

PIONEER MEADOWS

Fiscal Impact Analysis

JUNE 2018

Prepared by:

EKAY | ECONOMIC CONSULTANTS

550 West Plumb Lane
Suite B459
Reno, NV 89509
(775) 232-7203
www.ekayconsultants.com

Table of Contents

Pioneer Meadows- Fiscal Impact Analysis

EXECUTIVE SUMMARY	I
METHODOLOGY.....	1
FINDINGS	5
Table 1. Summary of Estimated City of Sparks General Fund Impacts, 20-Year Total	5
Table 2. Summary of Estimated City of Sparks General Fund Impacts, by Year.....	6
Table 3. Summary of Estimated City of Sparks Road Fund Impacts, 20-Year Total	7
Table 4. Summary of Estimated City of Sparks Road Fund Impacts, by Year.....	7
LIMITING CONDITIONS & DISCLOSURES.....	10
APPENDICES.....	11

PIONEER MEADOWS

FISCAL IMPACT ANALYSIS

EXECUTIVE SUMMARY

Ekay Economic Consultants, Inc. (EEC) of Reno, Nevada was retained to conduct a fiscal impact analysis of a small portion of the larger Pioneer Meadows project on the City of Sparks. The project includes 10.6 acres of land currently located in the City of Sparks. The project will include 38 single-family residential units built in 2022. The following are the findings of the fiscal impact analysis:

General Fund

- The project is estimated to generate \$1.94 million in revenue for the City of Sparks General Fund over the 20-year analysis period (2022-2041). This includes real property tax, sales tax, and other revenue sources.
- The project is estimated to generate \$1.15 million in City of Sparks General Fund expenditures over the 20-year analysis period. This includes all General Fund expenditure sources (police, fire, judicial, etc.).
- The project is estimated to have a cumulative positive impact (revenue surplus) on the City of Sparks General Fund of \$791,000 over the 20-year analysis period.

Street/Road Fund

- The project is estimated to generate \$160,000 in revenue for the City of Sparks Road Fund over the 20-year analysis period. The fund receives revenue primarily from fuel taxes, as well as franchise fees.

Executive Summary

Pioneer Meadows- Fiscal Impact Analysis

- The project is estimated to generate \$934,000 in expenditures for the City of Sparks Road Fund. This includes all maintenance and repair costs associated with streets added to the City by the project.
- The project is estimated to result in a deficit of \$774,000 for the City of Sparks Road Fund over the 20-year analysis period. The deficit is due to a disconnect between limited sources of revenue available for this fund and high costs associated with street maintenance and repair. This disconnect applies not only to this project, but to all new and existing streets within the City as the existing Road Fund revenue structure is insufficient to cover proposed street maintenance costs.

Other Impacts

- In addition to General and Road Fund impacts, the project is estimated to generate revenue from various development-related fees.
 - This includes \$85,000 in building permit, \$35,000 in plan review, \$5,300 in current planning, \$39,000 in fire inspection and plan review, \$152,000 in region road impact, \$38,000 in residential park tax, and \$232,000 in sewer connection fee revenue.
- Additionally, the project is located in the Impact Fee Service Area #1 (IFSA1), generating \$76,000 in revenue to be spent in the IFSA1, including \$11,000 in sanitary sewer, \$22,500 in flood control, \$30,000 in regional park/recreation, and \$13,000 in fire station revenue.

PIONEER MEADOWS FISCAL IMPACT ANALYSIS

Ekay Economic Consultants, Inc. (EEC) of Reno, Nevada was retained to conduct a fiscal impact analysis of a small portion of the larger Pioneer Meadows project on the City of Sparks. The project includes 10.6 acres of land currently located in the City of Sparks.

This fiscal impact analysis focuses only on a small portion of the larger Pioneer Meadows project, located on parcel 528-101-47. The 56.9-acre parcel currently has two land use densities, CF-community facilities and LDR-low density residential. Project developers are requesting to change the 10.6-acre CF land use to LDR. This will result in the same LDR use for the entire parcel and is consistent with surrounding ongoing and future residential development in the area.

The fiscal impact analysis focuses on the 10.6-acres currently designated CF. The analysis assumes this area will be changed to the LDR land use, with 38 single-family residential units on 9.54 acres and 1.06 acres dedicated to drainage and open space. The project's 38 units are proposed to be built in 2022.

METHODOLOGY

Buildout assumptions for the development provide the foundation on which the fiscal impact analysis is based. The buildout for the project is one year (2022); the analysis includes a 20-year period to show the long-term impact of the project (2022-2041). Appendix 1 shows annually the number of residential units and square feet constructed; land and improvement taxable values; and construction materials costs.

It should be noted that information in Appendix 1 is based on the best information available to the developer and EEC as of the date of the report and may change as the

Methodology

Pioneer Meadows- Fiscal Impact Analysis

project moves through the approval process and begins development. This fiscal impact analysis may be revised if such changes occur.

Buildout assumptions shown in Appendix 1 are used to estimate revenue and costs generated by the development for the City of Sparks. Appendices at the end of this report present revenue and cost projections on an annual basis over the analysis period. Assumptions used in developing these estimates are presented at the end of each appendix. Those appendices are:

- Appendix 1: Buildout Assumptions
- Appendix 2: City of Sparks Estimated Number of Residents
- Appendix 3: City of Sparks Estimated Real Property Tax Revenue
- Appendix 4: City of Sparks Estimated Sales Tax Revenue
- Appendix 5: City of Sparks Estimated Permit and Impact Fee Revenue
- Appendix 6: City of Sparks Comparison of Estimated Revenue to Estimated Costs
- Appendix 7: City of Sparks Police Department Cost Projections
- Appendix 8: City of Sparks Fire Department Cost Projections
- Appendix 9: City of Sparks Street Maintenance Cost Projections

The following important assumptions were made in this analysis:

1. The analysis estimates 37 residents will reside at the project at full buildout. Due to low single-family home vacancy rates in the Reno-Sparks area, all residents of the project are estimated to be new residents of the City of Sparks, whether due to development residents moving to Sparks from outside the City or moving from existing Sparks homes, as these homes are expected to become occupied by new residents to the area. This is a conservative assumption that overestimates costs over revenues, as a high percentage of revenues are not estimated using a per capita methodology. The analysis does include an adjustment for housing vacancy as shown in Appendix 2.
2. The fiscal impact analysis for the City of Sparks includes all revenue and expenditure sources for the General and Road Funds. This is because the General Fund is expected

Methodology

Pioneer Meadows- Fiscal Impact Analysis

to provide the majority of services to the project and receive the majority of its revenue. The Road Fund analysis is included, as the project will add new streets to the City of Sparks inventory, resulting in new costs for the City.

The Development Services Fund is omitted even though it will collect permit/fee revenue and will provide building inspection services to the development. Revenue and costs for this fund, and other similar funds, are accounted for in an Enterprise or Proprietary Funds which are required to break-even, minimizing any fiscal impact on the City. However, various building permit, plan review and impact fee revenue is estimated in Appendix 5 to show the impact of project construction on these revenue sources.

3. Fiscal impact revenue and cost estimates are made using three methodologies. The main methodology (direct methodology) utilizes existing tax rates, service levels, national service standards and information from department representatives to estimate direct costs associated with the project. This methodology is used to estimate expenditures associated with law enforcement, fire, and street maintenance costs, as well as revenues from sales, property tax, and impact fee sources.

If detailed information required for this type of analysis is not available or the impact on the revenue or expenditure source is expected to be directly related to population changes, the ACM (average cost method) is used to estimate costs and revenues associated with the project. This method uses per capita revenue and expenditure amounts applied to the estimated residential population of the project.

Indirect administrative costs, such as costs associated with providing services (human resources, finance, legal, etc.) to the direct service departments are estimated as percent of additional direct services (law enforcement, fire, etc.), the third methodology used in the analysis. Appendix 6 provides detailed assumptions and calculations for each of the three methods.

Methodology

Pioneer Meadows- Fiscal Impact Analysis

4. Costs and revenues estimated using the direct method are founded on methodology developed based on conversations with local government representatives. Costs associated with City of Sparks Fire, Police, and Community Services Departments are estimated using information provided by department representatives for this and/or past projects.
5. It is our understanding that the closest fire station to the project, Station 5- 6490 Vista Blvd, is located approximately a 6 minute drive away from the project (approximately 2.5 miles), according to Google Maps. Improved access to the proposed project will be created by the remainder of the Pioneer Meadows project, further reducing this response time. The analysis assumes services to the development will be provided by the existing fire station. Fire costs associated with the project are estimated in Appendix 8.

The Impact Fee Service Area #1 (IFSA1) collects impact fees from developments in this area; one of the fees is for the purposes of constructing a fire station. The project will contribute an estimated \$13,000 in revenue for the IFSA1 fire station fund. Impact fee revenue is estimated in Appendix 5.
6. Police costs are estimated using a national staffing ratio of 1.5 uniformed officers per 1,000 population, as provided by the Sparks Police Department. Non-uniformed positions are also estimated, as well as vehicle costs associated with uniformed positions for the project. Police costs associated with the project are estimated in Appendix 7.
7. Information for the ACM and the indirect cost analyses was obtained from the fiscal year (FY) 2018-19 budget documents for City of Sparks. FY 2017-18 is used as the base year for the analysis, as this is the latest year for which non-budgeted, actual data is available.
8. Additional information for revenue and cost estimate methodology, sources of data, calculations, and findings is provided in the appendices attached to this report.

Findings

Pioneer Meadows- Fiscal Impact Analysis

FINDINGS

The findings of the fiscal impact analysis are presented below with summaries for estimated revenue and costs for each fund.

Table 1 summarizes the estimated impact of the project on the City of Sparks General Fund over the 20-year analysis period. Detailed information on City of Sparks revenues and costs by line item, by year, as well as methodology for estimating these costs and revenues is found in Appendix 6. The table shows the project is estimated to result in a revenue surplus for the City of Sparks General Fund in the amount of \$791,000 over the 20-year analysis period.

Table 1. Summary of Estimated City of Sparks General Fund Impacts, 20-Year Total

Estimated Revenue	
Taxes	\$ 1,314,200
Licenses and Permits	361,634
Intergovernmental	204,225
Charges for Services	37,995
Fines and Forfeits	21,114
Miscellaneous	-
TOTAL	\$ 1,939,168
Estimated Expenditures	
General Government	\$ 212,383
Judicial	63,291
Public Safety	758,178
Public Works	23,443
Culture & Recreation	86,317
Community Support	4,904
TOTAL	\$ 1,148,514
Estimated Revenue Surplus/(Deficit)	
Revenue Surplus/(Deficit)	\$ 790,654

Table 2 shows the estimated impact of the project on the City of Sparks General Fund over the analysis period (2022-2041), by year. The table shows all years of the analysis show a positive fiscal impact on the City's General Fund.

Findings

Pioneer Meadows- Fiscal Impact Analysis

Table 2. Summary of Estimated City of Sparks General Fund Impacts, by Year

Year	Total Project Revenue	Total Project Costs	Annual Revenue Surplus	Cumulative Revenue Surplus
2022	\$ 25,721	\$ 9,315	\$ 16,406	\$ 16,406
2023	76,182	49,339	26,842	43,248
2024	78,467	45,827	32,640	75,889
2025	80,821	47,189	33,633	109,521
2026	83,246	48,591	34,655	144,176
2027	85,743	50,034	35,709	179,885
2028	88,316	57,126	31,190	211,075
2029	90,965	53,052	37,913	248,989
2030	93,694	54,628	39,066	288,055
2031	96,505	56,251	40,254	328,308
2032	99,400	57,922	41,478	369,786
2033	102,382	66,141	36,241	406,027
2034	105,453	61,415	44,038	450,065
2035	108,617	63,240	45,377	495,442
2036	111,875	65,119	46,756	542,199
2037	115,232	67,054	48,178	590,376
2038	118,689	76,578	42,110	632,487
2039	122,249	71,098	51,152	683,638
2040	125,917	73,210	52,707	736,345
2041	129,694	75,385	54,309	790,654
Total	\$ 1,939,168	\$ 1,148,514	\$ 790,654	

Table 3 shows the 20-year estimated impact of the project on the Road Fund. Detailed information for these cost and revenue calculations can also be found in Appendix 6. The table shows the project is estimated to result in a revenue deficit for the City of Sparks Road Fund in the amount of \$774,000 over the analysis period.

Findings

Pioneer Meadows- Fiscal Impact Analysis

Table 3. Summary of Estimated City of Sparks Road Fund Impacts, 20-Year Total

Estimated Revenue	
Licenses and Permits	\$ 82,472
Intergovernmental	77,136
Miscellaneous	-
Total Revenue	\$ 159,607
Estimated Expenditures	
Expenditures	\$ 933,753
Cumulative Surplus/(Deficit)	
Surplus/(Deficit)	\$ (774,145)

Table 4. Summary of Estimated City of Sparks Road Fund Impacts, by Year

Year	Total Project Revenue	Total Project Costs	Annual Revenue Surplus	Cumulative Revenue Surplus
2022	\$ -	\$ 126	\$ (126)	\$ (126)
2023	6,355	49,057	(42,702)	(42,828)
2024	6,545	49,065	(42,519)	(85,347)
2025	6,742	49,073	(42,331)	(127,679)
2026	6,944	49,081	(42,138)	(169,816)
2027	7,152	49,090	(41,938)	(211,754)
2028	7,367	49,099	(41,732)	(253,486)
2029	7,588	49,108	(41,520)	(295,006)
2030	7,815	49,117	(41,301)	(336,308)
2031	8,050	49,126	(41,076)	(377,384)
2032	8,291	49,136	(40,844)	(418,228)
2033	8,540	49,145	(40,605)	(458,833)
2034	8,796	49,155	(40,359)	(499,192)
2035	9,060	49,165	(40,105)	(539,297)
2036	9,332	49,175	(39,843)	(579,140)
2037	9,612	49,186	(39,574)	(618,714)
2038	9,900	49,196	(39,296)	(658,010)
2039	10,197	49,207	(39,010)	(697,020)
2040	10,503	49,218	(38,715)	(735,734)
2041	10,818	49,229	(38,411)	(774,145)
Total	\$ 159,607	\$ 933,753	\$ (774,145)	

Table 4 shows the estimated impact of the project on the City of Sparks Road Fund over the analysis period (2022-2041), by year. It should be noted that major road

Findings

Pioneer Meadows- Fiscal Impact Analysis

maintenance costs are expected by the Public Works department to occur 5-, 10-, 15-, and 20-years after road construction and dedication. These costs are annualized in the analysis and are shown in the table below. However, these costs will not actually occur annually, but rather in five-year increments, with the largest expenditure occurring 20 years after initial road construction and dedication. Road rehabilitation costs will occur outside of the 20-year analysis period but are included in the analysis to show the long-term impact of the project.

Table 4 shows a revenue deficit generated by the project for the City of Sparks Road Fund. Road maintenance costs used to estimate Road Fund expenditures associated with the project were provided by the City of Sparks Community Services Department. These estimates result in an annualized road maintenance cost of \$156,883 per mile of new roads added by the project, including routine and repair/rehabilitation costs. City of Sparks currently maintains 650 miles of roads. Using its historical road fund expenditures, road maintenance costs for the City were estimated at \$7,090 per mile in FY 2013-14 increasing to \$12,141 per mile in FY 2016-17, before dropping to \$7,025 per mile in FY 2017-18.

Project-related street maintenance costs, estimated using the methodology provided by City staff, are significantly higher than the City's existing expenditures for road maintenance, resulting in a Road Fund deficit in this analysis. City of Sparks existing revenue sources for the Road Fund are insufficient to cover the desired level of road maintenance services; alternative revenue sources for the Fund are needed. *This disconnect between desired Road Fund actual and desired maintenance costs and Fund revenues applies not only to this project, but to all new projects adding public streets to the City.*

Overall, the analysis shows that the surplus estimated over the 20-year analysis period for the City of Sparks General Fund is sufficient to cover the shortfall in the Road Fund, resulting in a **positive fiscal impact** of the project on the City of Sparks.

Findings

Pioneer Meadows- Fiscal Impact Analysis

In addition to General and Road Fund impacts, the project is estimated to generate revenue from various development-related fees. This includes \$85,000 in building permit, \$35,000 in plan review, \$5,300 in current planning, \$39,000 in fire inspection and plan review, \$152,000 in region road impact, \$38,000 in residential park tax, and \$232,000 in sewer connection fee revenue.

Additionally, the project is located in the Impact Fee Service Area #1 (IFSA1), generating \$76,000 in revenue to be spent in the IFSA1, including \$11,000 in sanitary sewer, \$22,500 in flood control, \$30,000 in regional park/recreation, and \$13,000 in fire station revenue.

[Remainder of Page Intentionally Left Blank]

Limiting Conditions & Disclosures

Pioneer Meadows- Fiscal Impact Analysis

LIMITING CONDITIONS & DISCLOSURES

In the preparation of this report, EEC asserts:

- The report is to be used in its entirety, and no part is to be used without the whole.
- In preparing this report, EEC relied on information provided by other individuals or found in previously existing records and/or documents. This information is assumed to be reliable. However, no warranty, either expressed or implied, is given by EEC for the accuracy of such information and EEC assumes no responsibility for information relied upon later found to have been inaccurate.
- EEC may amend this report in the event additional documents and/or other material discovered subsequent to the submission of this report and pertinent to the report and/or the conclusions contained herein are made available.
- EEC assumes no responsibility for economic, physical, or demographic factors, which may affect or alter the opinions of this report if said economic, physical or demographic factors were not present or known as of the date of this report.
- Possession of this report, or a copy of this report, does not carry with it the right of publication. Without the consent of EEC, this report may not be used for any purpose by any person other than the party for whom this report was prepared.

Appendices

Pioneer Meadows- Fiscal Impact Analysis

APPENDICES



<u>YEAR</u>	<u>USE TYPE</u>	<u>SQUARE FEET BUILT</u>	<u># OF UNITS BUILT</u>	<u>ADDED LAND VALUE</u>	<u>ADDED IMPROVEMENTS VALUE</u>	<u>CONSTRUCTION MATERIALS COST</u>
2022	Single Family	83,600	38	\$ 2,320,531	\$ 12,891,841	\$ 6,445,921

APPENDIX 1, ASSUMPTIONS:

1. The following land and building costs represent the Developer's best estimate in 2018.

	<u># of Units</u>	<u>Total Square Feet</u>	<u>Projected Sales Price/Unit</u>	<u>Land Value/Unit</u>	<u>Improv. Value/Unit</u>
Single Family	38	83,600	\$ 375,000	\$ 52,200	\$ 290,000

Source: Number of units and square footage from Developer. Land value, improvement value, and expected sales price based on data for homes in nearby developments. Source: Washoe County Assessor's website. Land and improvement values are inflated 4% annually.

2. Construction Materials Cost is estimated at **50%** of Improvements Value. Source: Discussions with contractors.



<u>YEAR</u>	<u>USE TYPE</u>	<u>CUMULATIVE # OF UNITS BUILT</u>	<u>CUMUL. # OF OCCUPIED UNITS</u>	<u>CUMUL. NO. OF RESIDENTS</u>	<u>% OF SPARKS POPULATION</u>
2022	Single Family	38.00	0.00	0.00	0.00%
2023	Single Family	38.00	36.67	96.61	0.10%

APPENDIX 2, ASSUMPTIONS:

1. Number of residential units from Appendix 1.
2. Occupied single-family units are estimated using a vacancy rate of 3.5% to account for household movement and other timing issues. Households are assumed to be occupied a year after construction. Source: Center for Regional Studies, University of Nevada, Reno, based on data from the American Community Survey.
3. Residents are estimated using a ratio of: **2.63** residents per occupied household/unit.
Source: "Comparative Housing Characteristics." 2016 American Community Survey 1-Year Estimates, US Census Bureau. Data for Sparks, NV.
4. City of Sparks FY 2017-18 population is estimated at **95,726** Source: City of Sparks Budget, FY 2018-19.
This is used to estimate the percent of existing population generated by the project.

**APPENDIX 3
CITY OF SPARKS
ESTIMATED REAL PROPERTY TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>ADDED TAX. LAND VALUE (\$)</u>	<u>ADDED TAX. IMPROVEMENT VALUE (\$)</u>	<u>CUMULATIVE TOTAL TAX. VALUE (\$)</u>	<u>CUMULATIVE ASSESSED VALUE (\$)</u>	<u>GENERAL FUND REVENUE</u>	<u>AB 104 REVENUE</u>
2022	Single Family	\$ 2,147,185	\$ 12,891,841	\$ 2,147,185	\$ 751,515	\$ 7,213	\$ 15
2023	Single Family	-	-	15,490,197	5,421,569	52,036	111
2024	Single Family	-	-	15,954,903	5,584,216	53,597	114
2025	Single Family	-	-	16,433,550	5,751,743	55,205	118
2026	Single Family	-	-	16,926,557	5,924,295	56,861	121
2027	Single Family	-	-	17,434,353	6,102,024	58,567	125
2028	Single Family	-	-	17,957,384	6,285,084	60,324	129
2029	Single Family	-	-	18,496,105	6,473,637	62,134	133
2030	Single Family	-	-	19,050,989	6,667,846	63,998	137
2031	Single Family	-	-	19,622,518	6,867,881	65,918	141
2032	Single Family	-	-	20,211,194	7,073,918	67,895	145
2033	Single Family	-	-	20,817,530	7,286,135	69,932	149
2034	Single Family	-	-	21,442,056	7,504,719	72,030	154
2035	Single Family	-	-	22,085,317	7,729,861	74,191	158
2036	Single Family	-	-	22,747,877	7,961,757	76,417	163
2037	Single Family	-	-	23,430,313	8,200,610	78,709	168
2038	Single Family	-	-	24,133,222	8,446,628	81,071	173
2039	Single Family	-	-	24,857,219	8,700,027	83,503	178
2040	Single Family	-	-	25,602,936	8,961,027	86,008	184
2041	Single Family	-	-	26,371,024	9,229,858	88,588	189

TOTAL		\$ 2,147,185	\$ 12,891,841			\$ 1,314,200	\$ 2,805
--------------	--	---------------------	----------------------	--	--	---------------------	-----------------

APPENDIX 3, ASSUMPTIONS:

1. The project is currently located in the City of Sparks, generating property tax revenue for the City. The analysis subtracts existing taxable value of project parcel from amounts estimated in this analysis to arrive at incremental property tax revenue generated by project development. Existing project values are as follows:

<u>Parcel Number</u>	<u>Taxable Land Value</u>	<u>Taxable Improv. Value</u>	<u>Acres</u>	<u>Acres in Project</u>	<u>Taxable Value in Project</u>
528-010-47	\$ 892,620	\$ 37,449	56.9	10.6	\$ 173,346

The project is a 10.6-acre portion of a larger parcel, only taxable values associated with the project are considered in this analysis.

Source: Washoe County Assessor's website.

2. Taxable value of land and improvements is estimated in Appendix 1.

3. Land and improvement taxable values are inflated by **3.0%** annually, the maximum allowed increase for owner-occupied properties.

4. Property tax calculation: Taxable Value X 35% = Assessed Value; Assessed Value/100 X Tax Rate = Property Tax Revenue.

Analysis assumes improvements will generate property tax revenue in the year after improvements are made to account for work-in-progress.

Land values will generate property tax in the year developed.

5. City of Sparks General Fund operating tax rate is assumed to remain constant at FY 2018-19 rate of **\$ 0.9598** per \$100 of value.

Source: City of Sparks Budget, FY 2018-19.

6. City of Sparks is expected to receive **7.53%** of property tax revenue generated by the AB 104 property tax rate of

\$ 0.0272 Source: Nevada Department of Taxation. "Local Gov't Tax Act Distribution." Three-year average FY 2015-16, FY 2016-17, and partial year 2017-18.

**APPENDIX 4
CITY OF SPARKS
ESTIMATED SALES TAX REVENUE**

<u>YEAR</u>	<u>USE TYPE</u>	<u>CONSTR. MATERIALS COST</u>	<u>HOUSEHOLD EXPENDITURES</u>	<u>TOTAL TAXABLE SALES</u>	<u>CCRT SALES TAX REVENUE</u>	<u>AB 104 SALES TAX REVENUE</u>
2022	Single Family	\$ 6,445,921	\$ -	\$ 6,445,921	\$ 17,300	\$ 1,192
2023	Single Family	-	888,501	888,501	2,385	164
2024	Single Family	-	915,156	915,156	2,456	169
2025	Single Family	-	942,611	942,611	2,530	174
2026	Single Family	-	970,889	970,889	2,606	180
2027	Single Family	-	1,000,016	1,000,016	2,684	185
2028	Single Family	-	1,030,016	1,030,016	2,764	191
2029	Single Family	-	1,060,917	1,060,917	2,847	196
2030	Single Family	-	1,092,744	1,092,744	2,933	202
2031	Single Family	-	1,125,527	1,125,527	3,021	208
2032	Single Family	-	1,159,293	1,159,293	3,111	214
2033	Single Family	-	1,194,071	1,194,071	3,205	221
2034	Single Family	-	1,229,893	1,229,893	3,301	227
2035	Single Family	-	1,266,790	1,266,790	3,400	234
2036	Single Family	-	1,304,794	1,304,794	3,502	241
2037	Single Family	-	1,343,938	1,343,938	3,607	249
2038	Single Family	-	1,384,256	1,384,256	3,715	256
2039	Single Family	-	1,425,784	1,425,784	3,827	264
2040	Single Family	-	1,468,557	1,468,557	3,942	272
2041	Single Family	-	1,512,614	1,512,614	4,060	280
TOTAL		\$ 6,445,921	\$ 22,316,367	\$ 28,762,288	\$ 77,196	\$ 5,320

APPENDIX 4, ASSUMPTIONS:

1. Construction Materials Cost is estimated in Appendix 1.
2. Household Taxable Sales-estimated based on the number of occupied households, estimated household income, and expenditure information. Household incomes and percent of income spent on taxable items are estimated as follows, based on projected sales price for the project shown in Appendix 1:

	<u>Household Income</u>	<u>Items</u>
Single Family	\$ 94,877	24.1%

Affordability calculator created by EEC and Center for Regional Studies, UNR. Percent of household income spent on taxable items from Consumer Expenditure Survey, 2016, Bureau of Labor Statistics, data by corresponding household income range. Estimates are inflated 3% annually.

3. Relevant tax rates for the City of Sparks are as follows:

0.500%	Basic City County Relief Tax (BCCRT)
1.750%	Supplemental City County Relief Tax (SCCRT)
0.250%	Fair Share (AB 104)

Distribution of BCCRT and SCCRT sales tax revenue to the City of Sparks is calculated at **12.14%** of all Washoe County CCRT revenue.

Source: Distribution based on average percentage share of Washoe County C-Tax distribution from FY 2015-16 to partial year FY 2017-18. Data from Nevada Department of Taxation. "Consolidated Tax Distribution: Revenue Summary by County."

Distribution of AB 104 sales tax revenue to the City of Sparks is calculated at **7.53%** of all Washoe County AB 104 revenue.

Source: Distribution based on average percentage share of Washoe County AB104 distribution from FY 2015-16 to partial year FY 2017-18. Data from Nevada Department of Taxation. "Local Government Tax Act Distribution."

4. A State administrative fee of **1.75%** of all sales tax revenue is subtracted for State uses. Source: AB 552.

YEAR	ESTIMATED BUILDING VALUATION	PRINCIPAL AMOUNT	BUILDING PERMIT REVENUE	PLAN REVIEW REVENUE	CURRENT FIRE INSPEC./ PLANNING PLAN REVIEW REVENUE	REGIONAL ROAD REVENUE	SEWER CONNECT. REVENUE	RESIDENTIAL PARK TAX REVENUE	IMPACT FEE SERVICE AREA #1			TOTAL			
									SANITARY SEWER	FLOOD CONTROL	FIRE STATION				
2022	Single Family	\$ 12,891,841	\$ 88,677	\$ 84,775	\$ 35,471	\$ 5,320	\$ 39,018	\$ 151,809	\$ 232,103	\$ 38,000	\$ 11,286	\$ 22,534	\$ 29,564	\$ 12,920	\$ 76,304

APPENDIX 5. ASSUMPTIONS:

- Building valuation is estimated in Appendix 1.
- Principal amount for the calculation of building permit and plan check fee revenue is estimated as follows:
 \$ 993,75 for the first \$100,000.01 of Building Permit Valuation, plus \$ 5.60 for each additional \$1,000 thereafter through a value of \$500,000.
 Source: "City of Sparks Permit Fees." Revised December 22, 2017.
- Building Permit fee revenue is estimated at 95.60% of principal amount.
 Building Plan Review fee revenue is estimated at 40.00% of principal amount, conservatively assuming all units are single family repeats.
 Current Planning Plan Review fee revenue is estimated at \$ 140.00 per building, conservatively assuming all units are single family repeats.
 Fire Prevention Inspection fee revenue is estimated at 22.00% of the principal amount.
 Fire Prevention Plan review fee revenue is estimated at 22.00% of the principal amount.
 Source: "City of Sparks Permit Fees." Revised December 22, 2017. Revenue for mechanical, plumbing, and electrical permit fees is not estimated as the construction details required for these estimates are unknown.
- Regional Road Impact fee (RRIF) revenue is estimated at \$ 3,994.97 per dwelling unit.
 Source: "Regional Road Impact Fee (RRIF)." Regional Transportation Commission. 5th Edition, July 1, 2018. Data for North Service Area.
- Sewer Connection fee revenue is estimated at \$ 6,107.97 per residential unit. Source: "City of Sparks Permit Fees." Revised December 22, 2017.
- Residential construction tax for neighborhood parks revenue is estimated at the lesser of 1% of building permit valuation or \$1,000 per residential unit. Given an estimated Added Improvements Value shown in Appendix 1, 1% of building permit valuation will result in the following value per unit \$ 2,900 As a result, the analysis uses the rate of \$1,000 per unit.
- The Project is located in Impact Fees Service Area Number 1. As a result, the following fees will apply to the project:

Unit of Measure	Sanitary Sewer	Flood Control	Parks/Rec	Regional	Fire Station
Single Family Dwelling	\$ 297.00	\$ 593.00	\$ 778.00	\$ 340.00	

Source: "City of Sparks Permit Fees." Revised December 22, 2017.

APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS

Base Year FY 17-18	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	1ST 10-YEAR SUBTOTAL
GENERAL FUND											
REVENUE											
<u>Taxes</u>											
Ad Valorem ¹	\$ 7,213	\$ 52,036	\$ 53,597	\$ 55,205	\$ 56,861	\$ 58,567	\$ 60,324	\$ 62,134	\$ 63,998	\$ 65,918	\$ 535,855
Subtotal	\$ 7,213	\$ 52,036	\$ 53,597	\$ 55,205	\$ 56,861	\$ 58,567	\$ 60,324	\$ 62,134	\$ 63,998	\$ 65,918	\$ 535,855
<u>Licenses and Permits</u>											
Business Licenses ³	\$ 7,210,124	\$ 8,436	\$ 8,689	\$ 8,950	\$ 9,218	\$ 9,495	\$ 9,779	\$ 10,073	\$ 10,375	\$ 10,686	\$ 85,700
Liquor Licenses ³	281,608	329	339	350	360	371	382	393	405	417	3,347
City Gaming Licenses ²	521,559	-	-	-	-	-	-	-	-	-	-
Franchise Fees ³	4,734,736	5,540	5,706	5,877	6,053	6,235	6,422	6,615	6,813	7,017	56,277
Nonbusiness Licenses and Permits ⁴	79,676	93	96	99	102	105	108	111	115	118	947
Subtotal	\$ 12,827,703	\$ 14,398	\$ 14,830	\$ 15,275	\$ 15,733	\$ 16,205	\$ 16,691	\$ 17,192	\$ 17,708	\$ 18,239	\$ 146,271
<u>Intergovernmental Revenue</u>											
Consolidated Tax-CORT Revenue ⁴	\$ 17,300	\$ 2,385	\$ 2,456	\$ 2,530	\$ 2,606	\$ 2,684	\$ 2,764	\$ 2,847	\$ 2,933	\$ 3,021	\$ 41,527
Consolidated Tax-Other Revenue ⁵	\$ 3,919,675	4,586	4,724	4,865	5,011	5,162	5,316	5,476	5,640	5,809	46,589
State Distributive Fund-Sales Tax ⁴	1,192	164	169	174	180	185	191	196	202	208	2,862
State Distributive Fund-Other ⁶	15	111	114	118	121	125	129	133	137	141	1,144
State Shared Marijuana Revenue ³	126,542	148	152	157	162	167	172	177	182	188	1,504
County Gaming Licenses ²	402,278	-	-	-	-	-	-	-	-	-	-
Other Intergovernmental Revenue ¹	548,567	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 18,508	\$ 7,394	\$ 7,616	\$ 7,844	\$ 8,080	\$ 8,322	\$ 8,572	\$ 8,829	\$ 9,094	\$ 9,367	\$ 93,626
<u>Charges for Services</u>											
Building and Zoning Fees ⁷	\$ 1,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other ⁸	1,292,952	1,513	1,558	1,605	1,653	1,703	1,754	1,806	1,860	1,916	15,368
Subtotal	\$ 1,294,452	\$ 1,513	\$ 1,558	\$ 1,605	\$ 1,653	\$ 1,703	\$ 1,754	\$ 1,806	\$ 1,860	\$ 1,916	\$ 15,368
<u>Fines and Forfeits</u>											
Fines ³	\$ 718,500	\$ 841	\$ 866	\$ 892	\$ 919	\$ 946	\$ 975	\$ 1,004	\$ 1,034	\$ 1,065	\$ 8,540
Miscellaneous ⁷	182,702	-	-	-	-	-	-	-	-	-	-
REVENUE TOTAL	\$ 25,721	\$ 76,182	\$ 78,467	\$ 80,821	\$ 83,246	\$ 85,743	\$ 88,316	\$ 90,965	\$ 93,694	\$ 96,505	\$ 799,660

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

	Base Year FY 17-18	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	1ST 10-YEAR SUBTOTAL
EXPENDITURES												
General Government												
Legislative ⁹	\$ 465,391	\$ 64	\$ 340	\$ 316	\$ 325	\$ 335	\$ 345	\$ 394	\$ 366	\$ 377	\$ 388	\$ 3,249
Mayor ⁹	115,430	16	84	78	81	83	86	98	91	93	96	806
Management Services ⁹	5,907,306	815	4,317	4,010	4,129	4,251	4,378	4,998	4,642	4,780	4,922	41,241
Legal ⁹	1,694,931	234	1,239	1,150	1,185	1,220	1,256	1,434	1,332	1,371	1,412	11,833
Financial Services ⁹	3,512,068	485	2,567	2,384	2,455	2,528	2,603	2,972	2,760	2,842	2,926	24,519
Community Services ⁹	789,865	109	577	536	552	568	585	668	621	639	658	5,514
General Government Total	\$ 12,484,991	\$ 1,723	\$ 9,124	\$ 8,474	\$ 8,726	\$ 8,985	\$ 9,252	\$ 10,564	\$ 9,810	\$ 10,102	\$ 10,402	\$ 87,162
Judicial												
Judicial ¹⁰	\$ 2,153,735	\$ -	\$ 2,520	\$ 2,595	\$ 2,673	\$ 2,754	\$ 2,836	\$ 2,921	\$ 3,009	\$ 3,099	\$ 3,192	\$ 25,599
Judicial Total	\$ -	\$ -	\$ 2,520	\$ 2,595	\$ 2,673	\$ 2,754	\$ 2,836	\$ 2,921	\$ 3,009	\$ 3,099	\$ 3,192	\$ 25,599
Public Safety												
Police												
Police ¹¹	Appendix 7	\$ -	\$ 24,766	\$ 21,461	\$ 22,094	\$ 22,745	\$ 23,416	\$ 28,652	\$ 24,818	\$ 25,551	\$ 26,304	\$ 219,807
Fire												
Fire ¹²	Appendix 8	\$ 6,680	\$ 6,881	\$ 7,087	\$ 7,300	\$ 7,519	\$ 7,744	\$ 7,977	\$ 8,216	\$ 8,462	\$ 8,716	\$ 76,583
Community Services ¹⁰												
Community Services ¹⁰	\$ 1,284,946	\$ -	\$ 1,503	\$ 1,548	\$ 1,595	\$ 1,643	\$ 1,692	\$ 1,743	\$ 1,795	\$ 1,849	\$ 1,904	\$ 15,273
Public Safety Total	\$ 6,680	\$ 33,150	\$ 30,096	\$ 31,907	\$ 30,988	\$ 31,907	\$ 32,853	\$ 38,371	\$ 34,830	\$ 35,862	\$ 36,925	\$ 311,663
Public Works												
Community Services ¹³	\$ 1,608,446	\$ 872	\$ 899	\$ 926	\$ 953	\$ 982	\$ 1,011	\$ 1,042	\$ 1,073	\$ 1,105	\$ 1,138	\$ 10,002
Public Works Total	\$ 872	\$ 899	\$ 926	\$ 953	\$ 982	\$ 982	\$ 1,011	\$ 1,042	\$ 1,073	\$ 1,105	\$ 1,138	\$ 10,002
Culture and Recreation												
Community Services ¹⁰	\$ 2,937,296	\$ -	\$ 3,437	\$ 3,540	\$ 3,646	\$ 3,755	\$ 3,868	\$ 3,984	\$ 4,103	\$ 4,227	\$ 4,353	\$ 34,913
Culture and Recreation Total	\$ -	\$ 3,437	\$ 3,540	\$ 3,540	\$ 3,646	\$ 3,755	\$ 3,868	\$ 3,984	\$ 4,103	\$ 4,227	\$ 4,353	\$ 34,913

APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS

Base Year FY 17-18	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	1ST 10-YEAR SUBTOTAL
Community Support											
Management Services ⁹	\$ 288,258	\$ 40	\$ 211	\$ 196	\$ 201	\$ 207	\$ 214	\$ 227	\$ 233	\$ 240	\$ 2,012
Community Support Total	\$ 40	\$ 211	\$ 196	\$ 201	\$ 207	\$ 214	\$ 244	\$ 227	\$ 233	\$ 240	\$ 2,012
EXPENDITURES TOTAL	\$ 9,315	\$ 49,339	\$ 45,827	\$ 47,189	\$ 48,591	\$ 50,034	\$ 57,126	\$ 53,052	\$ 54,628	\$ 56,251	\$ 471,351
GENERAL FUND SURPLUS/(DEFICIT)	\$ 16,406	\$ 26,842	\$ 32,640	\$ 33,633	\$ 34,655	\$ 35,709	\$ 31,190	\$ 37,913	\$ 39,066	\$ 40,254	\$ 328,308
ROAD FUND											
REVENUE											
Licenses and Permits											
Licenses and Permits ^{3,14}	\$ 2,806,449	\$ -	\$ 3,284	\$ 3,382	\$ 3,483	\$ 3,588	\$ 3,696	\$ 3,921	\$ 4,038	\$ 4,159	\$ 33,358
Subtotal	\$ -	\$ 3,284	\$ 3,382	\$ 3,483	\$ 3,588	\$ 3,696	\$ 3,806	\$ 3,921	\$ 4,038	\$ 4,159	\$ 33,358
Intergovernmental Revenues											
County Gasoline Tax ³	\$ 704,032	\$ -	\$ 824	\$ 848	\$ 874	\$ 900	\$ 927	\$ 955	\$ 984	\$ 1,013	\$ 8,368
State Gasoline Tax ³	1,920,838	-	2,247	2,315	2,384	2,456	2,529	2,605	2,683	2,764	22,881
Subtotal	2,624,870	\$ -	\$ 3,071	\$ 3,163	\$ 3,258	\$ 3,356	\$ 3,457	\$ 3,560	\$ 3,667	\$ 3,777	\$ 31,199
Miscellaneous											
Interest Earned ¹	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE TOTAL	\$ -	\$ 6,355	\$ 6,545	\$ 6,742	\$ 6,944	\$ 7,152	\$ 7,367	\$ 7,588	\$ 7,815	\$ 8,050	\$ 64,557
EXPENDITURES											
Public Works ¹⁵											
Appendix 9	\$ 126	\$ 49,057	\$ 49,065	\$ 49,073	\$ 49,081	\$ 49,090	\$ 49,099	\$ 49,108	\$ 49,117	\$ 49,126	\$ 441,941
EXPENDITURES SUBTOTAL	\$ 126	\$ 49,057	\$ 49,065	\$ 49,073	\$ 49,081	\$ 49,090	\$ 49,099	\$ 49,108	\$ 49,117	\$ 49,126	\$ 441,941
ROAD FUND SURPLUS/(DEFICIT)	\$ (126)	\$ (42,702)	\$ (42,519)	\$ (42,331)	\$ (42,138)	\$ (41,938)	\$ (41,732)	\$ (41,520)	\$ (41,301)	\$ (41,076)	\$ (377,384)

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>	<u>2040</u>	<u>2041</u>	<u>10-YEAR SUBTOTAL</u>	<u>20-YEAR TOTAL</u>
GENERAL FUND												
REVENUE												
Taxes												
Ad Valorem ¹	\$ 67,895	\$ 69,932	\$ 72,030	\$ 74,191	\$ 76,417	\$ 78,709	\$ 81,071	\$ 83,503	\$ 86,008	\$ 88,588	\$ 778,345	\$ 1,314,200
Subtotal	\$ 67,895	\$ 69,932	\$ 72,030	\$ 74,191	\$ 76,417	\$ 78,709	\$ 81,071	\$ 83,503	\$ 86,008	\$ 88,588	\$ 778,345	\$ 1,314,200
Licenses and Permits												
Business Licenses ³	\$ 11,007	\$ 11,337	\$ 11,677	\$ 12,027	\$ 12,388	\$ 12,760	\$ 13,143	\$ 13,537	\$ 13,943	\$ 14,361	\$ 126,180	\$ 211,880
Liquor Licenses ³	430	443	456	470	484	498	513	529	545	561	4,928	8,275
City Gaming Licenses ²	-	-	-	-	-	-	-	-	-	-	-	-
Franchise Fees ³	7,228	7,445	7,668	7,898	8,135	8,379	8,630	8,889	9,156	9,431	82,860	139,137
Nonbusiness Licenses and Permits ³	122	125	129	133	137	141	145	150	154	159	1,394	2,341
Subtotal	\$ 18,786	\$ 19,350	\$ 19,930	\$ 20,528	\$ 21,144	\$ 21,778	\$ 22,432	\$ 23,105	\$ 23,798	\$ 24,512	\$ 215,363	\$ 361,634
Intergovernmental Revenue												
Consolidated Tax-CCRT Revenue ⁴	\$ 3,111	\$ 3,205	\$ 3,301	\$ 3,400	\$ 3,502	\$ 3,607	\$ 3,715	\$ 3,827	\$ 3,942	\$ 4,060	\$ 35,669	\$ 77,196
Consolidated Tax-Other Revenue ⁵	5,984	6,163	6,348	6,539	6,735	6,937	7,145	7,359	7,580	7,807	68,596	115,185
State Distributive Fund-Sales Tax ⁴	214	221	227	234	241	249	256	264	272	280	2,458	5,320
State Distributive Fund-Other ⁶	145	149	154	158	163	168	173	178	184	189	1,661	2,805
State Shared Marijuana Revenue ³	193	199	205	211	217	224	231	238	245	252	2,215	3,719
County Gaming Licenses ²	-	-	-	-	-	-	-	-	-	-	-	-
Other Intergovernmental Revenue ⁴	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	\$ 9,648	\$ 9,937	\$ 10,235	\$ 10,542	\$ 10,858	\$ 11,184	\$ 11,520	\$ 11,865	\$ 12,221	\$ 12,588	\$ 110,599	\$ 204,225
Charges for Services												
Building and Zoning Fees ⁷	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other ⁶	1,974	2,033	2,094	2,157	2,222	2,288	2,357	2,428	2,500	2,575	22,627	37,995
Subtotal	\$ 1,974	\$ 2,033	\$ 2,094	\$ 2,157	\$ 2,222	\$ 2,288	\$ 2,357	\$ 2,428	\$ 2,500	\$ 2,575	\$ 22,627	\$ 37,995
Fines and Forfeits												
Fines ³	\$ 1,097	\$ 1,130	\$ 1,164	\$ 1,199	\$ 1,235	\$ 1,272	\$ 1,310	\$ 1,349	\$ 1,389	\$ 1,431	\$ 12,574	\$ 21,114
Miscellaneous												
Miscellaneous ⁷	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE TOTAL	\$ 99,400	\$ 102,382	\$ 105,453	\$ 108,617	\$ 111,875	\$ 115,232	\$ 118,689	\$ 122,249	\$ 125,917	\$ 129,694	\$ 1,139,508	\$ 1,939,168

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>2037</u>	<u>2038</u>	<u>2039</u>	<u>2040</u>	<u>2041</u>	<u>10-YEAR SUBTOTAL</u>	<u>20-YEAR TOTAL</u>
EXPENDITURES												
General Government												
Legislative ⁹	\$ 399	\$ 456	\$ 423	\$ 436	\$ 449	\$ 462	\$ 528	\$ 490	\$ 505	\$ 520	\$ 4,668	\$ 7,917
Mayor ⁹	99	113	105	108	111	115	131	122	125	129	1,158	1,964
Management Services ⁹	5,068	5,787	5,374	5,533	5,698	5,867	6,700	6,221	6,406	6,596	59,248	100,489
Legal ⁹	1,454	1,660	1,542	1,588	1,635	1,683	1,922	1,785	1,838	1,892	17,000	28,833
Financial Services ⁹	3,013	3,441	3,195	3,290	3,387	3,488	3,983	3,698	3,808	3,921	35,225	59,744
Community Services ⁹	678	774	718	740	762	784	896	832	856	882	7,922	13,436
General Government Total	\$ 10,711	\$ 12,231	\$ 11,357	\$ 11,694	\$ 12,042	\$ 12,400	\$ 14,161	\$ 13,147	\$ 13,538	\$ 13,940	\$ 125,221	\$ 212,383
Judicial												
Judicial ¹⁰	\$ 3,288	\$ 3,386	\$ 3,488	\$ 3,593	\$ 3,700	\$ 3,811	\$ 3,926	\$ 4,044	\$ 4,165	\$ 4,290	\$ 37,691	\$ 63,291
Judicial Total	\$ 3,288	\$ 3,386	\$ 3,488	\$ 3,593	\$ 3,700	\$ 3,811	\$ 3,926	\$ 4,044	\$ 4,165	\$ 4,290	\$ 37,691	\$ 63,291
Public Safety												
Police	\$ 27,080	\$ 33,147	\$ 28,702	\$ 29,548	\$ 30,420	\$ 31,317	\$ 38,348	\$ 33,192	\$ 34,172	\$ 35,180	\$ 321,107	\$ 540,913
Police ¹¹												
Fire	\$ 8,978	\$ 9,247	\$ 9,525	\$ 9,810	\$ 10,105	\$ 10,408	\$ 10,720	\$ 11,042	\$ 11,373	\$ 11,714	\$ 102,921	\$ 179,504
Fire ¹²												
Community Services	\$ 1,962	\$ 2,020	\$ 2,081	\$ 2,143	\$ 2,208	\$ 2,274	\$ 2,342	\$ 2,412	\$ 2,485	\$ 2,559	\$ 22,487	\$ 37,760
Community Services ¹⁰												
Public Safety Total	\$ 39,020	\$ 44,415	\$ 40,307	\$ 41,502	\$ 42,732	\$ 43,999	\$ 51,411	\$ 46,646	\$ 48,029	\$ 49,453	\$ 446,515	\$ 758,178
Public Works												
Community Services ¹³	\$ 1,173	\$ 1,208	\$ 1,244	\$ 1,281	\$ 1,320	\$ 1,359	\$ 1,400	\$ 1,442	\$ 1,485	\$ 1,530	\$ 13,441	\$ 23,443
Public Works Total	\$ 1,173	\$ 1,208	\$ 1,244	\$ 1,281	\$ 1,320	\$ 1,359	\$ 1,400	\$ 1,442	\$ 1,485	\$ 1,530	\$ 13,441	\$ 23,443
Culture and Recreation												
Community Services ¹⁰	\$ 4,484	\$ 4,619	\$ 4,757	\$ 4,900	\$ 5,047	\$ 5,198	\$ 5,354	\$ 5,515	\$ 5,680	\$ 5,851	\$ 51,404	\$ 86,317
Culture and Recreation Total	\$ 4,484	\$ 4,619	\$ 4,757	\$ 4,900	\$ 5,047	\$ 5,198	\$ 5,354	\$ 5,515	\$ 5,680	\$ 5,851	\$ 51,404	\$ 86,317

**APPENDIX 6
CITY OF SPARKS
COMPARISON OF ESTIMATED REVENUE TO ESTIMATED COSTS**

	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	10-YEAR SUBTOTAL	20-YEAR TOTAL
Community Support												
Management Services ⁹	\$ 247	\$ 282	\$ 262	\$ 270	\$ 278	\$ 286	\$ 327	\$ 304	\$ 313	\$ 322	\$ 2,891	\$ 4,904
Community Support Total	\$ 247	\$ 282	\$ 262	\$ 270	\$ 278	\$ 286	\$ 327	\$ 304	\$ 313	\$ 322	\$ 2,891	\$ 4,904
EXPENDITURES TOTAL	\$ 57,922	\$ 66,141	\$ 61,415	\$ 63,240	\$ 65,119	\$ 67,054	\$ 76,578	\$ 71,098	\$ 73,210	\$ 75,385	\$ 677,163	\$ 1,148,514
GENERAL FUND SURPLUS/(DEFICIT)	\$ 41,478	\$ 36,241	\$ 44,038	\$ 45,377	\$ 46,756	\$ 48,178	\$ 42,110	\$ 51,152	\$ 52,707	\$ 54,309	\$ 462,345	\$ 790,654
ROAD FUND												
REVENUE												
Licenses and Permits												
Licenses and Permits ^{1,14}	\$ 4,284	\$ 4,413	\$ 4,545	\$ 4,682	\$ 4,822	\$ 4,967	\$ 5,116	\$ 5,269	\$ 5,427	\$ 5,590	\$ 49,114	\$ 82,472
Subtotal	\$ 4,284	\$ 4,413	\$ 4,545	\$ 4,682	\$ 4,822	\$ 4,967	\$ 5,116	\$ 5,269	\$ 5,427	\$ 5,590	\$ 49,114	\$ 82,472
Intergovernmental Revenues												
County Gasoline Tax ³	\$ 1,075	\$ 1,107	\$ 1,140	\$ 1,174	\$ 1,210	\$ 1,246	\$ 1,283	\$ 1,322	\$ 1,361	\$ 1,402	\$ 12,321	\$ 20,689
State Gasoline Tax ⁴	2,932	3,020	3,111	3,204	3,300	3,399	3,501	3,606	3,715	3,826	33,615	56,447
Subtotal	\$ 4,007	\$ 4,127	\$ 4,251	\$ 4,379	\$ 4,510	\$ 4,645	\$ 4,785	\$ 4,928	\$ 5,076	\$ 5,228	\$ 45,936	\$ 77,136
Miscellaneous												
Interest Earned ⁷	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUE TOTAL	\$ 8,291	\$ 8,540	\$ 8,796	\$ 9,060	\$ 9,332	\$ 9,612	\$ 9,900	\$ 10,197	\$ 10,503	\$ 10,818	\$ 95,050	\$ 159,607
EXPENDITURES												
Public Works ¹⁵	\$ 49,136	\$ 49,145	\$ 49,155	\$ 49,165	\$ 49,175	\$ 49,186	\$ 49,196	\$ 49,207	\$ 49,218	\$ 49,229	\$ 491,812	\$ 933,753
EXPENDITURES SUBTOTAL	\$ 49,136	\$ 49,145	\$ 49,155	\$ 49,165	\$ 49,175	\$ 49,186	\$ 49,196	\$ 49,207	\$ 49,218	\$ 49,229	\$ 491,812	\$ 933,753
ROAD FUND SURPLUS/(DEFICIT)	\$ (40,844)	\$ (40,605)	\$ (40,358)	\$ (40,104)	\$ (39,843)	\$ (39,573)	\$ (39,295)	\$ (39,009)	\$ (38,714)	\$ (38,411)	\$ (396,761)	\$ (774,145)

APPENDIX 6, ASSUMPTIONS:

Unless otherwise indicated, the analysis uses Estimated Current Year Ending 6/30/2018 (Fiscal Year 2017-2018) revenue and expenditure data from the City of Sparks Budget, FY 2018-19.

- 1 See Appendix 3 for calculations.
- 2 The analysis is conservative in not estimating the increase in some Sparks business-related revenues resulting from new residents of the development, though this increase is expected to occur.
- 3 ACM: Revenues are calculated based on estimated FY 2017-18 City of Sparks per capita revenues inflated 3% annually and applied to the estimated annual population of the project. Per capita revenue is calculated by dividing FY 2017-18 revenue for each source by City of Sparks FY 2017-18 population of 95,726 Source: City of Sparks Budget FY 2018-19.
- 4 See Appendix 4 for calculations.
- 5 In addition to CCRT revenue, Consolidated tax for the City includes revenue from Real Property Transfer Tax (RPTT), GST (MVPT), Cigarette and Liquor taxes. A per capita methodology as explained in footnote 3 is applied to estimate this revenue. Total Washoe County revenues from liquor, cigarette and GST (analysis conservatively does not include RPTT as it is not a recurring revenue) sources totaled \$ 32,284,417 in FY 2017-2018 (data through March 2018 and adjusted for full year using FY 2016-17 data for April-June 2017). City of Sparks is estimated to receive 12.14% of all County C-tax revenue. As a result, the City's portion of remainder of C-tax revenue is estimated at \$ 3,919,675 and the ACM is applied to this amount. Source: Nevada Department of Taxation. "Consolidated Tax Distribution." City of Sparks portion of C-tax revenue is based on a three-year average data for FY 2015-16 to partial year FY 2017-18.
- 6 In addition to sales tax revenue, AB 104 revenue for the City includes revenue from property, gaming, and RPTT taxes and interest. Analysis is conservative in not estimating gaming, RPTT, and interest revenue. Property tax revenue is estimated in Appendix 3.
- 7 Though the project may generate revenue for the City from these sources, the amount is difficult to estimate and/or expected to be minimal.
- 8 Charges for services for the City include inter-department and inter-fund transfers, which, though impacted, may be difficult to estimate. Some charges for services revenue, such as false alarms may also be generated by the project. As a result, the analysis estimates revenues associated with the project by applying the ACM to 50% of FY 2017-18 revenue.
- 9 Administrative service (indirect) costs assumed to be impacted by the project are calculated at 23.3% of direct service costs. Source: Average percent indirect costs of direct costs for FY 2017-18. Source: City of Sparks Budget, FY 2018-19.
- 10 ACM: Expenditures are calculated based on estimated FY 2017-18 City of Sparks budget per capita costs inflated 3% annually and applied to estimated annual population of the Project. Per capita costs are calculated by dividing FY 2017-18 costs for each source by City of Sparks FY 2017-18 population of 95,726 Source: City of Sparks Budget FY 2018-19.
- 11 See Appendix 7 for calculations and assumptions.
- 12 See Appendix 8 for calculations and assumptions.
- 13 Expenditures for the Public Works source include Public Works administrative, street and facility maintenance costs. Costs associated with these services are estimated by dividing total expenditures for this source of \$ 1,608,446 by the total miles of City of Sparks streets of 650 and applying to the number of miles added by the development of 0.31 inflated 3% annually. Source: Expenditures and street inventory from City of Sparks budget FY 2018-19.
- 14 Analysis uses FY 2018-19 amounts as FY 2017-18 numbers were reduced by the one-time shift of some franchise revenues from the Road Fund to the Park & Recreation Project Fund.
- 15 See Appendix 9 for calculation and assumptions.

**APPENDIX 7
CITY OF SPARKS
POLICE DEPARTMENT COST PROJECTIONS**

<u>YEAR</u>	<u>CUMUL. NEW RESIDENTIAL POPULATION</u>	<u>OFFICERS REQUIRED</u>	<u>CIVILIANS REQUIRED</u>	<u>SALARY/BENEFITS</u>	<u>SERVICES/SUPPLIES</u>	<u>CAPITAL OUTLAY</u>	<u>TOTAL COST</u>
2022	-	-	-	\$ -	\$ -	\$ -	\$ -
2023	97	0.14	0.05	20,150	696	3,920	24,766
2024	97	0.14	0.05	20,744	716	-	21,461
2025	97	0.14	0.05	21,356	737	-	22,094
2026	97	0.14	0.05	21,986	759	-	22,745
2027	97	0.14	0.05	22,635	781	-	23,416
2028	97	0.14	0.05	23,303	804	4,544	28,652
2029	97	0.14	0.05	23,990	828	-	24,818
2030	97	0.14	0.05	24,698	853	-	25,551
2031	97	0.14	0.05	25,427	878	-	26,304
2032	97	0.14	0.05	26,177	904	-	27,080
2033	97	0.14	0.05	26,949	930	5,268	33,147
2034	97	0.14	0.05	27,744	958	-	28,702
2035	97	0.14	0.05	28,562	986	-	29,548
2036	97	0.14	0.05	29,405	1,015	-	30,420
2037	97	0.14	0.05	30,272	1,045	-	31,317
2038	97	0.14	0.05	31,165	1,076	6,107	38,348
2039	97	0.14	0.05	32,085	1,108	-	33,192
2040	97	0.14	0.05	33,031	1,140	-	34,172
2041	97	0.14	0.05	34,006	1,174	-	35,180
TOTAL				\$ 503,685	\$ 17,389	\$ 19,839	\$ 540,913

APPENDIX 7, ASSUMPTIONS:

- Population estimates are shown in Appendix 2 of the report.
- Uniformed officer positions are estimated at **1.5** positions per 1,000 population. For non-uniformed positions, a ratio of **1.0** positions for every three uniformed positions, is used. Source: City of Sparks Police Department.
- The following City of Sparks salary information is used to estimate operating costs, inflated **3%** annually.

	<u>Salary Range</u>		
<u>FY 2018-19</u>	<u>Low</u>	<u>High</u>	<u>Average</u>
Police Officer \$	53,290	\$ 69,389	\$ 61,339
Sergeant	76,024	91,250	83,637
Crime Analyst	56,347	71,926	64,137
Records Technician	46,426	59,155	52,790
Police Office Assistant	34,757	44,242	39,499
GT/IT Support Specialist	45,760	58,323	52,042
Dispatcher	44,242	56,347	50,294
Weighted Average Officers \$	56,131	\$ 72,121	\$ 64,126
Weighted Average Civilians \$	41,163	\$ 52,425	\$ 46,794

- Benefits costs are calculated at **55.3%** of salaries.
- Services/Supplies costs calculated at **3.5%** of salaries and benefits.
- One police vehicle is added for every 3 uniformed positions. The 2017 cost of a fully-equipped vehicle is **\$70,000** inflated 3% annually. Life of vehicle is 5 years and the analysis includes vehicle replacement costs with no salvage value. Source: City of Sparks Police Department.

**APPENDIX 8
CITY OF SPARKS
FIRE DEPARTMENT COST PROJECTIONS**

<u>YEAR</u>	<u>CUMUL. # OF UNITS</u>	<u>PROJECT CFS*</u>	<u>ESTIMATED COST/CFS</u>	<u>TOTAL EXPENSES</u>
2022	38	4.41	\$ 1,514	\$ 6,680
2023	38	4.41	1,560	6,881
2024	38	4.41	1,607	7,087
2025	38	4.41	1,655	7,300
2026	38	4.41	1,704	7,519
2027	38	4.41	1,756	7,744
2028	38	4.41	1,808	7,977
2029	38	4.41	1,863	8,216
2030	38	4.41	1,918	8,462
2031	38	4.41	1,976	8,716
2032	38	4.41	2,035	8,978
2033	38	4.41	2,096	9,247
2034	38	4.41	2,159	9,525
2035	38	4.41	2,224	9,810
2036	38	4.41	2,291	10,105
2037	38	4.41	2,359	10,408
2038	38	4.41	2,430	10,720
2039	38	4.41	2,503	11,042
2040	38	4.41	2,578	11,373
2041	38	4.41	2,656	11,714

TOTAL			\$	179,504
--------------	--	--	-----------	----------------

*CFS-calls for service.

APPENDIX 8, ASSUMPTIONS:

- Number of residential units from Appendix 1. Analysis includes all units, not just occupied units, for Fire Department impacts.
- Residential calls for service are estimated using average cfs per unit data for single-family residential properties between FY 2013-14 and FY 2015-16, estimated at **0.12** cfs. Source: City of Sparks Fire Department and Washoe County Assessor's Office parcel data for number of single-family units.
- Costs to provide services to the development are estimated at **\$ 1,306.36** per call for service. This is estimated using total fire expenditures between FY 2013-14 and FY 2015-16 divided by total calls for service during this period. This includes costs for Administration, Emergency Services, and Training and Safety. Estimated costs are inflated 3% annually.

**APPENDIX 9
CITY OF SPARKS
STREET MAINTENANCE COST PROJECTIONS**

YEAR	ADDED SQUARE FEET	ADDED LINEAR FEET	MAINTENANCE					REPAIR					TOTAL MAINT. COST	
			SEWER CLEANING COST	CATCH BASIN COST	STREET SWEEP COST	STREET STRIPING COST	TOTAL COST	SLURRY/ CRACK SEAL COST	3 INCH OVERLAY COST	ROAD REHAB COST	TOTAL ANNUALIZED COST			
2022	59,544	1,654	\$ -	\$ -	\$ 126	\$ -	\$ -	\$ 126	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126
2023	-	-	210	2	128	88	428	-	-	-	-	-	48,628	49,057
2024	-	-	214	2	131	89	436	-	-	-	-	-	48,628	49,065
2025	-	-	218	2	133	91	445	-	-	-	-	-	48,628	49,073
2026	-	-	222	2	136	93	453	-	-	-	-	-	48,628	49,081
2027	-	-	226	2	139	94	462	25,134	-	-	-	-	48,628	49,090
2028	-	-	231	2	141	96	470	-	-	-	-	-	48,628	49,099
2029	-	-	235	2	144	98	479	-	-	-	-	-	48,628	49,108
2030	-	-	240	2	147	100	488	-	-	-	-	-	48,628	49,117
2031	-	-	244	3	149	102	498	-	-	-	-	-	48,628	49,126
2032	-	-	249	3	152	104	507	-	298,232	-	-	-	48,628	49,136
2033	-	-	254	3	155	106	517	-	-	-	-	-	48,628	49,145
2034	-	-	258	3	158	108	527	-	-	-	-	-	48,628	49,155
2035	-	-	263	3	161	110	537	-	-	-	-	-	48,628	49,165
2036	-	-	268	3	164	112	547	-	-	-	-	-	48,628	49,175
2037	-	-	273	3	167	114	557	30,339	-	-	-	-	48,628	49,186
2038	-	-	279	3	170	116	568	-	-	-	-	-	48,628	49,196
2039	-	-	284	3	174	118	579	-	-	-	-	-	48,628	49,207
2040	-	-	289	3	177	121	590	-	-	-	-	-	48,628	49,218
2041	-	-	295	3	180	123	601	-	-	-	618,862	-	48,628	49,229
TOTAL	59,544	1,654	\$ 4,752	\$ 50	\$ 3,033	\$ 1,980	\$ 9,814	\$ 55,473	\$ 298,232	\$ 618,862	\$ 923,938	\$ 933,753		

APPENDIX 9, ASSUMPTIONS:

1. The development is projected to construct approximately **1,654** linear feet or **59,544** square feet of streets to be dedicated to the City for maintenance.



2. The following street maintenance costs are used to estimate the impact of the development's streets on the City:

Item	Frequency	Cost	
Slurry/Crack Seal	Year 5 and 15	\$0.37	per square foot
3 Inch Overlay	10 years	\$4.00	per square foot
Road Rehabilitation	20 years	\$7.00	per square foot
Sewer Cleaning	1.5 years	\$0.18	per linear foot
Catch Basin Cleaning	1.75 years	\$11.56	per mile
Street Sweeping	30 days	\$32.30	per mile
Striping	1 year	\$0.05	per linear foot

Note: 2/3 of the cost is added annually
 Note: 3/5 of the cost is added annually
 Note: cost is multiplied by 12 annually

Costs are inflated 2% annually. Source: City of Sparks Community Services Department. Estimated repair (extraordinary maintenance) costs are annualized by taking the total estimated costs over the 20-year period and dividing by 20 years.