



# CITY OF SAN LUIS OBISPO

## AIRPORT AREA SPECIFIC PLAN (AASP)

### FISCAL IMPACT SCENARIO ANALYSIS

AUGUST 2024



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# BACKGROUND & PURPOSE

- The City of San Luis Obispo (“City”) Airport Area Specific Plan (“AASP” or “Specific Plan”) was originally established to exclude housing development, due to Airport Safety Zone issues.
- In recent years, the County of San Luis Obispo (“County”) has redefined the Safety Zones, resulting in almost 90% of the Commercial / Services / Manufacturing (“CSM”) zoning area in the AASP to be considered safe for housing development.
- As a result, property owners have requested City approval for mixed-use housing at densities in the range of 24 units per acre with nominal commercial development.
- The existing City/County tax sharing agreement specifies a formula for tax sharing within the AASP that is determined by the zoning at the time of annexation. Importantly, most of the property in the AASP was annexed as commercial and industrial. The agreement specifies that there will be no or limited property tax sharing in favor of the City, in consideration of sales tax revenues that were previously shifted to the City upon annexation, and in anticipation of future sales tax generation by future hypothetical commercial uses.

## BACKGROUND & PURPOSE (CONTINUED)

- The recently certified Housing Element modified City zoning restrictions to encourage more housing and the City has expressed interest in understanding how a large portion of the future industrial / commercial business base will be impacted by more housing in the future, and how this would impact the City's General Fund.
- It is important to note that prior zoning (e.g., 2014 Land Use and Circulation Element, or "LUCE") reflected assumptions about commercial and industrial land use development that may not reflect current market and economic conditions.

# SUMMARY OF FINDINGS

- Kosmont has evaluated several different scenarios of land use development within the AASP, including scenarios that reflect the original 2014 LUCE vision, and scenarios that reflect recent developer interest, in order to estimate General Fund net fiscal impacts from potential future development.
- While the 2014 LUCE land use scenario (office, retail, industrial with no residential) would achieve an annual fiscal “surplus” for the City’s General Fund, it is Kosmont’s opinion that the level of office and retail land uses assumed does not reflect feasibility in consideration of current market and economic conditions (additionally evidenced in lack of non-residential development over previous 10 years)
- On the other hand, if the remainder of developable land within the AASP is developed entirely consistent with recent developer interest (higher-density residential with limited commercial components), this analysis estimated a **negative** net fiscal impact for the General Fund, driven largely by the tax sharing agreement that limits the City’s receipt of property tax revenue from new development in this area.

## SUMMARY OF FINDINGS (CONTINUED)

- Kosmont estimates that a likely future AASP land use development scenario would include a mix of uses, including both “vertically” blended uses (e.g., housing over commercial), as well as “horizontally” blended uses (e.g., commercial or hospitality behind or adjacent to housing).
- Kosmont’s estimation of a potential market-based, blended-use land use scenario was primarily based on a combination of demonstrated developer interest within the City, Kosmont previous market supply and demand analysis in the region, and broader real estate development trends across the State and nationally.
- Assumptions also reflect proposed and approved projects within the AASP, such as approved hotels (~218 rooms) and remaining residential units within Avila Ranch.

# EXAMPLE AASP LAND USE AND FISCAL IMPACT SCENARIOS

<b>Land Use Assumptions</b>	<b>LUCE 2014 Land Use</b>	<b>Market-Based Blended Use</b>
Residential - Market Rate	0 DU	2,650 DU
Affordable Housing	0 DU	230 DU
Hotel	0 rooms	218 rooms
Office	900,000 SF	30,000 SF
Commercial / Retail	616,983 SF	158,976 SF
Industrial	747,642 SF	95,000 SF

<b>City of San Luis Obispo Fiscal Impacts</b>	<b>LUCE 2014 Land Use</b>	<b>Market-Based Blended Use</b>
Estimated Fiscal Revenues	\$5,352,100	\$5,558,400
Estimated Fiscal Expenditures	\$2,146,800	\$7,273,200
<b>Estimated Net Fiscal Impact to City</b>	<b>\$3,205,300</b>	<b>(\$1,714,800)</b>

# FISCAL MITIGATION STRATEGIES

- In order to support long-term fiscal solvency for the City General Fund while not over-prescribing non-residential uses beyond market and financial feasibility, and while not relying solely on future non-residential uses which are difficult to predict, Kosmont suggests a fiscal mitigation strategy, including one or more of the following components:
  1. Maintenance / services Community Facilities District (“CFD”), similar to the mechanism utilized for the Avila Ranch development project within the City (potentially most feasible strategy)
  2. Renegotiation of the Property Tax Sharing Agreement with the County
  3. Infrastructure Financing District negotiation with the County (as a backup to #2 above)
  4. Minimum commercial use requirements for residential projects
- While Strategy #1 above (maintenance CFD) may be the most feasible to implement, advantages and disadvantages of each strategy listed above are discussed on the following pages.

# I) MAINTENANCE / SERVICES CFD

- A CFD could be employed instead or in addition to other fiscal mitigation options, such as renegotiation of the Property Tax Sharing Agreement or imposing commercial use requirements.
- Kosmont estimates that the range of CFD special tax required to achieve “fiscal neutrality” within a likely future AASP land use development scenario (**\$600-\$1,000 per residential unit per year**) is within acceptable ranges for the residential real estate market, consistent with CFD implementation elsewhere in the State, and generally consistent with the existing Avila Ranch CFD within the City.
- Maintenance CFDs require 2/3 voter approval, and are sometimes arranged to be “annexable” in nature, such that certain types of projects (e.g., residential or blended use) are conditioned to approve annexation into the maintenance CFD.



## 2) RENEGOTIATION OF THE PROPERTY TAX SHARING AGREEMENT WITH THE COUNTY

- The City may be able to renegotiate the property tax sharing agreement with the County as it pertains to certain types of development (e.g., residential), given the local, regional, and statewide policy pressures to produce more housing.
- Approval of a revised sharing agreement would of course require approval by both the City and County, hence a lessened certainty of implementation compared to a maintenance CFD. The County would need to be motivated to renegotiate the existing agreement, which is anticipated to be difficult.
- Renegotiation of the tax sharing agreement could be done instead or in addition to a maintenance CFD and/or minimum commercial use requirement.

### 3) INFRASTRUCTURE FINANCING DISTRICT NEGOTIATION WITH THE COUNTY

- Suggested only as a backup alternative to strategy #2 (renegotiation of tax sharing agreement), the City and County may both consider formation of a tax increment financing (TIF) district such as an Enhanced Infrastructure Financing District (EIFD).
- An EIFD would not create a new tax to property owners, but would entail the County allocating some portion of its future property tax within the AASP area for a prescribed period of time (e.g., 10 to 50 years), with a restriction for certain eligible uses, such as infrastructure and affordable housing.
- An EIFD would not require voter approval, although property owners and residents within the financing district boundary (e.g., AASP area) would have an opportunity to protest formation of the EIFD.
- EIFD formation could be done instead or in addition to a maintenance CFD and/or minimum commercial use requirement.

## 4) MINIMUM COMMERCIAL USE REQUIREMENTS FOR RESIDENTIAL PROJECTS

- Instead or in addition to other fiscal mitigation options listed herein, the City could adopt a minimum commercial use requirement for residential projects within the AASP, such as a certain amount of commercial square footage.
- Advantages of this approach include direct promotion of land use mixes that include greater proportions of non-residential uses. This approach would more directly reserve a greater amount of developable land in the AASP area for commercial and manufacturing uses and promote jobs/housing balance.
- Disadvantages of this approach include the potential to limit any new development in the AASP area, as the required amount of non-residential components may render new development projects financially infeasible, and thus unable to proceed at all.
- This approach does not fully acknowledge current trends of “horizontal” blending of land uses versus “vertical” blending of land uses. While each individual residential development may not contain a significant non-residential component, the production of new “rooftops” within an area is still critical to support development of new non-residential uses (and retention of existing non-residential uses) on other parcels.

# POTENTIAL NEXT STEPS

- Subject to City staff and City Council discussion and direction regarding land use and economic development objectives for the AASP area, the City may proceed with one or more of the fiscal mitigation strategies suggested herein.
- Kosmont is suggesting that Strategy #1 (maintenance CFD) may make sense to be prioritized based on realistic implementation feasibility. Kosmont suggests that Strategy #2 (renegotiation of sharing agreement) is worth at least an initial inquiry with County stakeholders.
- Ultimately, certain strategies may be implemented on a targeted basis, such as within the AASP area alone, or Citywide (e.g., Citywide maintenance CFD), as has been implemented elsewhere within the State.
- Kosmont suggests transparent communication with both public sector and private sector stakeholders in any scenario.



# **APPENDIX: FISCAL IMPACT ANALYSIS SCENARIO DETAIL**

# Airport Area Specific Plan - Fiscal Impact Analysis

## Overview of Fiscal Impacts

	LUCE 2014	Market-Based Blended Use
<b>City of San Luis Obispo</b>		
Estimated Fiscal Revenues	\$5,352,100	\$5,558,400
Estimated Fiscal Expenditures	\$2,146,800	\$7,273,200
<b>Estimated Net Fiscal Impact to City</b>	<b>\$3,205,300</b>	<b>(\$1,714,800)</b>

<b>Land Use Assumptions for Reference</b>	LUCE 2014	Market-Based Blended Use
Residential - Market Rate	0 DU	2,650 DU
Affordable Housing	0 DU	230 DU
Hotel	0 rooms	218 rooms
Office	900,000 SF	30,000 SF
Commercial / Retail	616,983 SF	158,976 SF
Industrial	747,642 SF	95,000 SF

Notes:  
 Impacts at buildout  
 Assumes installation of necessary public infrastructure  
 Values in 2024 dollars



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Summary of Estimated Fiscal Impacts to City

	LUCE 2014	Market-Based Blended Use
<b>City of San Luis Obispo General Fund Revenues</b>		
Property Tax	\$0	\$0
Property Tax In-Lieu of MVLF	\$359,300	\$785,800
Property Transfer Tax	\$18,500	\$40,500
Sales Tax - General - Direct	\$1,388,200	\$357,700
Sales Tax - Measure G20 - Direct	\$2,082,300	\$536,500
Use Tax as % of Sales Tax - Direct	\$200,600	\$51,700
Sales Tax - Prop 172 as % of Sales Tax - Direct	\$30,500	\$7,900
Sales Tax - General - Indirect	\$128,700	\$425,800
Sales Tax - Measure G20 - Indirect	\$193,100	\$638,700
Use Tax as % of Sales Tax - Indirect	\$18,600	\$61,500
Sales Tax - Prop 172 as % of Sales Tax - Indirect	\$2,800	\$9,400
Transient Occupancy Tax	\$0	\$946,900
Utility Users Tax	\$184,000	\$559,600
Franchise Fees	\$59,700	\$181,700
Business Tax	\$473,500	\$81,500
Cannabis Tax	\$45,400	\$138,000
Police Revenue	\$19,100	\$58,200
Fire Revenue	\$49,400	\$150,100
Parks & Rec Revenue	\$0	\$260,600
Business Licenses	\$66,800	\$11,500
Other Revenue	\$31,600	\$96,100
SB1 Road Repair	\$0	\$158,700
<b>Estimated Total Revenues</b>	<b>\$5,352,100</b>	<b>\$5,558,400</b>
<b>City of San Luis Obispo General Fund Expenditures</b>		
Administration and IT	\$137,700	\$418,800
City Attorney	\$18,700	\$57,000
Finance & Non-Departmental	\$65,300	\$198,500
Human Resources	\$28,100	\$85,500
Fire	\$486,600	\$1,480,100
Police	\$707,200	\$2,151,100
Community Services Group Admin	\$12,200	\$37,000
Community Development	\$60,200	\$183,100
Parks and Recreation	\$0	\$743,300
Public Works	\$573,400	\$1,744,000
Solid Waste	\$10,900	\$33,300
Transfers Out	\$46,500	\$141,500
<b>Estimated Total Expenditures</b>	<b>\$2,146,800</b>	<b>\$7,273,200</b>
<b>Estimated Annual Net Fiscal Impact</b>	<b>\$3,205,300</b>	<b>(\$1,714,800)</b>
<i>Revenue / Cost Ratio</i>	<i>2.49</i>	<i>0.76</i>

**Notes:**

Assumes installation of necessary public infrastructure  
Values in 2024 dollars



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Project Description

<b>Project Component</b>	<b>LUCE 2014</b>	<b>Market-Based Blended Use</b>
Residential - Market Rate		2,650 DU
Affordable Housing		230 DU
Hotel		218 rooms
Office	900,000 SF	30,000 SF
Commercial / Retail	616,983 SF	158,976 SF
Industrial	747,642 SF	95,000 SF
<i>Annual Escalation Factor</i>	1.00	1.00
Estimated A/V - Residential	\$495K Per Unit	\$0
Estimated A/V - Affordable Housing	\$0K Per Unit	\$0
Estimated A/V - Hotel	\$350K Per Room	\$0
Estimated A/V - Office	\$350 PSF	\$315,000,000
Estimated A/V - Commercial / Retail	\$350 PSF	\$215,944,050
Estimated A/V - Industrial	\$190 PSF	\$142,051,980
<b>Total Estimated Assessed Value</b>	<b>\$672,996,030</b>	<b>\$1,472,043,600</b>

Notes:

Values in 2024 dollars



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Project Employment and Occupants

<b>Project Component</b>		<b>LUCE 2014</b>	<b>Market-Based Blended Use</b>
Residential - Market Rate		0 DU	2,650 DU
Affordable Housing		0 DU	230 DU
Hotel		0 Rooms	218 Rooms
Office		900,000 SF	30,000 SF
Commercial / Retail		616,983 SF	158,976 SF
Industrial		747,642 SF	95,000 SF
<b>Estimated # Employees (FTE)</b>			
Residential - Market Rate	50 DU / emp	0	53
Affordable Housing	50 DU / emp	0	5
Hotel	1.5 room / emp	0	145
Office	400 SF / emp	2,250	75
Commercial / Retail	400 SF / emp	1,542	397
Industrial	1,500 SF / emp	498	63
<b>Total Estimated # Employees (FTE)</b>		<b>4,291</b>	<b>739</b>
Occupied Dwelling Units	93%	0 DU	2,678 DU
Residents	2.29 per DU	0	6,134
Occupied Hotel Rooms	70%	0 rooms	153 rooms
Hotel Guests	1.5 per room	0	229
Employees Weighted at 50%	50%	2,145	369
Hotel Guests Weighted at 10%	10%	0	23
<b>Total Service Population (Residents / Empl / Visitors)</b>		<b>2,145</b>	<b>6,526</b>

Notes:  
 Average household size reflects City average household size  
 Values in 2024 dollars



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Property Tax

		LUCE 2014	Market-Based Blended Use
Estimated Assessed Value - Residential		\$0	\$1,311,552,000
Estimated Assessed Value - Non-Residential		\$672,996,030	\$160,491,600
<b>Total Estimated Assessed Value</b>		<b>\$672,996,030</b>	<b>\$1,472,043,600</b>
Total Secured Property Tax General Levy	1.00%	\$6,729,960	\$14,720,436
Estimated Unsecured Property Tax as % of Secured Non-Residential Value	10.00%	\$672,996	\$160,492
Total Estimated Secured + Unsecured Property Tax		\$7,402,956	\$14,880,928
<b><i>Distributions to Taxing Entities</i></b>			
Property Tax - City of San Luis Obispo (based on Property Tax Sharing Agreement)	0.00%	\$0	\$0
<b>Net Property Tax to City</b>	<b>0.00%</b>	<b>\$0</b>	<b>\$0</b>

Notes:  
 When the proposed project site was annexed into the City of San Luis Obispo, it carried a nonresidential land use designation (M - Manufacturing). Under the terms of the tax sharing agreement between the City and the County of San Luis Obispo, the County continues to receive all base year taxes plus any future incremental increase in property taxes for property designated for nonresidential development. Therefore, under the agreement, the City will not receive a share of general levy property taxes from the AASP area. Does not include property tax overrides above 1% general levy  
 Values in 2024 dollars

Source: San Luis Obispo County Auditor-Controller (2024)



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Property Tax In-Lieu of Motor Vehicle License Fees (MVLf)

Total AV within CITY	\$11,770,822,169	
Current Property Tax In-Lieu of MVLf	\$6,283,397	
Prop Tax In-Lieu of MVLf per \$1M of AV	\$534	
	<b>LUCE 2014</b>	<b>Market-Based Blended Use</b>
Estimated Project Assessed Value	\$672,996,030	\$1,472,043,600
<b>Net Incremental Property Tax In-Lieu of MVLf to City</b>	<b>\$359,300</b>	<b>\$785,800</b>

Notes:  
 Values in 2024 dollars

Source: San Luis Obispo County Auditor-Controller, City Online Budget Portal (2024)



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Property Transfer Tax

	LUCE 2014	Market-Based Blended Use
Estimated Assessed Value - For-Sale Residential	\$0	\$0
Estimated Property Turnover Rate	15.0%	15.0%
Estimated Value of Property Transferred	\$0	\$0
Estimated Assessed Value - Other Land Uses	\$672,996,030	\$1,472,043,600
Estimated Property Turnover Rate	5.0%	5.0%
Estimated Value of Property Transferred	\$33,649,802	\$73,602,180
<b>Estimated Total Value of Property Transferred</b>	<b>\$33,649,802</b>	<b>\$73,602,180</b>
Total Transfer Tax	\$1.10 per \$1,000 \$37,000	\$81,000
<b>Transfer Tax to City</b>	<b>\$0.55 per \$1,000 \$18,500</b>	<b>\$40,500</b>

Notes:  
Values in 2024 dollars

Source: San Luis Obispo County Auditor-Controller (2024)



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Sales Tax - Direct / On-Site

<b>Project Component</b>		<b>LUCE 2014</b>	<b>Market-Based Blended Use</b>
Commercial / Retail		616,983 SF	158,976 SF
Portion of Comm / Retail Generating Local Taxable Sales	75%	462,737 SF	119,232 SF
Estimated Taxable Sales	\$300 PSF	\$138,821,175	\$35,769,600
<b>Sales Tax - General - Direct</b>	<b>1.00%</b>	<b>\$1,388,200</b>	<b>\$357,700</b>
<b>Sales Tax - Measure G20 - Direct</b>	<b>1.50%</b>	<b>\$2,082,300</b>	<b>\$536,500</b>
<b>Use Tax as % of Sales Tax - Direct</b>	<b>14.45%</b>	<b>\$200,600</b>	<b>\$51,700</b>
<b>Sales Tax - Prop 172 as % of Sales Tax - Direct</b>	<b>2.20%</b>	<b>\$30,500</b>	<b>\$7,900</b>

Notes:

Use tax and Prop 172 sales tax percentages based on historical average percentages  
 Values in 2024 dollars.



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Sales Tax - Indirect / Off-Site

		LUCE 2014	Market-Based Blended Use
Estimated # Employees		4,291	739
Estimated Annual Taxable Retail Spending / Empl. Near Work		\$6,000	\$6,000
Estimated Employee Taxable Retail Spending Within City		\$25,745,313	\$4,432,240
Estimated # Occupied Dwelling Units		0 DU	2,678 DU
Estimated Avg Annual Taxable Retail Spending / HH		\$30,977	\$30,977
Estimated Resident Taxable Retail Spending		\$0	\$82,970,125
Estimated Capture within City	50.0%	\$0	\$41,485,063
Estimated # Occupied Hotel Rooms		0 rooms	153 rooms
Estimated Annual Taxable Retail Spending / Room		\$18,250	\$18,250
Estimated Resident Taxable Retail Spending		\$0	\$2,784,950
Estimated Capture within City	50.0%	\$0	\$1,392,475
<b>Total Estimated Indirect Taxable Sales</b>		<b>\$25,745,313</b>	<b>\$47,309,778</b>
Estimated Capture Within AASP Retail - Percentage		(50%)	(10%)
Estimated Capture Within AASP Retail - Dollar Amount		(\$12,872,657)	(\$4,730,978)
Net Indirect Taxable Sales		\$12,872,657	\$42,578,800
<b>Sales Tax - General - Indirect</b>	<b>1.00%</b>	<b>\$128,700</b>	<b>\$425,800</b>
<b>Sales Tax - Measure G20 - Indirect</b>	<b>1.50%</b>	<b>\$193,100</b>	<b>\$638,700</b>
<b>Use Tax as % of Sales Tax - Indirect</b>	<b>14.45%</b>	<b>\$18,600</b>	<b>\$61,500</b>
<b>Sales Tax - Prop 172 as % of Sales Tax - Indirect</b>	<b>2.20%</b>	<b>\$2,800</b>	<b>\$9,400</b>

### Notes:

Employee spending estimates based on "Office Worker Retail Spending Patterns: A Downtown and Suburban Area Study," ICSC.

Household spending based on average household income within City.

Hotel guest spending estimated based on American Hotel and Lodging Association (AHLA) data.

Values in 2024 dollars.



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# Airport Area Specific Plan - Fiscal Impact Analysis

## Transient Occupancy Tax ("TOT")

	LUCE 2014	Market-Based Blended Use
Estimated # Hotel Rooms	0 rooms	218 rooms
Average Daily Room Rate (ADR)	\$170	\$170
Average Occupancy Rate	70%	70%
Annual Hotel Room Receipts	\$0	\$9,468,830
<b>TOT to City</b>	<b>10.0%</b>	<b>\$946,900</b>

Notes:  
 Values in 2024 dollars.



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# Airport Area Specific Plan - Fiscal Impact Analysis

## City Service Population

City Population	48,684
City Employee Population	30,061
Employee Weighting for Service Population	0.5
Weighted # Employees	15,031
Visitor Population Equiv - Weighted at 10% of Resident	4,868
<b>Total City Service Population</b>	<b>68,583</b>

Source: CA Department of Finance, U.S. Census Bureau Center for Economic Studies (2023-2024)



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# Airport Area Specific Plan - Fiscal Impact Analysis

## City Multiplier Revenue and Expenditure Factors

Budget Category	Adopted City Budget	Allocation Basis	Relevant City Population	Percent Fixed Costs	Per Capita Factor
<b>General Fund Revenues</b>					
Sales Tax - General	\$23,166,049	N/A - Estimated Separately via Case Study Method -----			
Sales Tax - Prop 172	\$508,968	N/A - Estimated Separately via Case Study Method -----			
Sales Tax - Local Revenue Measure	\$30,897,602	N/A - Estimated Separately via Case Study Method -----			
Property Tax	\$15,982,628	N/A - Estimated Separately via Case Study Method -----			
Property Tax in Lieu of MVLF	\$6,669,367	N/A - Estimated Separately via Case Study Method -----			
Transient Occupancy Tax	\$10,918,080	N/A - Estimated Separately via Case Study Method -----			
Utility Users Tax	\$5,881,630	Service Population	68,583	0%	\$85.76
Franchise Fees	\$1,910,000	Service Population	68,583	0%	\$27.85
Business Tax	\$3,317,338	Employment Base	30,061	0%	\$110.35
Cannabis Tax	\$1,450,000	Service Population	68,583	0%	\$21.14
Police Revenue	\$611,917	Service Population	68,583	0%	\$8.92
Fire Revenue	\$1,577,836	Service Population	68,583	0%	\$23.01
Development Review	\$6,585,331	N/A - Non-Recurring Revenue -----			
Parks & Rec Revenue	\$2,068,693	Residents	48,684	0%	\$42.49
Business Licenses	\$468,000	Employment Base	30,061	0%	\$15.57
Cannabis Fee Revenue	\$232,600	N/A - Prior Obligations -----			
Other Revenue	\$1,010,016	Service Population	68,583	0%	\$14.73
SB1 Road Repair	\$1,259,276	Residents	48,684	0%	\$25.87
Grants and Subventions	\$682,279	N/A - Non-Recurring Revenue -----			
Storm Reimbursement	\$4,208,000	N/A - Non-Recurring Revenue -----			
<b>Total General Fund Revenues</b>	<b>\$119,405,610</b>				
<b>General Fund Expenditures</b>					
Administration and IT	\$11,003,659	Service Population	68,583	60%	\$64.18
City Attorney	\$1,497,103	Service Population	68,583	60%	\$8.73
Finance & Non-Departmental	\$5,216,654	Service Population	68,583	60%	\$30.43
Human Resources	\$2,246,535	Service Population	68,583	60%	\$13.10
Fire	\$15,554,762	Service Population	68,583	0%	\$226.80
Police	\$22,607,072	Service Population	68,583	0%	\$329.63
Community Services Group Admin	\$778,730	Service Population	68,583	50%	\$5.68
Community Development	\$8,510,146	Service Population	68,583	77%	\$28.07
Parks and Recreation	\$5,899,998	Residents	48,684	0%	\$121.19
Public Works	\$18,328,375	Service Population	68,583	0%	\$267.24
Solid Waste	\$349,657	Service Population	68,583	0%	\$5.10
Debt Service	\$1,769,000	N/A - Prior Obligations -----			
Capital	\$27,269,000	N/A - Non-Recurring -----			
Transfers Out	\$1,487,000	Service Population	68,583	0%	\$21.68
<b>Total General Fund Expenditures</b>	<b>\$122,517,691</b>				

**Notes:**

Community Development adjustments based on services paid by Development Review Fees (also deducted from Revenues)

Values in 2024 dollars.

Source: City of San Luis Obispo 2023-2025 Financial Plan (2024-2025 Budget)



The analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ from those expressed in this analysis.

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# Airport Area Specific Plan - Fiscal Impact Analysis

## City Multiplier Revenues and Expenditures

	LUCE 2014	Market-Based Blended Use
Estimated # Residents	0	6,134
Estimated # Employees	4,291	739
Estimated # Visitors	0	229
Total Project Service Population	2,145	6,526
Budget Category	LUCE 2014	Market-Based Blended Use
<i>General Fund Revenues</i>		
Utility Users Tax	\$184,000	\$559,600
Franchise Fees	\$59,700	\$181,700
Business Tax	\$473,500	\$81,500
Cannabis Tax	\$45,400	\$138,000
Police Revenue	\$19,100	\$58,200
Fire Revenue	\$49,400	\$150,100
Development Review	N/A	N/A
Parks & Rec Revenue	\$0	\$260,600
Business Licenses	\$66,800	\$11,500
Cannabis Fee Revenue	N/A	N/A
Other Revenue	\$31,600	\$96,100
SB1 Road Repair	\$0	\$158,700
Grants and Subventions	N/A	N/A
Storm Reimbursement	N/A	N/A
<b>Total Multiplier Revenues</b>	<b>\$929,500</b>	<b>\$1,696,000</b>
<i>General Fund Expenditures</i>		
Administration and IT	\$137,700	\$418,800
City Attorney	\$18,700	\$57,000
Finance & Non-Departmental	\$65,300	\$198,500
Human Resources	\$28,100	\$85,500
Fire	\$486,600	\$1,480,100
Police	\$707,200	\$2,151,100
Community Services Group Admin	\$12,200	\$37,000
Community Development	\$60,200	\$183,100
Parks and Recreation	\$0	\$743,300
Public Works	\$573,400	\$1,744,000
Solid Waste	\$10,900	\$33,300
Debt Service	N/A	N/A
Capital	N/A	N/A
Transfers Out	\$46,500	\$141,500
<b>Total Multiplier Expenditures</b>	<b>\$2,146,800</b>	<b>\$7,273,200</b>

Notes:

Major case study revenues not shown include property tax, sales tax, transient occupancy tax  
Values in 2024 dollars.

Source: City of San Luis Obispo 2023-2025 Financial Plan (2024-2025 Budget)



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