fiscal Impact Category

A. Secured Property Tax

Residential Land Uses	County of Bernalillo ¹		
	Total	Dedicated	General Fund
Single-Family Detached	\$4,038,800	\$606,696	\$3,432,104
Single-Family Attached	\$1,143,870	\$171,829	\$972,041
Multi-Family	\$332,814	\$49,994	\$282,820
Non-Residential Land Uses			
Retail/Commercial	\$3,261,410	\$347,572	\$2,913,838
Office	\$1,204,188	\$128,332	\$1,075,856
Industrial/Warehousing	\$817,726	\$87,146	\$730,580
Industrial/Manufacturing	\$272,576	\$29,049	\$243,527
Industrial/Energy	\$350,942	\$37,400	\$313,542
Institutional	\$0	\$0	\$0

B. Less Estimated Property Taxes on Base Year Value⁹ **(\$7,677)**

Total County Property Tax Revenues	\$11,414,649	\$1,458,018	\$9,956,631
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NOTES:

- ¹ Based on data provided by New Mexico Department of Taxation and Revenue.
 - ² Source: Certificate of Property Tax Rates in Mills, Bernalillo County, Tax Year 2014.
 - ³ DTA estimate, subject to change.
 - ⁴ Please see Exhibit A-3. Subject to change.
 - ⁵ DTA estimate, subject to change.
Estimated residential valuation per unit based on Trulia and other similar sites.
 - ⁶ Includes estimated takedown from \$2,000 homeowner's exemption.
 - ⁷ Estimated Retail/Commercial, Office, and Industrial valuation per square foot based on data and research provided by Godfrey Appraisal Services (MAI), dated May 1, 2013.
Estimated solar farm valuation based on Hardee County, Florida 200-MW Solar Farm as reported on Clean Technica.com.
 - ⁸ Institutional assumed to be publicly owned with zero taxable value.
 - ⁹ Source: Bernalillo County Treasurer/Assessor.
- * All figures subject to rounding.

**EXHIBIT A-5
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 GROSS RECEIPTS TAX REVENUE ANALYSIS**

GROSS RECEIPTS TAX RATE ASSUMPTIONS

I. Gross Receipts Tax ("GRT") Rates

A. Generally Applicable Rates (Location Code 02-002)¹

	County of Bernalillo		
	Total	Dedicated	General Fund
First 1/8 Percent Tax - General Fund (Sec. 78-41)	0.1250%		0.1250%
Second 1/8 Percent Tax - County Indigent Care (Sec. 78-42) ²	0.1250%		0.1250%
County Environmental Services Gross Receipts Tax (Sec. 78-43) ³	0.1250%	0.1250%	
Third 1/8 Percent Tax - General County Purposes (Sec. 78-44) ⁴	0.1250%		0.1250%
"Health Care" Tax (Sec. 78-47) ⁵	0.0625%	0.0625%	
"Health Care" Tax (Sec. 78-48) ⁶	0.0625%	0.0625%	
2/8 - Hold Harmless (Sec. 78-49) ⁷	0.2500%	0.1250%	0.1250%
County Correctional (NMSA 7-20F, 1-12) ⁸	0.1250%	0.1250%	
Total GRT	1.0000%	0.5000%	0.5000%

First 1/8 Percent Tax - General Fund (Sec. 78-41)

Second 1/8 Percent Tax - County Indigent Care (Sec. 78-42)²

County Environmental Services Gross Receipts Tax (Sec. 78-43)³

Third 1/8 Percent Tax - General County Purposes (Sec. 78-44)⁴

"Health Care" Tax (Sec. 78-47)⁵

"Health Care" Tax (Sec. 78-48)⁶

2/8 - Hold Harmless (Sec. 78-49)⁷

County Correctional (NMSA 7-20F, 1-12)⁸

Total GRT

DIRECT NON-RESIDENTIAL TAXABLE GROSS RECEIPTS

II. Santolina Master Plan Gross Receipts Assumptions

A. Direct Annual Taxable Gross Receipts⁹

Non-Residential BSF

Retail	\$263
Office	\$157
Industrial	
Warehousing	\$19
Manufacturing	\$30
Institutional	\$0

B. Substituted/Displaced Gross Receipts

Substituted/Displaced Gross Receipts within the County of Bernalillo ¹⁰	10%
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C. Project Household (Residential and Employee) Element of Project Direct GRT

Percentage of Project Resident and Employee Spending outside of Santolina ¹⁰	25%
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INDIRECT RESIDENTIAL & EMPLOYEE TAXABLE GROSS RECEIPTS

III. Indirect Residential Gross Receipts Assumptions

A. Mortgage Assumptions

Projected Sales Price per Unit (Blended)	\$223,278
Average Mortgage (20% Down Payment) ¹⁰	\$178,622
Annual Mortgage Payment (8% for 30 Years) ¹¹	\$15,728
Additional Annual Taxes & Insurance (2.00%)	\$4,466

B. Household Disposable Income Assumptions

Average Household Income (3:1 Income to Household Payment Ratio) ¹⁰	\$60,581
Retail Taxable Expenditures (as a % of Disposable Income) ¹²	29.87%

C. Other Indirect Sales Tax Assumptions

Employees (Annual Spending per Employee)¹³	\$5,145
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Retail Taxable Sales Capture

County of Bernalillo Retail Taxable Purchase Capture ¹⁴	75%
Unincorporated County of Bernalillo Retail Taxable Purchase Capture ¹⁴	75%

**EXHIBIT A-5
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 GROSS RECEIPTS TAX REVENUE ANALYSIS**

FISCAL IMPACT CALCULATION

IV. Fiscal Impact Category

Fiscal Impact Amount

A. Direct Non-Residential GRT

Projected Non-Residential Land Uses	County of Bernalillo		
	Total	Dedicated	General Fund
Retail/Commercial	\$8,926,380	\$4,463,190	\$4,463,190
Office	\$3,471,120	\$1,735,560	\$1,735,560
Industrial/Warehousing	\$593,002	\$296,501	\$296,501
Industrial/Manufacturing	\$314,224	\$157,112	\$157,112
Industrial/Energy	\$0	\$0	\$0
Institutional	\$0	\$0	\$0
Minus 75% of Indirect GRT (below)¹⁵	\$11,884,369	\$5,863,276	\$6,021,093

B. Indirect Residential and Non-Residential GRT

Projected Residential Land Uses

Single-Family Detached	\$591,636	\$328,687	\$262,949
Single-Family Attached	\$318,550	\$176,972	\$141,578
Multi-Family	\$96,092	\$53,384	\$42,707

Non-Residential (Employee)

	\$887,531	\$493,073	\$394,458
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Total County Gross Receipts Tax Revenues	\$13,778,178	\$6,915,392	\$6,862,786
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NOTES:

- ¹ All references herein are to the Bernalillo County Code, Article II, Chapter 78.
 - ² Per Section 78-42, first \$1.0MM utilized for County indigent care, then General Fund.
 - ³ Per Section 78-43, used solely for the acquisition, construction, operation, and maintenance of various County waste and sewer facilities.
 - ⁴ Per Section 78-44, uses include payment of revenue bonds.
 - ⁵ Per Section 78-47, used for County Medicaid Fund.
 - ⁶ Per Section 78-48, used for County support of Indigent Patients.
 - ⁷ Per Section 78-49, used for general operations of the County, including securing revenue bonds, as well as for the behavioral and mental health needs of the County. Ord. No. 2015-7; Sec. 78-45 repealed.
 - ⁸ Used for the construction or operation of correctional facilities; extradition/transportation of prisoners.
 - ⁹ Source for Retail: Dollars & Cents of Shopping Centers / The Score 2008, Average Sales / BSF for Neighborhood Shopping Centers in the West.
 Source for Non-Retail: (i) New Mexico Taxation and Revenue, Gross Receipts by Geographic Area & NAICS Code (RP-80) (last four quarters)
 and (ii) New Mexico Department of Labor, Quarterly Census of Employment & Wages, Fourth Quarter 2014
 Source for Energy: Based on Hardee County, Florida 200-MW Solar Farm as reported on Clean Technica.com.
 - ¹⁰ DTA estimate. Subject to change.
 - ¹¹ DTA estimate. Annual payment includes principal, interest, property taxes, and homeowner's insurance.
 - ¹² Source: BOE 2008 Consumer Expenditure Survey.
 - ¹³ Source: "Office Worker Retail Spending In a Digital Age," ICSC (2012). Adjusted for inflation.
 - ¹⁴ DTA estimate. Subject to change.
 - ¹⁵ Reduced to avoid double-counting of "indirect" household spending within Santolina.
- * All figures subject to rounding.

**EXHIBIT A-6
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 INVESTMENT INCOME REVENUE ANALYSIS**

ASSUMPTIONS

I. Investment Income Assumptions

Investment Period for Recurring Non-Interest General Fund Revenues	12 Months
Local Government Investment Pool ("LGIP") Approximate Rate of Return ¹	3.25%
LGIP Participation Costs ²	0.05%

FISCAL IMPACT CALCULATION

II. Fiscal Impact Category	Fiscal Impact Amount
Total Property Tax Revenues (Exhibit 4)	\$9,956,631
Total Gross Receipts Tax Revenues (Exhibit 5)	\$6,862,786
Total Multiplier Revenues (Exhibit 7)	<u>\$2,019,081</u>
Projected Recurring General Fund Revenues Available for Investment	\$18,838,498
Plus: Investment Income (Less Earnings Cost)	\$611,945
Total Recurring General Fund Revenues	<u>\$19,450,443</u>

NOTES:

- ¹ Based on historic daily rates available at New Mexico State Treasurer's Office ("STO") website.
- ² STO charges a fixed rate fee which is assessed at the end of each month. The fee is 5 basis points.
- * *All figures subject to rounding.*

**EXHIBIT A-7
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 MULTIPLIER REVENUE SOURCES ANALYSIS**

ASSUMPTIONS

I. Multiplier Revenues

Revenue Category	Multiplier Factor ¹	Revenue Projection Basis ¹
Tax Revenue	\$9.22	Persons Served
Intergovernmental	\$0.24	Persons Served
Licenses and Permits	\$9.55	Persons Served
Fees for Service	\$40.00	Persons Served

FISCAL IMPACT CALCULATION

II. Fiscal Impact Category

	Fiscal Impact Amount
Tax Revenue	\$315,319
Intergovernmental	\$8,331
Licenses and Permits	\$326,803
Fees for Service	\$1,368,628

Total Multiplier Revenues	\$2,019,081
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NOTES:

¹ Based on County of Bernalillo Adopted Budget, Fiscal Year 2015-2016.

* *All figures subject to rounding.*

**EXHIBIT A-8
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 MULTIPLIER EXPENDITURES ANALYSIS**

ASSUMPTIONS

I. Multiplier Expenditures

Expenditure Category	Multiplier Factor ¹	Expenditure Projection Basis ¹
Sheriff - Field Services	\$100.58	Persons Served
Sheriff - Administration/General	\$11.02	Persons Served
Fire - Operations, Search & Rescue	\$57.69	Persons Served
Fire - Administration/General	\$6.32	Persons Served
Metropolitan Detention Center	\$38.71	Persons Served
Health & Welfare	\$8.43	Persons Served
Public Works	\$28.25	Persons Served

FISCAL IMPACT CALCULATION

II. Fiscal Impact Category

Fiscal Impact Amount

Sheriff - Field Services	\$3,441,401
Sheriff - Administration/General	\$377,197
Fire - Operations, Search & Rescue	\$1,974,041
Fire - Administration/General	\$216,366
Metropolitan Detention Center	\$1,324,488
Health & Welfare	\$288,529
Public Works	\$966,558

Total Multiplier Expenditures	\$8,588,580
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NOTES:

¹ Based on County of Bernalillo Adopted Budget, Fiscal Year 2015-2016.

* *All figures subject to rounding.*

**EXHIBIT A-9
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 GENERAL GOVERNMENT EXPENDITURES ANALYSIS**

ASSUMPTIONS

Total Recurring General Fund Expenditures (excluding General Government Overhead) ¹	\$172,276,617
Recurring General Government Overhead Expenditures (as a % of Total Recurring General Fund Expenditures) ²	34%
Marginal Increase in General Government Costs ³	33%

FISCAL IMPACT CALCULATION

<u>I. Fiscal Impact Category</u>	<u>Fiscal Impact Amount</u>
Total Multiplier Expenditures (Exhibit 8)	\$8,588,580
Total Case Study Expenditures - Parkland & Infrastructure (Exhibit 10)	<u>\$2,025,500</u>
	Projected Recurring General Fund Expenditures
	\$10,614,080
	Plus: General Government Costs
	\$1,191,046
	Total Recurring Expenditures
	\$11,805,126

NOTES:

¹ Based on County of Bernalillo Adopted Budget, Fiscal Year 2015-2016.

² General Government Overhead Expenditures defined as costs for General County, Finance, Legal, Human Resources, etc. Please see Exhibit A-2.

³ Estimate, subject to change.

* *All figures subject to rounding.*

**EXHIBIT A-10
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 CASE STUDY EXPENDITURES ANALYSIS**

PARKLAND & INFRASTRUCTURE MAINTENANCE COSTS

I. Assumptions - Summary of Positions¹

Open Space Employees	<i>Per 75 Acres</i>
Maintenance Employees	1.00
Supervisors	0.10
Parkland (Developed) Employees	<i>Per 75 Acres</i>
Maintenance Employees	7.50
Supervisors	0.75
Facilities	<i>Per 1,000 Residents</i>
Estimated Units of Swimming Pools	0.05
Estimated Units of Community Centers	0.08

II. Level B Assumptions²

Total Open Space & Parkland (Acres)	930
Parkland (Developed) as a Percentage of Total Open Space & Parkland ¹	33%
Open Space (Acres)	623
Parkland, Developed (Acres)	307
<i>Residential Population</i>	20,585

III. Employees and Facilities Required¹

Open Space	
Maintenance Employees	8.00
Supervisors	1.00
Parkland (Developed)	
Maintenance Employees	30.00
Supervisors	3.00
Facilities	
Swimming Pools	1.00
Community Centers	1.70

IV. Annual Cost Per Facility or Employee¹

Maintenance Employee	\$27,000
Maintenance Supervisor	\$48,000
Swimming Pool Operations & Maintenance	\$85,000
Community Center Operations & Maintenance	\$425,000

V. Estimated Annual Infrastructure & Parks Maintenance Calculation

Open Space	
Maintenance Employees	\$216,000
Supervisors	\$48,000
Parkland (Developed)	
Maintenance Employees	\$810,000
Supervisors	\$144,000
Swimming Pools	\$85,000
Community Centers	\$722,500

Total Parkland & Infrastructure Maintenance Costs	\$2,025,500
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NOTES:

¹ Source: Level of Service (LOS) metrics provided by Bernalillo County Parks and Recreation Department, Staff interviews.

² Please see Exhibit A-3. Subject to change.

** All figures subject to rounding.

EXHIBIT A-11
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
TOTAL FISCAL REVENUE SUMMARY

RECURRING GENERAL FUND REVENUES¹	TOTAL	DEDICATED	GENERAL FUND	PERCENT OF GF TOTAL
Property Tax	\$11,414,649	\$1,458,018	\$9,956,631	51.2%
Gross Receipts Tax	\$13,778,178	\$6,915,392	\$6,862,786	35.3%
Tax Revenue	\$315,319		\$315,319	1.6%
Intergovernmental	\$8,331		\$8,331	0.0%
Licenses and Permits	\$326,803		\$326,803	1.7%
Fees for Service	\$1,368,628		\$1,368,628	7.0%
Investment Income	\$883,945		\$611,945	3.1%
Total Recurring General Fund Revenues	\$28,095,853	\$8,373,410	\$19,450,443	100.0%

RECURRING GENERAL FUND EXPENDITURES²	TOTAL	DEDICATED	GENERAL FUND	PERCENT OF GF TOTAL
Sheriff - Field Services	\$3,441,401		\$3,441,401	29.2%
Sheriff - Administration/General	\$377,197		\$377,197	3.2%
Fire - Operations, Search & Rescue	\$1,974,041		\$1,974,041	16.7%
Fire - Administration/General	\$216,366		\$216,366	1.8%
Metropolitan Detention Center	\$1,324,488		\$1,324,488	11.2%
Health & Welfare	\$288,529		\$288,529	2.4%
Public Works	\$966,558		\$966,558	8.2%
General Government	\$1,191,046		\$1,191,046	10.1%
Parkland & Infrastructure Maintenance	\$2,025,500		\$2,025,500	17.2%
Total Recurring General Fund Expenditures	\$11,805,126		\$11,805,126	100.0%

NET FISCAL IMPACT				
Total Annual Recurring Surplus/(Deficit)	\$16,290,727		\$7,645,317	
Total Annual Revenue/Expenditure Ratio	2.38		1.65	
Total Fiscal Surplus/(Deficit) per Unit	\$1,854		\$870	

NOTES:

¹ Please see Exhibits 4-7 for the derivation of these calculations.

² Please see Exhibits 8-10 for the derivation of these calculations.

* All figures subject to rounding.

EXHIBIT B-1
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
CONSTRUCTION (ONE-TIME) GRT SUMMARY

FUTURE LAND USE DATA

I. Santolina Master Plan Developable Land Use Description¹

A. Residential Land Uses	Number of Units¹
Single-Family Detached	5,167
Single-Family Attached	2,782
Multi-Family	839
B. Non-Residential Land Uses	BSF¹
Retail/Commercial	3,776,826
Office	2,458,352
Industrial/Warehousing	3,506,928
Industrial/Manufacturing	1,168,976
Industrial/Energy	0
Institutional	1,254,528
	Acres¹
Industrial/Energy	250

CONSTRUCTION COST DATA

II. Infrastructure²

Total	\$1,092,815,965
Trunk Infrastructure	\$478,577,486
Residential Tracts	\$296,513,979
Commercial Tracts	\$317,724,500

III. Vertical Construction Costs

A. Residential Land Uses - Per BSF³

Single-Family Detached	\$82
Single-Family Attached	\$74
Multi-Family	\$84

B. Non-Residential Land Uses - Per BSF³

Retail/Commercial	\$170
Office	\$85
Industrial/Warehousing	\$46
Industrial/Manufacturing	\$46
Industrial/Energy	\$8
Institutional	\$137

C. Non-Residential Land Uses - Per Acre³

\$350,000

IV. TOTAL CONSTRUCTION COSTS

\$3,572,599,938

**EXHIBIT B-1
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 CONSTRUCTION (ONE-TIME) GRT SUMMARY**

GRT CALCULATIONS

V. Applicable GRT Rate⁴

County of Bernalillo		
Total	Dedicated	General Fund
1.0000%	0.5000%	0.5000%

VI. TOTAL ONE-TIME CONSTRUCTION GRT⁵

County of Bernalillo		
Total	Dedicated	General Fund
\$35,726,000	\$17,863,000	\$17,863,000

NOTES:

- ¹ Please see Exhibit A-3.
- ² Source: Western Albuquerque Land Holdings, LLC ("WALH"), Santolina Level B Plan, Santolina Master Plan, Infrastructure Costs (2015). Reflects Trunk, In-Tract, and Offsite Development Costs (includes both hard and soft costs).
- ³ Source: Godfrey Appraisal Services for Retail/Commercial, Industrial, Office
 RS Means, Square Foot Costs , 34th Edition (2013 - Albuquerque, New Mexico location factor applied) for Residential, Institutional.
 Per Acre solar farm construction costs based on Hardee County, Florida 200-MW Solar Farm as reported on Clean Technica.com.
- ⁴ Please see Exhibit A-5.
- ⁵ Non-recurring, over entire Level B buildout period.
- * **All figures subject to rounding**

Recurring General Fund Revenues

■ PROPERTY TAX

■ GROSS RECEIPTS TAX

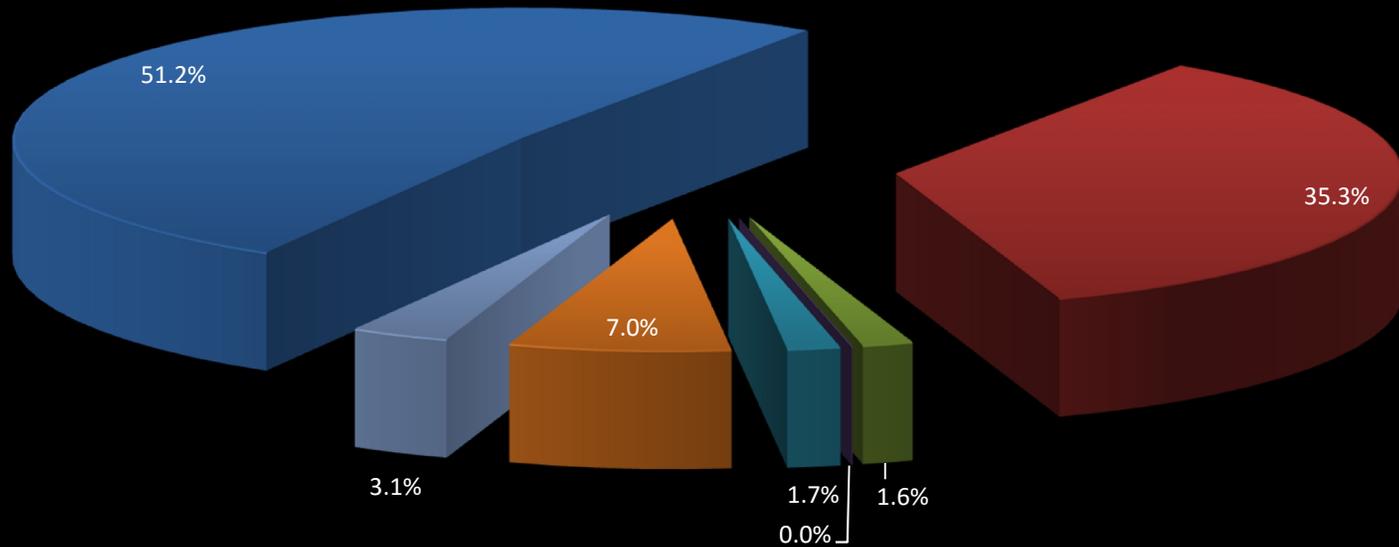
■ Tax Revenue

■ Intergovernmental

■ Licenses and Permits

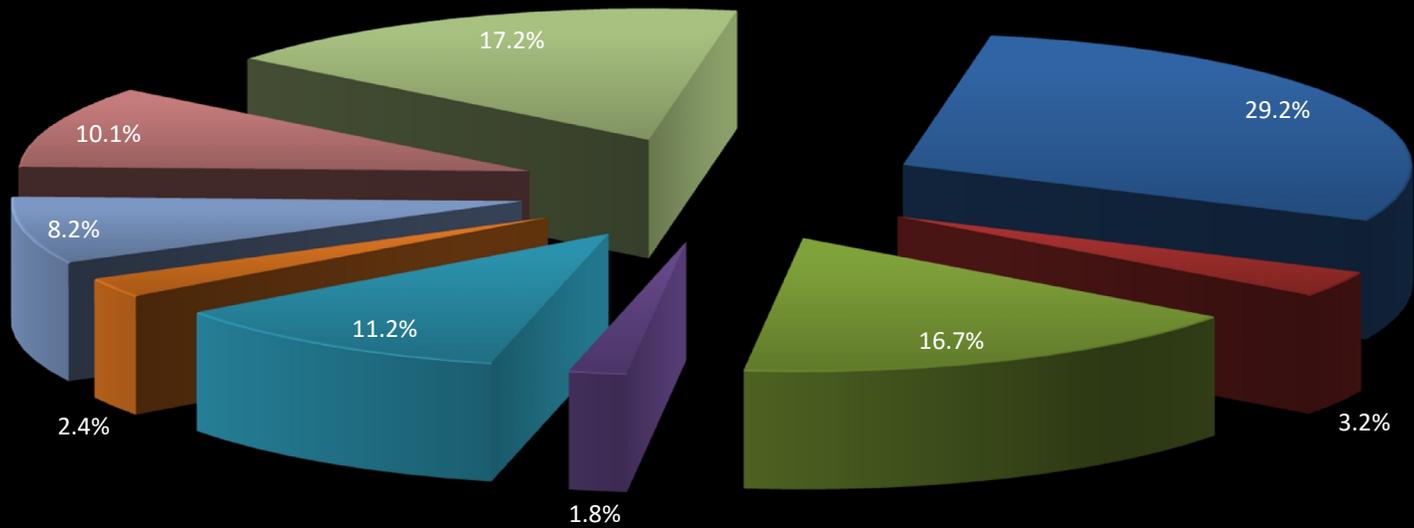
■ Fees for Service

■ Investment Income



Recurring General Fund Expenditures

- SHERIFF - FIELD SERVICES
- Sheriff - Administration/General
- FIRE - OPERATIONS, SEARCH & RESCUE
- Fire - Administration/General
- Metropolitan Detention Center
- Health & Welfare
- Public Works
- General Government
- PARKLAND & INFRASTRUCTURE MAINTENANCE



APPENDIX B

ECONOMIC IMPACT MODEL

**EXHIBIT C-1
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
JOB CREATION - FULL-TIME EQUIVALENT ("FTE") POSITIONS**

ASSUMPTIONS

I. Non-Residential Land Use Assumptions

A. Non-Residential Land Uses	Land Use Category	Sq. Ft. [1]
Industrial/Energy Park		
Warehousing	Industrial/Warehousing	3,506,928
Manufacturing	Industrial/Manufacturing	1,168,976
Energy	Industrial/Energy	
Business Park	Office	2,036,517
Town Center	Retail/Commercial	2,484,662
Urban Center		
Office	Office	132,510
Commercial	Retail/Commercial	390,472
Institutional	Institutional	1,254,528
Village Centers		
Office	Office	289,326
Commercial	Retail/Commercial	901,692
B. BSF per Employee [2]	Land Use Category	
Industrial/Energy Park		
Warehousing	Industrial/Warehousing	1,100
Manufacturing	Industrial/Manufacturing	1,100
Energy	Industrial/Energy	N/A
Business Park	Office	300
Town Center	Retail/Commercial	300
Urban Center		
Office	Office	300
Commercial	Retail/Commercial	550
Institutional	Institutional	300
Village Centers		
Office	Office	300
Commercial	Retail/Commercial	550

JOB CREATION CALCULATION - FULL-TIME EQUIVALENT POSITIONS

II. COUNTY

Non-Residential Land Use	Direct Employees [3]	Indirect Employees [4]	Induced Employees [5]	Total Employees
Retail/Commercial	10,632	1,707	2,138	14,476
Office	8,195	2,277	2,858	13,329
Industrial/Warehousing	3,188	659	1,195	5,042
Industrial/Manufacturing	1,063	360	457	1,880
Industrial/Energy	0	0	0	0
Institutional	4,182	1,372	1,263	6,817
TOTAL, NON-RESIDENTIAL	27,259	6,376	7,910	41,545

III. PROJECT [6]

Non-Residential Land Use	Direct Employees [3]	Indirect Employees [4]	Induced Employees [5]	Total Employees
Retail/Commercial	10,632	853	1,069	12,554
Office	8,195	1,139	1,429	10,763
Industrial/Warehousing	3,188	329	597	4,114
Industrial/Manufacturing	1,063	180	228	1,471
Industrial/Energy	0	0	0	0
Institutional	4,182	686	632	5,500
TOTAL, NON-RESIDENTIAL	27,259	3,188	3,955	34,402

NOTES:

- [1] Source: Santolina Level B Plan
 - [2] Source: Santolina Level B Plan
Identical to metrics utilized in *Fiscal Impact Analysis*, please see Exhibit A-3.
 - [3] Based on dividing SF by "BSF per Employee" metric.
 - [4] Source: Bernalillo County IMPLAN multipliers.
 - [5] Source: Bernalillo County IMPLAN multipliers.
 - [6] An estimated 50% of the Project's indirect and induced impacts occurring in Bernalillo County will take place within the Santolina Master Plan. Typical DTA baseline assumption. Subject to change.
- * **All figures subject to rounding.**

EXHIBIT C-2
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
TOTAL OUTPUT

TOTAL OUTPUT CALCULATION

I. COUNTY	Total				
	Square Footage [1]	Direct Output [2]	Indirect Output [3]	Induced Output [4]	Total Output
Retail/Commercial	3,776,826	\$673,499,504	\$192,405,720	\$237,467,722	\$1,103,372,946
Office	2,458,352	\$719,595,460	\$237,244,289	\$317,429,636	\$1,274,269,384
Industrial/Warehousing	3,506,928	\$300,997,319	\$69,849,311	\$132,726,463	\$503,573,093
Industrial/Manufacturing	1,168,976	\$178,535,031	\$44,557,950	\$50,763,626	\$273,856,607
Industrial/Energy [6]	0	\$0	\$0	\$0	\$0
Institutional [7]	1,254,528	\$340,679,213	\$155,633,188	\$140,312,181	\$636,624,581
TOTAL, NON-RESIDENTIAL	12,165,611	\$2,213,306,526	\$699,690,458	\$878,699,627	\$3,791,696,611

II. PROJECT [5]	Total				
	Square Footage [1]	Direct Output [2]	Indirect Output [3]	Induced Output [4]	Total Output
Retail/Commercial	3,776,826	\$673,499,504	\$96,202,860	\$118,733,861	\$888,436,225
Office	2,458,352	\$719,595,460	\$118,622,144	\$158,714,818	\$996,932,422
Industrial/Warehousing	3,506,928	\$300,997,319	\$34,924,655	\$66,363,232	\$402,285,206
Industrial/Manufacturing	1,168,976	\$178,535,031	\$22,278,975	\$25,381,813	\$226,195,819
Industrial/Energy [6]	0	\$0	\$0	\$0	\$0
Institutional [7]	1,254,528	\$340,679,213	\$77,816,594	\$70,156,090	\$488,651,897
TOTAL, NON-RESIDENTIAL	12,165,611	\$2,213,306,526	\$349,845,229	\$439,349,814	\$3,002,501,569

NOTES:

- [1] Source: Santolina Level B Plan
- [2] Source: Bernalillo County IMPLAN multipliers.
- [3] Source: Bernalillo County IMPLAN multipliers.
- [4] Source: Bernalillo County IMPLAN multipliers.
- [5] An estimated 50% of the Project's indirect and induced impacts occurring in Bernalillo County will take place within the Santolina Master Plan. Typical DTA baseline assumption. Subject to change.
- [6] See Exhibit C-1.
- [7] Institutional Direct Output = SF multiplied by Office projected gross receipts per SF, discounted by 25% to reflect reduced productivity of land use category.

* All figures subject to rounding.

**EXHIBIT C-3
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 TOTAL ANNUALIZED WAGES FOR FULL-TIME EQUIVALENT POSITIONS**

I. COUNTY

Non-Residential Land Use	Direct Wages [1]	Indirect Wages [2]	Induced Wages [3]	Total Wages
Retail/Commercial	\$265,715,499	\$73,769,280	\$92,391,852	\$431,876,631
Office	\$449,239,274	\$98,425,356	\$123,505,095	\$671,169,725
Industrial/Warehousing	\$140,806,367	\$28,477,580	\$51,646,536	\$220,930,482
Industrial/Manufacturing	\$56,751,667	\$15,577,313	\$19,740,401	\$92,069,381
Industrial/Energy	\$0	\$0	\$0	\$0
Institutional	\$177,415,350	\$59,310,973	\$54,596,086	\$291,322,409
TOTAL, NON-RESIDENTIAL	\$1,089,928,156	\$275,560,503	\$341,879,970	\$1,707,368,629

II. PROJECT [4]

Non-Residential Land Use	Direct Wages [1]	Indirect Wages [2]	Induced Wages [3]	Total Wages
Retail/Commercial	\$265,715,499	\$36,884,640	\$46,195,926	\$348,796,065
Office	\$449,239,274	\$49,212,678	\$61,752,547	\$560,204,499
Industrial/Warehousing	\$140,806,367	\$14,238,790	\$25,823,268	\$180,868,425
Industrial/Manufacturing	\$56,751,667	\$7,788,657	\$9,870,200	\$74,410,524
Industrial/Energy	\$0	\$0	\$0	\$0
Institutional	\$177,415,350	\$29,655,487	\$27,298,043	\$234,368,879
TOTAL, NON-RESIDENTIAL	\$1,089,928,156	\$137,780,251	\$170,939,985	\$1,398,648,392

NOTES:

- [1] Based on Direct Employees multiplied by Retail annual salary of \$24,993, which reflects an average of local "retail" and "food service/accommodation" codes.
 Based on Direct Employees multiplied by Office annual salary of \$54,822, which reflects an average of the following local codes: "professional services," "administrative support," "finance and insurance," and "information."
 Based on Direct Employees multiplied by Industrial/Warehouse annual salary of \$44,166, which reflects the local "transportation/warehousing" code.
 Based on Direct Employees multiplied by Industrial/Manufacturing annual salary of \$53,403, which reflects an average of the local "wholesale trade" and "manufacturing" codes.
 Based on Direct Employees multiplied by Industrial/Energy annual salary of \$70,317, which reflects an average of the local "utilities" and "energy extraction" codes.
 Based on Direct Employees multiplied by Institutional annual salary of \$42,426, which reflects an average of the following local codes: "education," "healthcare," and "public administration."
 Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics Reports (New Mexico, 2014) for Bernalillo County, confirmed by Bureau of Labor Statistics (May 2014).
 - [2] Based on indirect employees multiplied by County average annual salary of \$43,219.
 Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics Reports (New Mexico, 2014) for Bernalillo County, confirmed by Bureau of Labor Statistics (May 2014).
 - [3] Based on indirect employees multiplied by County average annual salary of \$43,219.
 Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics Reports (New Mexico, 2014) for Bernalillo County, confirmed by Bureau of Labor Statistics (May 2014).
 - [4] An estimated 50% of the Project's indirect and induced impacts occurring in Bernalillo County will take place within the Santolina Master Plan. Typical DTA baseline assumption. Subject to change.
- * **All figures subject to rounding.**

**EXHIBIT C-4
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
JOBS-HOUSING BALANCE**

ASSUMPTIONS

I. Demographics

	Amount
A. Bernalillo County [1]	
Housing Units	288,400
Employees	314,251
B. Unincorporated County [1]	
Housing Units	44,974
Employees	50,250
C. The Project - Projected at Buildout [2]	
Housing Units	8,788
Employees	34,402

II. Job Impacts [3]

A. Bernalillo County	
Direct Impact	27,259
Additional Indirect, County	6,376
Additional Induced, County	7,910
Total Project, County	41,545
B. The Project	
Direct Impact	27,259
Additional Indirect, Project	3,188
Additional Induced, Project	3,955
Total Project	34,402

III. Cumulative Demographics

A. Housing - Existing plus Project (Countywide)	297,188
<i>Percentage Increase</i>	3.05%
B. Employment - Existing plus Project (Countywide)	355,796
<i>Percentage Increase</i>	13.22%

JOBS-HOUSING BALANCE CALCULATION

IV. Jobs-Housing Balance

A. Bernalillo County	
Existing	1.09
Existing with Project	1.20
<i>Percentage Increase</i>	9.87%
B. Unincorporated County	
Existing	1.12
Existing with Project	1.57
<i>Percentage Increase</i>	40.92%

NOTES:

[1] Source: U.S. Census Bureau, Population Division, as of July 1, 2015.

[2] Source: Santolina Level B Plan, WALH.

[3] Please see Exhibit C-1 of *Economic Impact Study*.

* **All figures subject to rounding.**

**EXHIBIT C-5
 BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
 CONSTRUCTION/ONE-TIME IMPACTS**

JOB CREATION CALCULATION - FULL-TIME EQUIVALENTS ("FTE")

I. COUNTY

	Direct	Indirect	Induced	Total Construction
Project Land Use	Employees [1]	Employees [2]	Employees [3]	Employees
Retail/Commercial	6,104	1,250	2,341	9,695
Office	1,888	500	771	3,159
Industrial/Warehousing	1,457	386	595	2,439
Industrial/Manufacturing	536	84	205	826
Industrial/Energy	873	137	334	1,344
Institutional	1,599	251	612	2,462
Residential/Infrastructure	16,290	3,517	8,581	28,388
TOTAL:	28,748	6,125	13,439	48,312

II. PROJECT [4]

	Direct	Indirect	Induced	Total Construction
Project Land Use	Employees [1]	Employees [2]	Employees [3]	Employees
Retail/Commercial	6,104	625	1,170	7,899
Office	1,888	250	386	2,524
Industrial/Warehousing	1,457	193	298	1,948
Industrial/Manufacturing	536	42	103	681
Industrial/Energy	873	68	167	1,108
Institutional	1,599	125	306	2,030
Residential/Infrastructure	16,290	1,759	4,290	22,339
TOTAL:	28,748	3,062	6,720	38,530

NOTES:

[1] Based on direct-effect employment multiplier divided by one-time output (see below). As this is an analysis of just one industry (construction) at one time, Direct Employment metric is based on Direct Output.

[2] Based on indirect-effect employment multiplier multiplied by one-time output (see below). Indirect Employment metric is based on Direct Output. Source: Bernalillo County IMPLAN multipliers.

[3] Based on induced-effect employment multiplier multiplied by one-time output (see below). Induced Employment metric is based on Direct Output. Source: Bernalillo County IMPLAN multipliers.

[4] An estimated 50% of the Project impacts occurring in Bernalillo County will take place within the Santolina Master Plan. Typical DTA baseline assumption. Subject to change.

* All figures subject to rounding

**EXHIBIT C-5
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
CONSTRUCTION/ONE-TIME IMPACTS**

TOTAL WAGE CALCULATION

III. COUNTY

Project Land Use	Direct Wages [1]	Indirect Wages [2]	Induced Wages [3]	Total Wages
Retail/Commercial	\$270,333,302	\$54,016,168	\$101,165,809	\$425,515,280
Office	\$83,604,605	\$21,606,536	\$33,324,734	\$138,535,875
Industrial/Warehousing	\$64,543,412	\$16,680,416	\$25,726,956	\$106,950,784
Industrial/Manufacturing	\$23,759,360	\$3,637,833	\$8,874,981	\$36,272,174
Industrial/Energy	\$38,661,554	\$5,919,531	\$14,441,490	\$59,022,575
Institutional	70826652.43	\$10,844,379	\$26,456,318	\$108,127,350
Residential/Infrastructure	\$721,407,905	\$152,010,817	\$370,850,771	\$1,244,269,493
TOTAL:	\$1,273,136,789	\$264,715,681	\$580,841,059	\$2,118,693,529

IV. PROJECT [4]

Project Land Use	Direct Wages [1]	Indirect Wages [2]	Induced Wages [3]	Total Wages
Retail/Commercial	\$270,333,302	\$27,008,084	\$50,582,905	\$347,924,291
Office	\$83,604,605	\$10,803,268	\$16,662,367	\$111,070,240
Industrial/Warehousing	\$64,543,412	\$8,340,208	\$12,863,478	\$85,747,098
Industrial/Manufacturing	\$23,759,360	\$1,818,916	\$4,437,490	\$30,015,767
Industrial/Energy	\$38,661,554	\$2,959,765	\$7,220,745	\$48,842,064
Institutional	\$70,826,652	\$5,422,190	\$13,228,159	\$89,477,001
Residential/Infrastructure	\$721,407,905	\$76,005,408	\$185,425,386	\$982,838,699
TOTAL:	\$1,273,136,789	\$132,357,840	\$290,420,529	\$1,695,915,159

NOTES:

- [1] Based on direct construction employees multiplied by Construction annual salary of \$44,286.
Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics Reports (New Mexico, 2014) for Bernalillo County, confirmed by Bureau of Labor Statistics (May 2014).
- [2] Based on indirect employees multiplied by County average annual salary of \$43,219.
Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics Reports (New Mexico, 2014) for Bernalillo County, confirmed by Bureau of Labor Statistics (May 2014).
- [3] Based on induced employees multiplied by County average annual salary of \$43,219.
Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics Reports (New Mexico, 2014) for Bernalillo County, confirmed by Bureau of Labor Statistics (May 2014).
- [4] An estimated 50% of the Project impacts occurring in Bernalillo County will take place within the Santolina Master Plan. Typical DTA baseline assumption. Subject to change.

* **All figures subject to rounding**

**EXHIBIT C-5
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
CONSTRUCTION/ONE-TIME IMPACTS**

TOTAL OUTPUT CALCULATION

V. COUNTY

Project Land Use	Total				
	Square Footage [1]	Direct Output [2]	Indirect Output [3]	Induced Output [4]	Total Output
Retail/Commercial	3,776,826	\$642,060,461	\$157,419,557	\$260,039,819	\$1,059,519,837
Office	2,458,352	\$208,959,934	\$62,619,439	\$85,660,644	\$357,240,016
Industrial/Warehousing	3,506,928	\$161,318,710	\$48,342,698	\$66,130,690	\$275,792,098
Industrial/Manufacturing	1,168,976	\$53,772,903	\$10,639,982	\$22,812,547	\$87,225,432
Industrial/Energy	0	\$87,500,000	\$17,313,524	\$37,120,886	\$141,934,410
Institutional	1,254,528	\$160,297,025	\$31,717,786	\$68,004,201	\$260,019,013
Residential/Infrastructure	8,788 Housing Units	\$2,246,959,524	\$731,511,060	\$765,244,035	\$3,743,714,619
TOTAL:	12,165,611	\$3,560,868,556	\$1,059,564,047	\$1,305,012,822	\$5,925,445,425

VI. PROJECT [5]

Project Land Use	Total				
	Square Footage [1]	Direct Output [2]	Indirect Output [3]	Induced Output [4]	Total Output
Retail/Commercial	3,776,826	\$642,060,461	\$78,709,779	\$130,019,910	\$850,790,149
Office	2,458,352	\$208,959,934	\$31,309,719	\$42,830,322	\$283,099,975
Industrial/Warehousing	3,506,928	\$161,318,710	\$24,171,349	\$33,065,345	\$218,555,404
Industrial/Manufacturing	1,168,976	\$53,772,903	\$5,319,991	\$11,406,273	\$70,499,168
Industrial/Energy	0	\$87,500,000	\$8,656,762	\$18,560,443	\$114,717,205
Institutional	1,254,528	\$160,297,025	\$15,858,893	\$34,002,101	\$210,158,019
Residential/Infrastructure	8,788 Housing Units	\$2,246,959,524	\$365,755,530	\$382,622,017	\$2,995,337,071
TOTAL:	12,165,611	\$3,560,868,556	\$529,782,023	\$652,506,411	\$4,743,156,991

NOTES:

- [1] Source: Santolina Master Plan.
 - [2] Construction costs reflect amount estimated to be spent within the County, which is outlined in Exhibit B-1 of the *Fiscal Impact Analysis*.
Source: Santolina Master Plan, Godfrey Appraisal Services, RSMears (2013) data.
 - [3] Indirect Output metric is based on Direct Output Metric. Source: Bernalillo County IMPLAN multipliers.
 - [4] Induced Output metric is based on Direct Output Metric. Source: Bernalillo County IMPLAN multipliers.
 - [5] An estimated 50% of the Project impacts occurring in Bernalillo County will take place within the Santolina Master Plan. Typical DTA baseline assumption. Subject to change.
- * All figures subject to rounding.

**EXHIBIT C-6
BERNALILLO COUNTY, NEW MEXICO - SANTOLINA LEVEL B PLAN
SUMMARY**

ASSUMPTIONS (IMPLAN)

I. <u>LAND USE ASSUMPTIONS</u>	Sq. Ft.
Retail/Commercial	3,776,826
Office	2,458,352
Industrial/Warehousing	3,506,928
Industrial/Manufacturing	1,168,976
Industrial/Energy	0
Institutional	1,254,528
<i>Residential Units</i>	8,788

II. <u>EMPLOYMENT ASSUMPTIONS</u>	BSF Per Employee
Retail/Commercial	355
Office	300
Industrial/Warehousing	1100
Industrial/Manufacturing	1100
<i>Industrial/Energy</i>	NA
Institutional	300

III. <u>GROSS RECEIPTS ASSUMPTIONS</u>	per SF/per Acre
Retail/Commercial	\$361
Office	\$118
Industrial/Warehousing	\$26
Industrial/Manufacturing	\$59
Industrial/Energy	\$0
Institutional	\$88

CONCLUSIONS (IMPLAN)

Recurring Impacts

IV. <u>JOB CREATION</u>	Direct	Indirect/Induced	Total
Countywide	27,259	14,286	41,545
Project	27,259	7,143	34,402

V. <u>EMPLOYEE WAGES</u>	Direct	Indirect/Induced	Total
Countywide	\$1,089,928,156	\$617,440,473	\$1,707,368,629
Project	\$1,089,928,156	\$308,720,236	\$1,398,648,392

VI. <u>TOTAL OUTPUT</u>	Direct	Indirect/Induced	Total
Countywide	\$2,213,306,526	\$1,578,390,085	\$3,791,696,611
Project	\$2,213,306,526	\$789,195,043	\$3,002,501,569

Construction/One-Time Impacts

VII. <u>CONSTRUCTION JOBS</u>	Direct	Indirect/Induced	Total
Countywide	28,748	19,564	48,312
Project	28,748	9,782	38,530

VIII. <u>CONSTRUCTION WAGES</u>	Direct	Indirect/Induced	Total
Countywide	\$1,273,136,789	\$845,556,739	\$2,118,693,529
Project	\$1,273,136,789	\$422,778,370	\$1,695,915,159

IX. <u>CONSTRUCTION OUTPUT</u>	Direct	Indirect/Induced	Total
Countywide	\$3,560,868,556	\$2,364,576,868	\$5,925,445,425
Project	\$3,560,868,556	\$1,182,288,434	\$4,743,156,991

Other Impacts

X. <u>JOBS-HOUSING BALANCE</u>	Balance With Project	% Increase/ (Decrease)
Countywide	1.20	9.87%

APPENDIX C

SITE PLAN – SANTOLINA MASTER PLAN (LEVEL B)
