

# Financial Impact Analysis

## Proposed Annexation to the City of Fontana

Annexation Area: I-15 Logistics Center II – Second Annexion

### Assumptions

1. This annexation analysis is an addition to the I15 Logistic Annexation, this addition to the City is property owned by the Logistics center. LAFCO is requesting an analysis for this section only.
2. Only delevopment that is planned after the annexation is the construction of a private drainage on the north side of Lytle Creek and the City will not maintain it but will conduct annual inspections of the connections between it and the City storm drain system.
3. Projections are based on fiscal years ending June 30.
4. Revenues and costs are using fiscal year 22/23 budgeted figures, assuming for this analysis only a California Consumer Price Index (CPI) adjustment of 3% due to the regular increases in supplies.
5. No revenue projections were made for future Sales Tax for the Logistics Center addition or for existing commercial businesses because it was included if any in the Logistics Annexation analysis.
6. Factors concerning land use for the area were obtained through physical observation, reference to maps supplied by the City's Planning Department, and information supplied by the planner and builder.
7. Capital and other infrastructure impact has not been included in this analysis except for anticipated increases in street maintenance costs from trucks utilizing City maintained streets.
8. Planning, Building and Engineering Services and Fees that are non-recurring are excluded in this analysis.
9. Valuation of the existing properties are from the County Tax records, GIS, Realtor input, data provided by Realtor.com, and the local Multiple Listing Service. Assessed values for the land and estimate for the proposed Logistics Center were taken directly from the San Bernardino County Assessor tax rolls.
10. Fiscal model factors are limited to the storm drainage addition, this is not usable property nor has any plans for development.



## Annexation I 15 Logistics Center II

		<i>Fiscal Year Ending June 30,</i>								
		2035	2036	2037	2038	2039	2040	2041	2042	Totals
		<i>Project Year 13</i>	<i>Project Year 14</i>	<i>Project Year 15</i>	<i>Project Year 16</i>	<i>Project Year 17</i>	<i>Project Year 18</i>	<i>Project Year 19</i>	<i>Project Year 20</i>	
<b>Recurring Revenues</b>										
	Business License Fees	0	0	0	0	0	0	0	0	0
	Franchise Fees	0	0	0	0	0	0	0	0	0
	Motor Vehicle In-Lieu Fees	0	0	0	0	0	0	0	0	0
	Vehicle Code	0	0	0	0	0	0	0	0	0
	Property Tax	245	250	255	260	265	270	276	281	4,689
	Recreation Program Fees	0	0	0	0	0	0	0	0	0
	Property Transfer Tax	0	0	0	0	0	0	0	0	0
	<b>Total Recurring Revenues</b>	<b>\$245</b>	<b>\$250</b>	<b>\$255</b>	<b>\$260</b>	<b>\$265</b>	<b>\$270</b>	<b>\$276</b>	<b>\$281</b>	<b>\$4,689</b>
<b>Recurring Costs</b>										
	General Government	\$515	\$531	\$546	\$563	\$580	\$436	\$441	\$447	\$9,175
	Police Services w/ Code	0	0	0	0	0	0	0	0	0
	Animal Control	0	0	0	0	0	0	0	0	0
	Fire Services	0	0	0	0	0	0	0	0	0
	Code Enforcement	0	0	0	0	0	0	0	0	0
	Recreation Services	0	0	0	0	0	0	0	0	0
	Street Maintenance	2,317	2,386	2,458	2,532	2,608	1,674	1,674	1,674	40,384
	Street Sweeping	211	217	224	231	237	245	252	260	3,977
	Signalized Intersections	0	0	0	0	0	0	0	0	0
	Storm Drainage	713	734	756	779	802	826	851	877	13,435
	Environ. Protection & Graffiti	0	0	0	0	0	0	0	0	0
	<b>Total Recurring Costs</b>	<b>\$3,756</b>	<b>\$3,868</b>	<b>\$3,985</b>	<b>\$4,104</b>	<b>\$4,227</b>	<b>\$3,181</b>	<b>\$3,218</b>	<b>\$3,257</b>	<b>\$66,971</b>
	Recurring Surplus/(Deficit) Per Year	(\$3,511)	(\$3,619)	(\$3,730)	(\$3,844)	(\$3,962)	(\$2,911)	(\$2,943)	(\$2,975)	<b>(\$62,281)</b>
	Cumulative Surplus/(Deficit)	(\$38,297)	(\$41,916)	(\$45,646)	(\$49,490)	(\$53,453)	(\$56,363)	(\$59,306)	(\$62,281)	
	<i>Recurring Revenue/Cost Ratio</i>	<i>0.07</i>	<i>0.06</i>	<i>0.06</i>	<i>0.06</i>	<i>0.06</i>	<i>0.08</i>	<i>0.09</i>	<i>0.09</i>	

<b>Fiscal Model Factors...Summary: Fiscal Year 2022/2023</b>		
<i>Category</i>	<i>Factor</i>	<i>Description and Method</i>
<b>Local Taxes</b>		Not Applicable
<b>Licenses, Permits and Fees</b>		
See Indust-Dist, Comm Com'l, Local Com'l Sheets		Business License Fees
<b>Fines and Penalties</b>		Not Applicable
<b>Property Taxes</b>		
	\$0.324	Property Tax Received per \$1,000 of Assessed Valuation
	2.0%	Percent of Maximum property tax increase per year
<b>Recreation Revenues</b>		
	\$0.00	Recreation & PAC fees and income per resident (Assume no revenue)
<b>Interest</b>		Not Applicable
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<b>General Government</b>		
	15.43%	Citywide overhead as percent of Direct Service costs
<b>Police Services</b>		Not Applicable
<b>Fire Services</b>		
	\$0.00	Fire Services cost per resident (Assume cost paid thru property taxes)
<b>Recreation Services</b>		
	\$0.00	Recreation cost per resident (Assume no additional cost)
<b>Public Services</b>		
	\$3,250.00	Road operation and maintenance cost per lane mile
	\$296.00	Street sweeping cost per Sweep Mile/year (lane miles)
	\$4,500.00	Operations & maintenance cost per signalized intersection per Traffic Eng.
	\$500.00	Annual Storm drain inspection - this project only
	\$1.44	Storm drain maintenance per resident and employee
	\$3.96	Graffiti abatement per resident
	\$2.45	Environmental protection per resident
	3%	Adjustment for increase in costs

