

Beaumont Pointe Specific Plan FISCAL IMPACT ANALYSIS

**Prepared for the
JRT BP1, LLC**



August 2023

Prepared By:



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1. Purpose of Fiscal Impact Analysis

Representatives of JRT BP1, LLC have requested that DPFG, LLC. (“DPFG”) prepare a Fiscal Impact Analysis (“FIA”) to estimate the annual recurring net fiscal impact that the Beaumont Pointe Specific Plan (“Project”) is anticipated to have on the City of Beaumont, California’s (“City”) General Fund at the Project’s buildout, as well as its cumulative impact in the 20 years after buildout, if it were to be annexed into the City. Please note that the FIA is subject to limiting conditions outlined in this Report.

2. Project Description

The proposed Project is an employment and retail entertainment development which at buildout is anticipated to include approximately 246,000 square feet of general commercial uses, a 125-room hotel, and approximately 4,995,000 square feet of industrial and warehouse uses in five buildings ranging in size from 600,000 and 1,400,000 square feet.

Beaumont Pointe Specific Plan (SP2019-0003)

The Project includes approximately 539.9 gross acres that are predominantly located just outside the City of Beaumont in the Unincorporated Area of the County of Riverside, between Moreno Valley and Beaumont, adjacent to Jack Rabbit Trail and below SR-60. The Project is within the Beaumont Pointe Specific Plan, which provides for the development of up to 539.9 acres comprising of 30.2 acres of General Commercial uses, approximately 232.6 acres of Industrial uses, and approximately 277.1 acres of Open Space. It is estimated that the Project will include an additional approximately 4,995,000 square feet of industrial uses, approximately 246,000 square feet of general commercial uses, and a 125-room hotel upon buildout. A summary of the Project’s land use assumptions is shown on the next page in **Table-1**, while the site plan is included in **Appendix A-1**.

**Table-1
Beaumont Pointe Land Use Assumptions**

Industrial			
Probable Tenant Type	Bldg. SF (a)	Estimated Assessed Value per SF (b)	Total Assessed Value
Industrial (Self Storage) - PA 3	35,000	\$ 295	\$ 10,325,000
Industrial Building 1 - PA 4	1,379,000	295	406,805,000
Industrial Building 2 - PA 5	981,000	295	289,395,000
Industrial Building 3 - PA 6	700,000	295	206,500,000
Industrial Building 4 - PA 7	600,000	295	177,000,000
Industrial Building 5 - PA 8	1,300,000	295	383,500,000
Subtotal Industrial	4,995,000	\$ 295	\$ 1,473,525,000

Commercial			
Probable Tenant Type	Bldg. SF (a)	Estimated Assessed Value per SF (b)	Total Assessed Value
General Commercial	216,000	227	49,032,000
Restaurant	30,000	227	6,810,000
Subtotal Commercial Retail	246,000	\$ 227	\$ 55,842,000

Hospitality			
Description	Number of Rooms	Estimated Assessed Value per Room	Total Assessed Value
Hotel	125	248,000	31,000,000

Total Project Assessed Value			\$ 1,560,367,000
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Footnotes:

(a) Per Developer and Beaumont Point Specific Plan. Represents maximum allowable building square footage.

(b) Per Developer.

3. Executive Summary

It is estimated that the Project, at buildout, if annexed into the City, would generate a positive annual recurring net fiscal impact to the City General Fund of **\$1,596,439**. It is estimated that the Project will generate a positive net fiscal impact to the City General Fund of **\$24,850,643** over the 20 years after buildout as detailed in **Table-2** on the following page.

Table-2

Beaumont Pointe Net Fiscal Impact Analysis Summary

Fiscal Impact Summary			
<u>Recurring Annual Revenues:</u>	Buildout (a)	Buildout + 20 Yrs (b)	
Property Taxes	\$ 523,038	\$ 12,708,439	Table 5
Property Taxes In Lieu of MVLF	1,476,082	35,864,922	Table 6
Transient Occupancy Taxes	547,500	12,055,405	Table 7
On-Site Sales Tax Revenue	453,000	11,006,709	Table 8
Other Recurring Revenues	554,731	13,478,502	Table 9
Total Annual Revenues	\$ 3,554,351	\$ 85,113,976	
<u>Recurring Annual Expenditures:</u>			
Non-Departmental	\$ -	\$ -	Table 10
Administration	226,753	6,092,928	Table 10
Community Development	77,875	2,092,538	Table 10
Community Services	167,679	4,505,604	Table 10
Public Safety	1,235,317	40,846,946	Table 10
Public Works	250,287	6,725,317	Table 10
Total Annual Expenditures:	\$ 1,957,912	\$ 60,263,333	
Annual General Fund Surplus/(Deficit)	\$ 1,596,439	\$ 24,850,643	

Footnotes:

(a) Anticipated revenues are shown in 2023-2024 dollars.

(b) 20 year projection assumes the sum of all 20 years assuming a 1% growth per year in Transient Occupancy Tax Revenue and a 2% growth per year for all other revenue categories for 20 years.

Expenditures assume a 5% Public Safety escalation with the remaining expenditures increasing at 3% per year for 20 years. Escalation factors per City of Beaumont.

Using the same escalation assumptions in the Buildout + 20 Yrs summary in Table 2 an annual time-phased analysis was prepared consistent with the term of the City forecast of sixteen years. This analysis includes the anticipated absorption of the project over 5 years and is included in **Appendix C**.

4. FIA Recurring Revenues

The revenue estimates in this section utilize the Equivalent Resident approach, with the exception of property and sales taxes which are estimated from the number of commercial square feet, industrial square feet, and number of hotel rooms developed, as shown in detail in **Appendix B**.

4.1 Property Taxes

In addition to the other ad valorem chargers imposed by various local agencies, landowners in the State of California are required to pay annual property taxes of 1% on the assessed value of their

property pursuant to Proposition 13. Each county in California is divided into tax rate areas (“TRA”). After the basic 1% property tax is collected by the County, the tax is allocated to various local agencies based on their respective share of the basic tax within the applicable TRA. Due to the Project being located within multiple TRA’s, this analysis calculates a weighted average percentage of the share of the basic tax that would be allocated to the City if the Project were to be annexed. Property taxes are estimated by applying estimated assessed values to the number of commercial square feet, industrial square feet, and hotel rooms built within the Project. If it were to be annexed into the City, the Project is estimated to generate **\$523,038** in annual recurring revenues at buildout and **\$12,708,439** in cumulative annual revenues during the 20 years after buildout as shown in **Appendix B Table 4**.

4.2 Property Taxes In-Lieu of MVLF

In May 2004, Governor Schwarzenegger proposed a swap of city and county VLF revenue for additional property tax share as part of a budget agreement between the State and local governments. The swap was included in the 2004 budget package. Under this legislation, property tax in-lieu of VLF is allocated to Cities and Counties pursuant to a complex formula involving each agencies relative share of assessed value. The property tax in-lieu of VLF revenue that will be generated by the Project can be estimated by determining the (i) percentage growth in the total assessed value of the City attributable to the Project and multiplying by (ii) the property tax in-lieu of VLF revenue of \$6,762,693 expected to be received by the City in FY 2023-24 per the City Budget. Based on these calculations, the Project is anticipated to generate **\$1,476,082** in annual recurring revenue at buildout and **\$35,864,922** in cumulative annual revenues during the 20 years after buildout, as shown in **Appendix B Table 5**.

4.3 Sales Taxes

4.3.1 Transient Occupancy Taxes

Lodging Taxes are estimated from the number of hotel rooms built within the Project. Lodging tax revenues of 10.0% on all hotel rooms rented within the Project are collected by the City. This revenue estimate utilizes a 125-room hotel, an average hotel room rate of \$160 and an occupancy rate of 75.0%. Based on the total hotel lodging taxes, if it were to be annexed into the City, the Project is estimated to generate **\$547,500** in annual recurring revenue at buildout and **\$12,055,405** in cumulative annual revenues during the 20 years after buildout as shown in **Appendix B Table 6**.

4.3.2 Commercial Retail Sales Taxes

Commercial retail sales taxes are estimated from the number of square feet of retail space built within the Project. If it were to be annexed into the City, the Project is estimated to generate **\$453,000** in annual recurring revenue at buildout. If it were to be annexed into the City, the Project is anticipated to generate **\$11,006,709** in cumulative annual revenue during the 20 years after buildout as shown in **Appendix B Table 7**.

4.4 Other Revenues

The City receives revenues from other budgetary items for which case studies were not conducted upon. These revenues are in the form of Other Taxes, Licenses, Permits, and Fees, Charges for

Service, Fines and Forfeitures, Cost Recovery, and Miscellaneous Revenue. Other Revenues are estimated using the estimated Project Equivalent Residents of 2,622. The Project is estimated to generate **\$554,731** in annual recurring revenue at buildout and **\$13,478,502** in cumulative annual revenues during the 20 years after buildout as shown in **Appendix Table 8**.

5. FIA Recurring Costs

The cost estimates in this section utilize the Equivalent Resident approach, as shown in detail in **Appendix B**.

5.1 Non Departmental

Transfers Out are the only expense that makes up the Non-Departmental cost category. Costs are estimated using a Per Capita & 50% Employee Multiplier. This analysis assumes that 0% of the non-Departmental costs for Transfers Out are estimated to be impacted by the Project. The Project is estimated to generate **\$0** in annual recurring costs at buildout and **\$0** in cumulative annual costs during the 20 years after buildout as shown in **Appendix B, Table 9**.

5.2 Administration

The Administration cost category includes all expenses incurred by the City for Administrative services, City Council, City Clerk, Administration, Communication, IT Department, Risk and Human Resources, Legal services, and Finance and Budgeting. Costs are estimated by using a Per Capita & 50% Employee Multiplier, and 50.0% of the budgeted costs are estimated to be impacted by the Project. The Project is estimated to generate **\$226,753** in annual recurring costs at buildout and **\$6,092,928** in cumulative annual costs during the 20 years after buildout as shown in **Appendix B, Table 9**.

5.3 Community Development

The Community Development cost category includes all expenses related to the Planning Department, Community Enhancement, Building and Safety, and Economic Development, and is responsible for administering the City's planning and construction and code regulation programs. Costs are estimated using a Per Capita & 50% Employee Multiplier, and 50.0% of the budgeted costs are estimated to be impacted by the Project. The Project is estimated to generate **\$77,875** in annual recurring costs at buildout and **\$2,092,538** in cumulative annual costs during the 20 years after buildout as shown in **Appendix B, Table 9**.

5.4 Community Services

The Community Services cost category includes expenses related to maintenance of parks, trails, and open space, maintenance of City owned facilities, and manages recreational operations and programs. Costs are estimated using a Per Capita & 50% Employee Multiplier, and 50.0% of the budgeted costs are estimated to be impacted by the Project. The Project is estimated to generate **\$167,679** in annual recurring costs at buildout and **\$4,505,604** in cumulative annual costs during the 20 years after buildout as shown in **Appendix B, Table 9**.

5.5 Public Safety

The Public Safety cost category includes expenses related to providing quality law enforcement, Fire Protection, animal control, and emergency management services in the most effective and

efficient manner possible. A majority of the costs are related to personnel expenses and operating expenses. This analysis has also modified the Fire costs from an original budgeted amount of \$6,820,202 to a total of \$11,396,728 which includes an anticipated \$4,576,526 for a fire contract to operate an additional fire station. Costs are estimated using a Per Capita & 50% Employee Multiplier, and 100% of the budgeted costs are estimated to be impacted by the Project. The Project is estimated to generate **\$1,235,317** in annual recurring costs at buildout and **\$40,846,946** in cumulative annual costs during the 20 years after buildout as shown in **Appendix B, Table 9**.

5.6 Public Works

The Public Works cost category includes expenses related to the Public Works Department and the Street Maintenance Department for providing cost effective infrastructure and services to promote public health. Costs are estimated using a Per Capita & 50% Employee Multiplier, and 100.0% of the budgeted costs are estimated to be impacted by the Project. The Project is estimated to generate **\$250,287** in annual recurring costs at buildout and **\$6,725,317** in cumulative annual costs during the 20 years after buildout as shown in **Appendix B, Table 9**.

6. Limiting Conditions

This study prepared by DPF, LLC is subject to the following considerations and limiting conditions.

- It is our understanding that this Report is for the client's due diligence and other planning purposes. Neither our Report, nor its contents, nor any of our work were intended to be included and, therefore, may not be referred to or quoted in whole or in part, in any registration statement, prospectus, public filing, private offering memorandum, or loan agreement without our prior written approval. This report is intended to be read and used as a whole and not in parts.
- The reported recommendation(s) represent the considered judgment of DPF, LLC based on the facts, analyses and methodologies described in the Report.
- Except as specifically stated to the contrary, this Report will not give consideration to the following matters to the extent they exist: (i) matters of a legal nature, including issues of legal title and compliance with federal, state and local laws and ordinances; and (ii) environmental and engineering issues and the costs associated with their correction. The user of this Report will be responsible for making his/her own determination about the impact, if any, of these matters. This Report has not evaluated the feasibility or marketability of any site for planned uses.
- The Report does not consider all of the costs to local governments associated with providing services such as emergency services to the development. Such analysis is beyond the scope of this Report.
- The analysis is based on the current tax structure and rates imposed by the State, County and City. Changes in those rates would alter the findings of this Report. All dollar amounts are stated in 2023 dollars and, unless indicated, do not take into account the effects of inflation. The results of this Report are meant to reflect a typical year based on averages. While dollar figures are expressed in current dollars, the results from year to year will vary based on events held at the development generated throughout the year.

- Our analysis is based on currently available information and estimates and assumptions. Such estimates and assumptions are subject to uncertainty and variation. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, the actual results achieved may vary materially from the forecasted results. The assumptions disclosed in this Report are those that are believed to be significant to the estimates of results.

7. General Sources of Information and FIA Methodology

Annual recurring revenues/costs were calculated using the City of Beaumont’s Fiscal Year 2024 Adopted Budget (“Budget”), as this was the most recent budget available. Annual recurring revenue/cost impacts to the City General Fund are estimated in 2023 dollars, and by using primarily either per person (“Per Capita”) or equivalent resident (“Equivalent Resident”) methodologies. In some simpler instances the FIA estimates impacts based on the number of Project commercial square feet, industrial square feet, or number of hotel rooms.

The Equivalent Resident approach is used for annual recurring revenues/costs that are impacted by the number of Project employees. This approach uses the Budget’s revenues/costs, as well as the City’s number of residents plus 50.0% of the employees in 2023 to establish an Equivalent Resident Factor. The Equivalent Resident Factor is then applied to the number of Project residents plus 50.0% of Project employees to estimate annual recurring fiscal impacts. 50.0% is estimated to be the percentage of Project employees that will live and shop in the City.

These approaches are summarized on **Table-3**.

**Table-3
 Beaumont Pointe Assumptions Summary**

	City	Project
Per Capita (a)	56,590	-
Per Employee (b)	24,600	5,451
Per Capita & 50% Employee	68,890	2,725
Case Study	-	-
N/A	-	-

Footnotes:

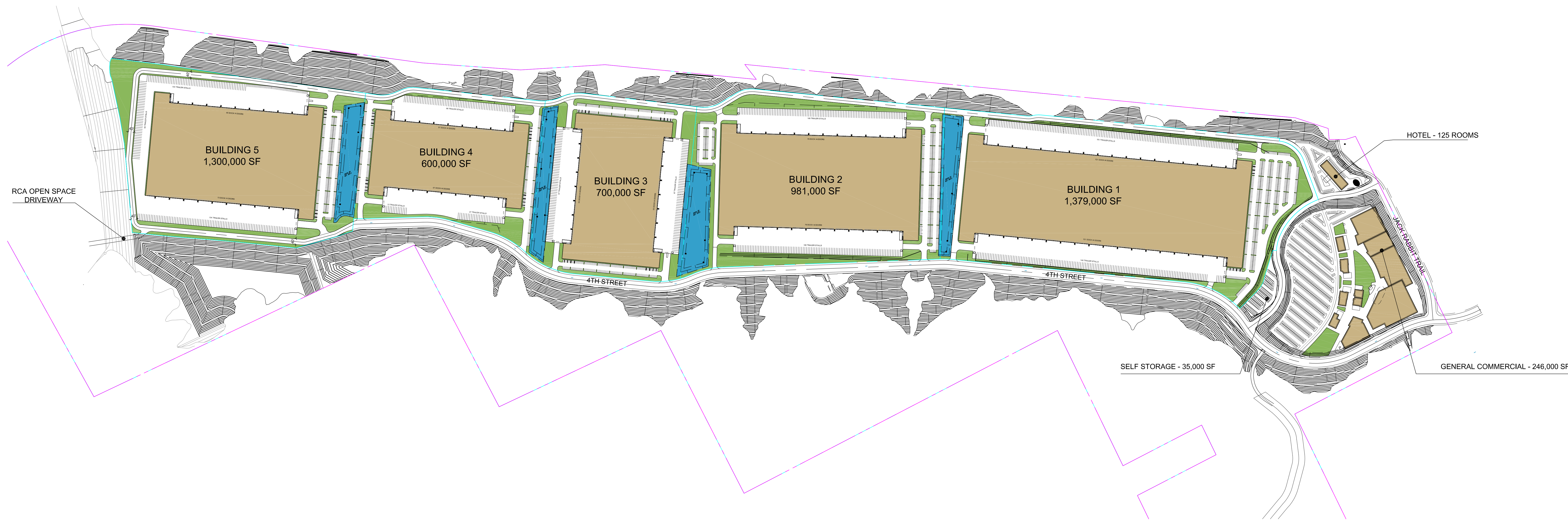
(a) Population data for the City of Beaumont per State of California Department of Finance E-5 Population and Housing Estimates for January 1, 2023.

(b) Employee data per the State of California Employment Development Department Monthly Labor Force Data for Cities and Census Designated Places - May 2023.

Information used in preparing the FIA was obtained from the following sources: (1) City of Beaumont Fiscal Year 2024 Adopted Budget; (2) Beaumont Pointe Specific Plan; (3) U.S. Census

Bureau population, household, employment, income, and other demographic data; (4) City Revenue Division taxing data; (5) County Assessor property valuations; (6) U.S. Bureau of Labor Statistics household and retail expenditures; (7) City Property Tax Division; (8) CBRE property occupancies and valuations; (9) Riverside County General Plan; (10) City of Beaumont Economic Development Department; (11) Landvision; (12) California Department of Transportation; (13) April 19, 1982 City of Beaumont Resolution 1982-24; and (14) JRT BP1, LLC (“Developer”).

Appendix A



A CONCEPTUAL SITE PLAN
SCALE: 1" = 300'



HERDMAN
ARCHITECTURE + DESIGN

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A19-2104
06.15.2023



CONCEPTUAL
SITE PLAN

Appendix B

Table 1
Fiscal Impact Analysis Summary
Beaumont Pointe

Fiscal Impact Summary			
<u>Recurring Annual Revenues:</u>	Buildout (a)	Buildout + 20 Yrs (b)	
Property Taxes	\$ 523,038	\$ 12,708,439	Table 4
Property Taxes In Lieu of MVLFF	1,476,082	35,864,922	Table 5
Transient Occupancy Taxes	547,500	12,055,405	Table 6
On-Site Sales Tax Revenue	453,000	11,006,709	Table 7
Other Recurring Revenues	554,731	13,478,502	Table 8
Total Annual Revenues	\$ 3,554,351	\$ 85,113,976	
<u>Recurring Annual Expenditures:</u>			
Non-Departmental	\$ -	\$ -	Table 9
Administration	226,753	6,092,928	Table 9
Community Development	77,875	2,092,538	Table 9
Community Services	167,679	4,505,604	Table 9
Public Safety	1,235,317	40,846,946	Table 9
Public Works	250,287	6,725,317	Table 9
Total Annual Expenditures:	\$ 1,957,912	\$ 60,263,333	
Annual General Fund Surplus/(Deficit)	\$ 1,596,439	\$ 24,850,643	

Footnotes:

(a) Anticipated revenues are shown in 2023-2024 dollars.

(b) 20 year projection assumes the sum of all 20 years assuming a 1% growth per year in Transient Occupancy Tax Revenue and a 2% growth per year for all other revenue categories for 20 years.

Expenditures assume a 5% Public Safety escalation with the remaining expenditures increasing at 3% per year for 20 years. Escalation factors per City of Beaumont.

Table 2**Fiscal Revenue Analysis Absorption Summary
Beaumont Pointe**

Anticipated Industrial Absorption							
Fiscal Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	Total
Industrial (Self Storage) - PA 3	-	-	-	-	35,000	-	35,000
Industrial Building 1 - PA 4	1,379,000	-	-	-	-	-	1,379,000
Industrial Building 2 - PA 5	-	-	981,000	-	-	-	981,000
Industrial Building 3 - PA 6	-	-	700,000	-	-	-	700,000
Industrial Building 4 - PA 7	-	-	-	-	600,000	-	600,000
Industrial Building 5 - PA 8	-	-	-	-	1,300,000	-	1,300,000
General Commercial	-	-	-	-	216,000	-	216,000
Restaurant	-	-	-	-	30,000	-	30,000
	1,379,000	-	1,681,000	-	2,181,000	-	5,241,000

Anticipated Hotel Absorption							
Fiscal Year	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Hotel Rooms	-	-	-	-	125	-	125

Anticipated Revenue (a)							
Fiscal Year	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Property Taxes	137,620	-	167,759	-	217,658	-	523,038
Transient Occupancy Taxes	-	-	-	-	547,500	-	547,500
Property Taxes In Lieu of MVLF	388,383	-	473,439	-	614,260	-	1,476,082
On-Site Sales Tax Revenue	-	-	-	-	453,000	-	453,000
	526,004	-	641,198	-	1,832,418	-	2,999,620

Footnotes:

(a) Anticipated revenue is in 2022/23 dollars.

Table 3
Land Use and Assessed Value Assumptions
Beaumont Pointe

Industrial			
Probable Tenant Type	Bldg. SF (a)	Estimated Assessed Value per SF (b)	Total Assessed Value
Industrial (Self Storage) - PA 3	35,000	\$ 295	\$ 10,325,000
Industrial Building 1 - PA 4	1,379,000	295	406,805,000
Industrial Building 2 - PA 5	981,000	295	289,395,000
Industrial Building 3 - PA 6	700,000	295	206,500,000
Industrial Building 4 - PA 7	600,000	295	177,000,000
Industrial Building 5 - PA 8	1,300,000	295	383,500,000
Subtotal Industrial	4,995,000	\$ 295	\$ 1,473,525,000

Commercial			
Probable Tenant Type	Bldg. SF (a)	Estimated Assessed Value per SF (b)	Total Assessed Value
General Commercial	216,000	227	49,032,000
Restaurant	30,000	227	6,810,000
Subtotal Commercial Retail	246,000	\$ 227	\$ 55,842,000

Hospitality			
Description	Number of Rooms	Estimated Assessed Value per Room	Total Assessed Value
Hotel	125	248,000	31,000,000

Total Project Assessed Value			\$ 1,560,367,000
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Footnotes:

(a) Per Developer and Beaumont Point Specific Plan. Represents maximum allowable building square footage.

(b) Per Developer.

Table 4
Post-ERAF Share of the Basic Tax Calculation
Beaumont Pointe

Agency	TRA (c)					Wtd. Avg. of TRAs (a), (b)
	56-006	56-007	56-016	56-017	91-010	
General	12.84501768%	13.85833051%	13.58799159%	13.09636799%	14.84232910%	13.408067031%
County Free Library	1.31177694%	1.41419586%	1.38660869%	1.33644021%	1.51460970%	1.368882514%
County Structure Fire Protection	5.36236594%	5.78104164%	5.66826846%	5.46318658%	6.19151834%	5.595805763%
Beaumont Unified School	39.01510700%	42.06127400%	41.24077100%	39.74865000%	0.00000000%	29.757937180%
San Jacinto Unified School	0.00000000%	0.00000000%	0.00000000%	0.00000000%	44.46009600%	10.812686198%
Mt San Jacinto Junior College	3.62238000%	3.90520300%	3.82902300%	3.69048600%	4.18248800%	3.780072961%
Riv. Co. Office of Education	3.73928600%	4.03123600%	3.95259800%	3.80959100%	4.31746900%	3.902067869%
Riv County Regional Park & Open Space	0.33306177%	0.34206833%	0.33539575%	0.32326118%	0.36635702%	0.341251513%
Flood Control Administration	0.21458408%	0.23133765%	0.22682508%	0.21861818%	0.24776375%	0.223925463%
Flood Control Zone 5	4.47826690%	4.82791454%	4.73373520%	4.56246498%	5.17071592%	4.673219194%
Summit Cemetery District	1.55976984%	1.68155142%	1.64874877%	1.58909566%	0.00000000%	1.189681029%
San Gorgonio Pass Mem Hospital	1.84545500%	0.00000000%	1.95073200%	0.00000000%	0.00000000%	1.246859598%
Beaumont Cherry Valley Rec & Park	3.51404580%	3.78841073%	3.71450859%	3.58011530%	0.00000000%	2.680263171%
Valley Wide Rec & Park	0.00000000%	0.00000000%	0.00000000%	0.00000000%	1.05843310%	0.257410712%
San Gorgonio Pass Water Agency DS	3.24139820%	0.00000000%	0.00000000%	3.30234126%	0.00000000%	2.212769815%
ERAF Fund	18.91748485%	18.07743632%	17.72479387%	19.27938166%	17.64822007%	18.549099989%
Total	100.000000%	100.000000%	100.000000%	100.000000%	100.000000%	100.0000%
Project Acres (c)	400.19	27.57	19.00	24.00	151.28	622.04
% of Total	64.34%	4.43%	3.05%	3.86%	24.32%	100.00%

Total County General Fund **13.4081%**

		Total
Total Assessed Value from Table 3		\$ 1,560,367,000
Base 1% Ad-Valorem Tax	1.00%	\$ 15,603,670
Total Property Taxes Generated	13.4081%	\$ 2,092,151
City of Beaumont Share (d)	25.0000%	\$ 523,038

Footnotes:

Source: Fiscal Year 2022-23 Share of the Basic Tax per Riverside County Auditor-Controller's Office, Property Tax Division.

(a) The weighted average of TRAs was calculated by the distribution of acreage among the TRAs within the Project.

(b) Shares of the basic tax that are received by the County for each TRA are highlighted in bold print.

(c) Data per LandVision.

(d) Per City of Beaumont Resolution No. 1982-24, the City is allocated 25% of the property tax revenue generated within the area to be annexed with the remaining 75% remaining with the County of Riverside.

Table 5
Property Taxes In Lieu of MVLF
Beaumont Pointe

Property Taxes In Lieu of MVLF		
FY 2023/24 In Lieu MVLF Allocation to City	\$	7,649,448 (a)
FY 2022/23 City of Beaumont Assessed value		8,062,445,999 (b)
Total Project Assessed Value from Table 3		1,560,367,000
Less: Existing Assessed Value		(4,590,000)
Net (New) Assessed Value	\$	1,555,777,000
AV Growth from Project		19.297%
Annual City Property Taxes In Lieu of MVLF	\$	1,476,082

Footnotes:

(a) Per City of Beaumont Annual City budget for Fiscal Year 2022-2023.

(b) Per County of Riverside Close of Roll Press Release dated July 10, 2023.

Table 6
Transient Occupancy Taxes
Beaumont Pointe

Proposed Resort Hotel		
No. of Rooms		125
Average Daily Rate (ADR)		\$ 160 (a)
Occupancy Rate (%)		75.0% (a)
Total Annual Room Revenues		5,475,000
Annual City Transient Occupancy Tax	10.00% (b)	\$ 547,500

Footnotes:

(a) Estimate per DPFG ADR rate research regarding hotels located within Project area dated 12/8/2022.

(b) Transient occupancy tax rate per City of Beaumont Municipal Code Chapter 3.28.030.

Table 7
On-Site Sales Tax Revenue
Beaumont Pointe

Probable Tenant Type	Bldg. SF (a)	Estimated Sales per SF (b)	Estimated % Taxable	Estimated Taxable Sales per SF	Total Estimated Taxable Sales
Commercial					
Industrial (Self Storage) - PA 3	35,000	\$ -	100%	\$ -	\$ -
Industrial Building 1 - PA 4	1,379,000	-	100%	\$ -	\$ -
Industrial Building 2 - PA 5	981,000	-	100%	\$ -	\$ -
Industrial Building 3 - PA 6	700,000	-	100%	\$ -	\$ -
Industrial Building 4 - PA 7	600,000	-	100%	\$ -	\$ -
Industrial Building 5 - PA 8	1,300,000	-	100%	\$ -	\$ -
General Commercial	216,000	175	100%	175	37,800,000
Restaurant	30,000	250	100%	250	7,500,000
Total	5,241,000				\$ 45,300,000
Annual Sales Tax to City				1.00%	\$ 453,000

Footnotes:

(a) Per Developer.

(b) Preliminary DDPG estimates based on industry knowledge and review of various data sources in addition to Dollars & Cents of Shopping Centers (2008) by Urban Land Institute.

Table 8
Other Recurring Revenues
Beaumont Pointe

Revenue Category	City FY 2023/24		Percentage		Multiplier	Factor	Project Equivalent Persons	Project Revenues
	Adopted Budget (a)		Adjustment	Adjusted Budget				
Taxes								
Secured Property Taxes	\$ 7,569,785	100%	\$ 7,569,785	Case Study	0.00	-	\$ -	
Unsecured Property Taxes	236,531	100%	236,531	Case Study	0.00	-	-	
Property Transfer Tax	342,371	100%	342,371	Case Study	0.00	-	-	
Street Light Assessment (Prop 13)	957,344	100%	957,344	Per Capita & 50% Employee	13.90	2,725.29	37,873	
Sales & Use Taxes	28,374,719	100%	28,374,719	Case Study	0.00	-	-	
1/2% Sales Tax - Public Safety	257,705	100%	257,705	Per Capita & 50% Employee	3.74	2,725.29	10,195	
Motor Vehicle In-Lieu Taxes	7,649,448	100%	7,649,448	Case Study	0.00	-	-	
Vehicle License Collection	63,324	100%	63,324	Per Capita & 50% Employee	0.92	2,725.29	2,505	
Utility Users Tax	2,152,970	100%	2,152,970	Per Capita & 50% Employee	31.25	2,725.29	85,171	
Transient Occupancy Tax	416,381	100%	416,381	Case Study	0.00	-	-	
Total Taxes	\$ 48,020,578		\$ 48,020,578				\$ 135,744	
Franchises Fees (b)	\$ 3,299,914		\$ 3,299,914	Per Capita & 50% Employee	47.90	2,725.29	\$ 130,545	
Charges for Services								
Transportation Permits	5,000	100%	5,000	Per Capita & 50% Employee	0.07	2,725.29	198	
Code Enforcement - Weed Abatement	44,267	100%	44,267	Per Capita & 50% Employee	0.64	2,725.29	1,751	
Code Enforcement - Turbo Data	37,005	100%	37,005	Per Capita & 50% Employee	0.54	2,725.29	1,464	
Code Enforcement Lien Recovery	4,500	100%	4,500	Per Capita & 50% Employee	0.07	2,725.29	178	
Live Scan Fingerprinting	20,000	100%	20,000	Per Capita & 50% Employee	0.29	2,725.29	791	
Notary Fees	200	100%	200	Per Capita & 50% Employee	0.00	2,725.29	8	
Passport Fees	-	100%	-	Per Capita & 50% Employee	0.00	2,725.29	-	
Special Police Services	94,000	100%	94,000	Per Capita & 50% Employee	1.36	2,725.29	3,719	
Building Rental	85,000	100%	85,000	Per Capita & 50% Employee	1.23	2,725.29	3,363	
Parks Rental	70,000	100%	70,000	Per Capita & 50% Employee	1.02	2,725.29	2,769	
Administrative Fees - DIF	40,000	100%	40,000	Per Capita & 50% Employee	0.58	2,725.29	1,582	
Administrative Fees - Planning	10,000	100%	10,000	Per Capita & 50% Employee	0.15	2,725.29	396	
Administrative Fees - Public Works	148,000	100%	148,000	Per Capita & 50% Employee	2.15	2,725.29	5,855	
Other Charges for Services (c)	769,775	0%	-	Per Capita & 50% Employee	0.00	2,725.29	-	
Total Charges for Service:	\$ 1,356,247		\$ 557,972				\$ 22,073	
Licenses (d)	\$ 375,000	100%	\$ 375,000	Per Capita & 50% Employee	5.44	2,725.29	\$ 14,835	
Permits								
Building Permits and Inspections	2,190,097	100%	2,190,097	Per Capita & 50% Employee	31.79	2,725.29	86,640	
Yard Sale	4,200	0%	-	Per Capita & 50% Employee	0.00	2,725.29	-	
Misc Permits - Alarm Permit	1,500	100%	1,500	Per Capita & 50% Employee	0.02	2,725.29	59	
Encroachment Permits	9,000	100%	9,000	Per Capita & 50% Employee	0.13	2,725.29	356	
Building Plan Check	704,528	100%	704,528	Per Capita & 50% Employee	10.23	2,725.29	27,871	
Railcar Fees	5,892	100%	5,892	Per Capita & 50% Employee	0.09	2,725.29	233	
Planning Department Revenue	300,000	100%	300,000	Per Capita & 50% Employee	4.35	2,725.29	11,868	
Public Works - Permits	14,000	100%	14,000	Per Capita & 50% Employee	0.20	2,725.29	554	
Public Works - Permits Labor	-	100%	-	Per Capita & 50% Employee	0.00	2,725.29	-	
Public Works - Plan Check	80,000	100%	80,000	Per Capita & 50% Employee	1.16	2,725.29	3,165	
Public Works - Inspection	80,000	100%	80,000	Per Capita & 50% Employee	1.16	2,725.29	3,165	
Public Works - Inspection Labor	8,000	100%	8,000	Per Capita & 50% Employee	0.12	2,725.29	316	
Public Works - Engineering	10,000	100%	10,000	Per Capita & 50% Employee	0.15	2,725.29	396	
Public Works - Engineering Labor	10,000	100%	10,000	Per Capita & 50% Employee	0.15	2,725.29	396	
Fire Department Fees	250,000	100%	250,000	Per Capita & 50% Employee	3.63	2,725.29	9,890	
Total Permits:	\$ 3,667,217		\$ 3,663,017				\$ 144,909	
Other Financing Sources (e)	\$ -	0%	\$ -	Per Capita & 50% Employee	0.00	2,725.29	\$ -	
Cost Recovery (f)	\$ 866,920	100%	\$ 831,920	Per Capita & 50% Employee	12.08	2,725.29	\$ 28,065	
Miscellaneous Revenue (g)	\$ 1,870,860	100%	\$ 1,870,860	Per Capita & 50% Employee	27.16	2,725.29	\$ 74,011	
Fines and Forfeitures (h)	\$ 115,000	100%	\$ 115,000	Per Capita & 50% Employee	1.67	2,725.29	\$ 4,549	
Transfers (i)	\$ 8,218,067	0%	\$ -	Per Capita & 50% Employee	0.00	2,725.29	\$ -	
Total	\$ 67,789,803		\$ 58,734,261				\$ 554,731	

Footnotes:

- (a) Based on City of Beaumont FY 2023-24 Adopted Budget.
- (b) Franchise Fees include revenues from Edison, Cable, Verizon/Frontier, Gas Company, and Waste Management.
- (c) Other Charges for Service includes revenues from Animal License, Care and Recovery Cost, School Resource Officer Program, Community Programs, Bond Acceptance/Reduction/Exoneration, Building and Parks Rental, Community Service Staff Time, Sale of Miscellaneous Copies, Sale of Misc Copies, and Parks and Recreation Contract Classes.
- (d) Licenses includes revenues from Business Licenses.
- (e) Other Financing Sources includes revenues from Sale of Property.
- (f) Cost Recovery includes revenues from Solid Waster Support Services, Plan Check, Inspection, Credit Card Fees, Coachella/ Stagecoach, RAID, PACT, BUSD, OES, Park Utilities, POST, Insurance Recovery, and Claims.
- (g) Miscellaneous Revenue includes revenues from Release of Lien, Interest, Interest - CFD Bonds, Principle Received - CFD, Cost Recovery Plan Check/Inspections, Lease Revenue, Admin Overhead Revenue, and Cal Card Rebate.
- (h) Fines and Forfeitures includes revenues from Abandoned Vehicle Program, General Fines, Parking Fine Revenue, and CA Vehicle Code Fines.
- (i) Transfers includes revenues from Transfers In and Transfers In- Overhead.

Table 9
Recurring Expenditures
Beaumont Pointe

Expenditure Category	City FY 2023/24 Adopted Budget (a)	Percentage Adjustment	Adjusted Budget	Multiplier	Factor	Project Equivalent Persons	Project Cost
<u>Non-Departmental</u>							
Transfers Out	\$ 10,935,086	0%	-	Per Capita & 50% Employee	-	2,725	\$ -
Subtotal Non-Departmental	10,935,086		-				-
<u>Administration</u>							
City Council	202,143	50%	101,072	Per Capita & 50% Employee	1.47	2,725	3,998
City Clerk	459,449	50%	229,725	Per Capita & 50% Employee	3.33	2,725	9,088
Administration	1,545,057	50%	772,529	Per Capita & 50% Employee	11.21	2,725	30,561
Communication	390,477	50%	195,239	Per Capita & 50% Employee	2.83	2,725	7,724
IT Department	1,798,922	50%	899,461	Per Capita & 50% Employee	13.06	2,725	35,583
Risk and Human Resources	3,625,354	50%	1,812,677	Per Capita & 50% Employee	26.31	2,725	71,709
Legal	1,500,000	50%	750,000	Per Capita & 50% Employee	10.89	2,725	29,670
Finance and Budgeting	1,942,334	50%	971,167	Per Capita & 50% Employee	14.10	2,725	38,419
Subtotal Administration	11,463,736		5,731,868				226,753
<u>Community Development</u>							
Community Development	812,062	50%	406,031	Per Capita & 50% Employee	5.89	2,725	\$ 16,063
Economic Development	1,207,540	50%	603,770	Per Capita & 50% Employee	8.76	2,725	23,885
Community Enhancement	362,525	50%	181,263	Per Capita & 50% Employee	2.63	2,725	7,171
Building and Safety	1,554,947	50%	777,474	Per Capita & 50% Employee	11.29	2,725	30,757
Subtotal Community Development	3,937,074		1,968,537				\$ 77,875
<u>Community Services</u>							
Parks and Recreation	1,899,199	50%	949,600	Per Capita & 50% Employee	13.78	2,725	\$ 37,566
Building Maintenance	1,118,910	50%	559,455	Per Capita & 50% Employee	8.12	2,725	22,132
Parks and Grounds Maintenance	5,459,105	50%	2,729,553	Per Capita & 50% Employee	39.62	2,725	107,981
Subtotal Community Services	8,477,214		4,238,607				\$ 167,679
<u>Public Safety</u>							
Public Safety - OES	15,000	100%	15,000	Per Capita & 50% Employee	0.22	2,725	\$ 593
Police	16,486,010	100%	16,486,010	Per Capita & 50% Employee	239.31	2,725	652,186
Police Support	2,928,561	100%	2,928,561	Per Capita & 50% Employee	42.51	2,725	115,854
Fire (b)	11,396,728	100%	11,396,728	Per Capita & 50% Employee	165.43	2,725	450,854
K-9	14,214	100%	14,214	Per Capita & 50% Employee	0.21	2,725	562
Animal Control	385,923	100%	385,923	Per Capita & 50% Employee	5.60	2,725	15,267
Subtotal Public Safety	31,226,436		31,226,436				\$ 1,235,317
<u>Public Works</u>							
Public Safety - OES							
Engineering and Public Works	3,606,165	100%	3,606,165	Per Capita & 50% Employee	52.35	2,725	\$ 142,660
Street Maintenance	2,720,618	100%	2,720,618	Per Capita & 50% Employee	39.49	2,725	107,628
Total Public Works	6,326,783		6,326,783				\$ 250,287
Total	\$ 72,366,329		\$ 49,492,231				\$ 1,957,912

Footnotes:

(a) Per the City of Beaumont FY 2023/2024 Annual Budget.

(b) Public Safety Fire Expenditures are from the 23/24 Annual Budget and includes an additional \$4,576,526 fire contract to operate an additional fire station.

Table 10
Permanent Employment per Developer EIR
Beaumont Pointe

Tenant Type	Bldg. SF (a)	Estimated SF per Employee (b)	Estimated Employees
Commercial Areas			
Industrial (Self Storage) - PA 3	35,000	1,000	35
Industrial Building 1 - PA 4	879,000	1,000	879
Industrial Building 1 - PA 4 (c)	500,000	750	667
Industrial Building 2 - PA 5	981,000	1,000	981
Industrial Building 3 - PA 6	700,000	1,000	700
Industrial Building 4 - PA 7	600,000	1,000	600
Industrial Building 5 - PA 8	1,300,000	1,000	1,300
General Commercial	216,000	1,163	186
Restaurant	30,000	1,163	26
Subtotal - Industrial / Commercial	5,241,000		5,373
Hotel			
Hotel - 125 Rooms	90,000	1,163	77
Subtotal Hotel	90,000		77
Total	5,331,000		5,451

Footnotes:

(a) Per Table 3.

(b) Values for Square Feet per Employee based on Specific Plan EIR dated 12/20/2022 and Provided by Developer 6/29/2023.

(c) Represents general light industrial square footage portion of industrial warehouse building.

Appendix C

**Fiscal Revenue Analysis Time-Phased Revenue and Expenditure Summary
Beaumont Pointe**

Square Footage / Room Count (a)	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40
Industrial	1,379,000	1,379,000	3,060,000	3,060,000	4,995,000	4,995,000	4,995,000	4,995,000	4,995,000	4,995,000	4,995,000	4,995,000	4,995,000	4,995,000	4,995,000	4,995,000	4,995,000
General Commercial	-	-	-	-	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000	216,000
Restaurant	-	-	-	-	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Hotel Rooms	-	-	-	-	125	125	125	125	125	125	125	125	125	125	125	125	125
Revenues (b)	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40
Property Tax	\$ 136,362	\$ 139,089	\$ 314,811	\$ 321,107	\$ 566,153	\$ 577,476	\$ 589,025	\$ 600,806	\$ 612,822	\$ 625,078	\$ 637,580	\$ 650,332	\$ 663,338	\$ 676,605	\$ 690,137	\$ 703,940	\$ 718,019
TOT	-	-	-	-	569,731	575,428	581,182	586,994	592,864	598,793	604,781	610,828	616,937	623,106	629,337	635,631	641,987
VLF	384,831	392,528	888,439	906,208	1,566,016	1,629,714	1,629,283	1,661,869	1,695,106	1,729,009	1,763,589	1,798,860	1,834,838	1,871,534	1,908,965	1,947,144	1,986,087
On-Site Sales Revenue	-	-	-	-	490,342	500,149	510,152	520,355	530,762	541,377	552,204	563,249	574,514	586,004	597,724	609,678	621,872
Other Revenues	157,310	160,456	341,660	348,494	600,459	612,468	624,717	637,211	649,956	662,955	676,214	689,738	703,533	717,604	731,956	746,595	761,527
Total Revenues	\$ 678,503	\$ 692,073	\$ 1,544,910	\$ 1,575,809	\$ 3,792,700	\$ 3,895,234	\$ 3,934,360	\$ 4,007,235	\$ 4,081,510	\$ 4,157,211	\$ 4,234,368	\$ 4,313,007	\$ 4,393,159	\$ 4,474,853	\$ 4,558,119	\$ 4,642,988	\$ 4,729,491
Expenditures (c)	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37	2037/38	2038/39	2039/40
Non-Departmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administration	64,302	66,231	142,409	146,682	255,212	262,868	270,754	278,877	287,243	295,861	304,737	313,879	323,295	332,994	342,984	353,273	363,871
Community Development	22,084	22,746	48,909	50,376	87,649	90,279	92,987	95,777	98,650	101,610	104,658	107,798	111,032	114,362	117,793	121,327	124,967
Community Services	47,550	48,977	105,309	108,468	188,724	194,386	200,218	206,224	212,411	218,783	225,347	232,107	239,070	246,243	253,630	261,239	269,076
Public Safety	350,310	367,825	806,249	846,561	1,501,536	1,576,613	1,655,443	1,738,216	1,825,126	1,916,383	2,012,202	2,112,812	2,218,452	2,329,375	2,445,844	2,568,136	2,696,543
Public Works	70,976	73,105	157,190	161,906	281,701	290,152	298,856	307,822	317,057	326,568	336,365	346,456	356,850	367,556	378,582	389,940	401,638
Total Expenditures	\$ 555,222	\$ 578,885	\$ 1,260,066	\$ 1,313,993	\$ 2,314,822	\$ 2,414,298	\$ 2,518,259	\$ 2,626,916	\$ 2,740,487	\$ 2,859,205	\$ 2,983,308	\$ 3,113,052	\$ 3,248,700	\$ 3,390,530	\$ 3,538,833	\$ 3,693,915	\$ 3,856,095
Total Surplus (Deficit)	\$ 123,281	\$ 113,188	\$ 284,845	\$ 261,816	\$ 1,477,878	\$ 1,480,937	\$ 1,416,101	\$ 1,380,319	\$ 1,341,022	\$ 1,298,007	\$ 1,251,059	\$ 1,199,955	\$ 1,144,460	\$ 1,084,323	\$ 1,019,286	\$ 949,073	\$ 873,396

Footnotes:

(a) Per Developer. Analysis shows anticipated absorption and the estimated annual surplus / (deficit) from the date of first construction until FY 2039/40. Escalation factors provided by City of Beaumont.

(b) Analysis estimated a 2.00% increase for all revenues except TOT which escalates at 1.00%.

(c) Analysis estimates a 3.00% increase for all expenditures except Public Safety which escalates at 5.00%. Public Safety Fire Expenditures are from the 23/24 Annual Budget and includes an additional \$4,576,526 fire contract to operate an additional fire station.