



# 777 W Orangethorpe Avenue Development Impact Analysis

Prepared For: City of Placentia

Completed By: Jon Stover & Associates

April 2024



**JS&A** Economic  
Development  
Consulting

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# Executive Summary


The City of Placentia, California (“the City”), is assessing the impact of various possible development scenarios at 777 W. Orangethorpe Avenue/776 S. Placentia Avenue, currently a vacant car dealership. The City retained Jon Stover & Associates (JS&A) to quantify the economic and fiscal impacts of three potential redevelopment scenarios to guide the City in future decision-making. As part of this analysis, JS&A assessed the anticipated economic and net fiscal impacts generated by each scenario. Key findings, summarized below, reflect both the construction periods and stabilized operations of each scenario.


## DEVELOPMENT SCENARIOS


	RESIDENTIAL DEVELOPMENT	HOTEL DEVELOPMENT	NEW CAR DEALERSHIP
	 <b>RESIDENTIAL DEVELOPMENT</b> 248 Multifamily Rental Units with 2,703 SF of Ground-Floor Retail	 <b>HOTEL DEVELOPMENT</b> 123 Hotel Rooms with 5,000 SF of Standalone Retail	 <b>NEW CAR DEALERSHIP</b> New On-Site Car Dealership No On-Site Retail
<b>Economic Impact<sup>1</sup></b> <i>To what extent does the development create local jobs, wages, and business revenue?</i>	<b>Slight Positive Impact</b> Adds \$10.4 million in annual economic output, 49 annual jobs; \$3.5 million in annual wages to the City once complete.	<b>Strong Positive Impact</b> Adds \$17.4 million in annual economic output, 130 annual jobs; \$7 million in annual wages to the City once complete.	<b>Slight Positive Impact</b> Adds \$11.8 million in annual economic output, 56 annual jobs; \$5.2 million in annual wages to the City once complete.
<b>Fiscal Impact<sup>2</sup></b> <i>To what extent does the development increase general fund reserves?</i>	<b>Slight Positive Impact</b> Net loss of -\$2,000 in fiscal revenue annually; \$1.2 million net fiscal impact over first 15 years.	<b>Strong Positive Impact</b> Generates \$579,000 in net fiscal revenue annually; \$9.9 million net fiscal impact over first 15 years.	<b>Strong Positive Impact</b> Generates \$485,000 in net fiscal revenue annually; \$8.5 million net fiscal impact over first 15 years.
<b>Community Impact<sup>3</sup></b> <i>To what extent does the development achieve stated local planning objectives?</i>	<b>Slight Negative Impact</b> Limited alignment with stated planning objectives; conflicts with the current land use map and zoning; activates a vacant property; helps achieve goal to grow housing supply.	<b>Strong Positive Impact</b> Allowed by-right; aligns with current land use map and zoning; achieves stated economic development goals; activates a vacant property.	<b>Slight Positive Impact</b> Allowed by-right; aligns with current land use map and zoning; activates a vacant property; lacks on-site retail.
	<b>Slight Positive Impact</b> Features slightly net negative annual fiscal returns to City; relatively minimal economic impact.	<b>Strong Positive Impact</b> Features strong annual fiscal returns to City, with strong ongoing job creation.	<b>Slight Positive Impact</b> Features strong annual fiscal returns to City; relatively minimal economic impact; and slight alignment with zoning and local planning objectives.

IMPACT SUMMARY

OVERALL IMPACT

 **Economic Impact<sup>1</sup>**  
*To what extent does the development create local jobs, wages, and business revenue?*

 **Fiscal Impact<sup>2</sup>**  
*To what extent does the development increase general fund reserves?*

 **Community Impact<sup>3</sup>**  
*To what extent does the development achieve stated local planning objectives?*

(1) Annually at stabilization; includes direct, indirect, and induced; jobs located within City of Placentia

(2) Includes unrestricted General Fund revenues (other revenues and expenses generated onsite are assumed to be roughly revenue neutral)

(3) Stated planning objectives according to City of Placentia General Plan, current Land Use Map, 2021-2029 Updated Housing Element

# Executive Summary (Continued)

## Economic & Fiscal Impact Detail

The potential development scenarios are anticipated to generate the following economic and fiscal impacts<sup>(1)</sup>:



### Residential Development

248 multifamily rental units  
2,703 SF of ground-floor retail

#### Fiscal Impact

Net City General Fund Tax Revenue:  
During Construction: \$1,236,879  
Annual Once Complete: **-\$2,226**  
15-Year Cumulative<sup>(2)</sup> **\$1,203,486**

#### Economic Impact

\$10.4 Million  
Annual Economic Output  
49 Jobs<sup>(3)</sup>  
Annually Upon Stabilized Operations  
\$3.5 Million  
Annual Salaries and Wages



### Hotel Development

123 hotel rooms<sup>(4)</sup>  
5,000 SF of standalone retail

#### Fiscal Impact

Net City General Fund Tax Revenue:  
During Construction: \$414,771  
Annual Once Complete: \$579,010  
15-Year Cumulative<sup>(2)</sup>: **\$9,922,036**

#### Economic Impact

\$17.4 Million  
Annual Economic Output  
130 Jobs<sup>(3)</sup>  
Annually Upon Stabilized Operations  
\$7 Million  
Annual Salaries and Wages



### New Car Dealership Use

Renovation of existing commercial building  
with continued use as a new car dealership<sup>(5)</sup>

#### Fiscal Impact

Net City General Fund Tax Revenue:  
During Construction: \$83,665  
Annual Once Complete: \$484,599  
15-Year Cumulative<sup>(2)</sup>: **\$8,505,858**

#### Economic Impact

\$11.8 Million  
Annual Economic Output  
56 Jobs<sup>(3)</sup>  
Annually Upon Stabilized Operations  
\$5.2 Million  
Annual Salaries and Wages

(1) Development programs are conceptual and will likely vary from final building programs of future redevelopment. Conceptual development programs used for this study are based on conceptual proposals submitted by developers for the project. Actual impact will vary based on the final development program and design.  
 (2) Fifteen-year cumulative fiscal impact includes construction period tax revenues and anticipated net fiscal revenues during first fifteen years of stabilized operations.  
 (3) Employment figures include full-time and part-time jobs.  
 (4) A larger hotel development with more rooms would have a larger economic and fiscal impact that would be approximately proportional to the increase in rooms. For a 150-room hotel, the annual fiscal impact upon stabilized operations would be approximately \$699,000, with a 15-year cumulative net fiscal impact of \$11.7 million.  
 (5) Analysis assumes that an on-site car dealership has comparable sales and employment levels as the former tenant (a Chrysler Jeep dealership). Impacts will vary depending on the type of dealership. A used car dealership may or may not result in lower impact figures, as impact is depending on annual sales and on-site employment.

Note: Jon Stover & Associates (JS&A), an economic development consulting firm, conducted this analysis on behalf of the City of Placentia. All findings subject to change.

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# Project Background & Purpose

# Project Background

## Background & Study Purpose

The City of Placentia, CA (“The City”) is assessing the anticipated impacts of various possible development projects at 777 W. Orangethorpe Avenue/776 S. Placentia Avenue, the current site of a vacant car dealership. The City selected Jon Stover & Associates to conduct an independent study to assess the economic impacts of three potential developments, including the renovation of the existing on-site commercial building with the site continuing its former use as a car dealership. The study also assesses the anticipated state and local tax revenue, or fiscal impact, generated by each potential development scenario.

## About JS&A

Jon Stover & Associates (JS&A) is an Economic Development Consulting firm located in Washington, DC. JS&A specializes in economic and fiscal impact analysis, real estate analysis, market analysis, and economic development strategy.

Founded in 2009, JS&A has completed hundreds of projects around the country for town, city, and state agencies, placed-based nonprofit organizations, and private developers and business owners. JS&A has completed over 50 development impact analyses for a range of municipalities and developers across the country.

## Analysis Components

This study includes the following assessments for three potential redevelopment scenarios:

**Economic Impact.** Estimation of the number of jobs, total salaries and wages, and business revenue the three scenarios will create and support during construction and sustained operations.

**Fiscal Impact.** Fiscal impact assessment to understand the direct state and local tax revenues generated from these three scenarios during construction and stabilized operations.

**Community Impact.** Summary of how the three scenarios will benefit the surrounding community and align with established local neighborhood and citywide goals.



# Analysis Methodology

## Data Sources

For the purpose of this study, IMPLAN, a software and data provider, was used to (a) provide needed data multipliers and (b) generate a model that uses inputs from a development program to estimate the corresponding impact on job and wage growth and industry revenue. The analysis also uses development program assumptions and building permit and plan check fee estimates provided by the City of Placentia.

## Construction Vs. Operations

Two main development phases affect job growth: (a) the period during site construction and (b) the period of time once the project is stabilized and approaching full occupancy. Site construction generates temporary construction jobs and associated fees and taxes. Once the subject site operations stabilize, the primary sources of municipal revenues are property taxes, sales taxes, and Transient Occupancy Taxes (for hotel uses).

As such, the employment assessment is presented in separate tables for (1) the planning and construction period of the development and (2) expected annual impacts of stabilized on-site operations once the site is fully developed and leased to residents and/or commercial tenants.

## Impact On Local Employment And Tax Revenue

Leveraging IMPLAN, which uses data and multipliers specific to Orange County, the total expected jobs were estimated for each type of tenant expected to locate on-site. Economic impact figures are broken down by direct, indirect, and induced impacts.

JS&A conducted an independent analysis of the applicable state, local, and city taxes and fees to determine the expected tax revenue generated by development scenarios during both the period of construction and during stabilized operations. Tax revenue sources include sales taxes, property taxes, building permit fees, impact fees, and various planning and development fees. A net fiscal impact analysis was conducted for the City of Placentia. Gross fiscal impact figures were calculated for Orange County and the State of California.

*Note: Throughout this report, figures may not sum to total impact figures, due to rounding.*

## Definitions of Key Terms

**Economic Impact** The impact of spending in a particular industry or industries on a given region.

**Direct Impact** The revenue, jobs, wages, and other economic activity generated from the operations of businesses or industries.

**Indirect Impact** The supply chain of goods and services from other industries that enable activity in a particular business or industries (i.e., business-to-business transactions).

**Induced Impact** The results, or spending, from personal income (salary and wages) that is recirculated in the economy caused by the direct and indirect impacts.

**Fiscal Impact** The amount of tax revenue generated as a result of economic activity, including sales tax, property tax, development impact fees, and transient occupancy tax.

**Net Fiscal Impact** The amount of tax revenue generated as a result of a development or economic activity minus the amount of fiscal expenditures necessitated by such development or economic activity.

**IMPLAN** The industry-leading input-output economic impact assessment modeling system that models impacts of economic changes on a specific region.

# Subject Site Overview

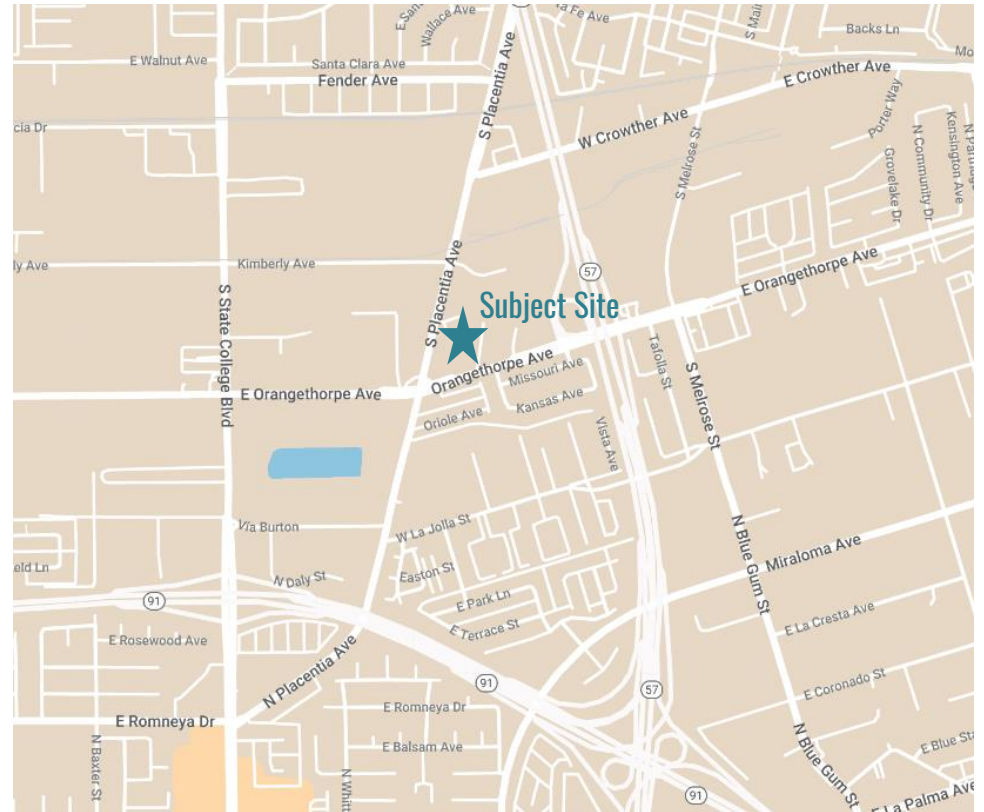
The site location is surrounded primarily by auto-oriented commercial and industrial uses, with several car dealerships and low-density commercial buildings adjacent to the site. The site abuts Orangethorpe Avenue to the south and S Placentia Avenue to the west, two highly trafficked thoroughfares. The site is located just a half-mile from Orange Freeway, one mile from Riverside Freeway, and 3.5 miles from the Anaheim Canyon train station.

The subject site was previously occupied by Don-A-Vee Premier Chrysler Jeep and has been vacant since the dealership left the site in May 2018. In the interim, there have been multiple offers to purchase or lease the subject site, including proposals from car dealerships, hotel developers, and other project types. The 35,073 SF one-story building previously occupied by Don-A-Vee Premier Chrysler Jeep remains on-site.



*The on-site commercial building previously used as a car dealership.*

Source: LoopNet



Source: Google Maps

Source: Rosemurgy Properties

# Conceptual Development Scenarios

The City of Placentia has identified three potential uses for the subject site to be assessed as part of this study. The City of Placentia selected these scenarios, which represent three potential development options, including two ground-up construction projects and a renovation of the existing on-site building, which would continue to be used as a car dealership. The impact analysis estimates the economic and fiscal impacts for each of these three scenarios. These scenarios vary in size and cost and their associated impact figures reflect these differences.

## 1 Residential Development

- 5-story residential building with 248 market-rate rental units
- 2,703 SF of ground-floor retail
- 7-story parking garage with 248 parking spaces
- Residential Gross Area: 250,681 SF
- Parking Gross Area: 151,900 SF

*Note: Development scenario based on a conceptual development program submitted to the City of Placentia by Orangethorpe Investment Partners LLC in August 2021. Final residential development program will likely vary from this proposal.*

## 2 Hotel Development

- Upscale Hotel
- 123 Hotel Rooms
- 5,000 SF of retail
- Est. Hotel Gross Area: 86,015 SF
- No parking garages or other parking structures

*Note: Hotel development scenario based on submitted development proposal for subject site from established hotel operator. Estimated gross area square footage based on 659 Gross Building Area SF per hotel room average from set of comparable hotels. The specific development program of a hotel at the subject site may differ from this conceptual scenario. A larger hotel concept would result in a greater economic and fiscal impact approximately proportional to the increase in on-site rooms.*

## 3 New Car Development Use

- New car dealership tenant to operate within existing 35,073 SF building.
- Renovation of existing on-site commercial building. No new ground-up construction.

*Note: This scenario assumes that the site will be used by a new car dealership brand comparable to the previous tenant (Chrysler Jeep). Impacts will vary depending on the type of dealership. A used car dealership may or may not result in lower impact figures, as impact is dependent on annual sales and on-site employment upon stabilized operations.*

# Economic Impact

The following section quantifies the economic impacts anticipated through the construction period and during stabilized operations for the three development scenarios.

# Economic Impact During Construction

## One-Time Economic Impact by Development Scenario

The impact of a development’s construction will be generally proportional to its size and design quality. As such, the largest and most expensive of the three development scenarios, the residential development, has a greater potential economic impact than the hotel development during the period of construction.

The planning and construction of a redevelopment will generate both direct economic impacts (from spending by the developer during the planning and construction of the project) and secondary impacts that generate revenue and employment in other supporting industries that indirectly benefit from construction-related activity.

In total, the construction of a new residential development is expected to generate approximately \$150 million of revenue in construction and supporting industries, 924 jobs, and \$74.5 million in wages over the course of construction. Construction of a new hotel and accompanying retail space will support approximately \$47.8 million in revenue, 293 jobs, and \$23.3 million in wages over the course of construction.

A new car dealership use would likely require extensive build-out costs given the poor quality of the existing on-site building. This renovation would support approximately 36 jobs over the course of the renovation, supporting \$2.9 million in total wages. This impact would increase if a new car dealership tenant decided to construct a new building on-site.

### Total One-Time Economic Impact of Construction by Scenario<sup>(1)(2)</sup>

Conceptual Development Scenario	Estimated Development Costs <sup>(3)</sup>	Anticipated Industry Revenue <sup>(4)</sup>	Anticipated Employment <sup>(5)</sup>	Anticipated Salary and Wages <sup>(6)</sup>
Residential Development	\$92,704,235	\$149,953,451	924	\$74,525,728
Hotel Development	\$31,851,042	\$47,774,688	293	\$23,372,192
New Car Dealership Use	\$6,000,000	\$9,522,166	36	\$2,873,720

(1) Figures reflect combined direct, indirect, and induced effects for each scenario. For detail of each scenario, see the Appendix.

(2) Changes in the anticipated development program and market forces may impact the anticipated industry revenue, employment, and salary and wages of employees.

(3) Residential costs based on "Construction Costs of Residential Buildings in U.S. Cities (Statista, 2024). Construction costs for "New Car Dealership Use" based on submitted estimate from comparable car dealership. Infrastructure, public realm and land acquisition costs are unknown at this time and therefore excluded from the analysis.

(4) Industry revenue reflects "Industry Output," or annual revenues plus net inventory change.

(5) Anticipated employment represents jobs defined as full-time equivalent jobs years during the duration of development and construction.

(6) Anticipated salary and wages calculated using IMPLAN with the latest version of the regional-specific multipliers.

# Economic Impact Upon Stabilized Operations

## Annual Economic Impact by Development Scenario

An on-site hotel use would support the highest overall number of jobs and wages among the three development scenarios. This employment is supported through a mix of on-site hotel staff and spending by hotel guests.

An on-site hotel and its accompanying retail uses are expected to directly support approximately 96 full-time and part-time jobs on-site. This includes on-site hotel staff, retail staff, and jobs supported by local spending from hotel guests. In total, these direct jobs will result in approximately \$4.4 million in wages annually.

The car dealership is expected to directly support approximately 35 on-site jobs, \$3.7 million in wages, and \$7.5 million in industry revenue annually. The proposed residential development has the smallest economic impact, supporting approximately 18 jobs on-site. These 18 jobs include property management staff, employees at the ground-floor retail space, and self-employed residents with home-based businesses.

Stabilized Operations Economic Impact Type	Anticipated Industry Revenue <sup>(1)</sup>	Anticipated Employment <sup>(2)</sup>	Anticipated Wages <sup>(3)</sup>
<b>Residential Development<sup>(4)(5)(6)(7)</sup></b>	<b>\$10,445,118</b>	<b>49 Jobs</b>	<b>\$3,496,935</b>
Direct (On-Site Uses)	\$4,179,866	18	\$1,223,475
Indirect (Supply Chain Transactions)	\$1,994,399	10	\$793,816
Induced <sup>(7)</sup> (Spending of Wages)	\$4,270,852	22	\$1,479,644
<b>Hotel Development</b>	<b>\$17,435,910</b>	<b>130 Jobs</b>	<b>\$6,982,199</b>
Direct (On-Site Uses)	\$10,354,562	96	\$4,414,480
Indirect (Supply Chain Transactions)	\$3,446,909	16	\$1,302,062
Induced (Spending of Wages)	\$3,634,439	19	\$1,265,657
<b>New Car Dealership Use</b>	<b>\$11,808,631</b>	<b>56 Jobs</b>	<b>\$5,193,145</b>
Direct (On-Site Uses)	\$7,503,111	35	\$3,674,871
Indirect (Supply Chain Transactions)	\$1,623,468	7	\$584,344
Induced (Spending of Wages)	\$2,682,051	14	\$933,931

- (1) Industry revenue reflects "Industry Output" as calculated by IMPLAN, defined as annual revenues plus net inventory change.
- (2) Employment figures reflect jobs as calculated by IMPLAN which includes full-time and part-time jobs.
- (3) Anticipated salary and wages calculated via IMPLAN with regional-specific multipliers.
- (4) Residential impact figures assume 6.4% vacancy rate, based on average of multifamily properties built from 2018-2022 within 3-mile radius from project site. Properties built in 2023 are excluded, to avoid properties still in lease-up period.
- (5) Estimate of on-site property management employment on a per unit basis utilizing national averages from 2023 National Apartment Association survey.
- (6) Residential Development figures assume 2.5% of residents have work-from-home businesses as primary source of income and use residential address as primary business address.
- (7) Induced impact figures for Residential Development scenario assume that 15% of residents are moving from outside region.

Note: Figures in chart may not add up due to rounding.

Source: IMPLAN, 2024

# Fiscal Impact

The following section quantifies the tax revenue attributable to the three proposed development scenarios during construction and upon stabilized operations.

# Fiscal Impacts During Construction

The residential development scenario is estimated to generate approximately \$1.2 million in one-time tax revenue during its planning and construction – the highest fiscal impact of the three development scenarios.

This tax revenue is generated through Building Permit fees, Plan Check fees, and the Transfer Tax. New development will generate a significant amount of development impact fees, with fees for the residential development scenario reaching nearly \$6.9 million. These development impact fees include traffic impact fees, sewer impact fees, and parks and recreation impact fees that are incurred on a per dwelling unit basis. These impact fees are expected to be net-neutral revenues for the City, as they would likely offset associated increases in municipal services costs.

Anticipated One-Time Tax Revenue to City of Placentia <sup>(1)(2)</sup>			
Revenue Source	Residential Development	Hotel Development	New Car Dealership Use
<b>Net-Neutral Revenues<sup>(3)</sup></b>			
Development Impact Fees	\$5,004,915	\$274,363	\$127,205
Outside Agency Fees	\$1,846,289	\$441,776	\$194,498
<b>Revenue Subtotal</b>	<b>\$6,851,203</b>	<b>\$716,139</b>	<b>\$320,703</b>
<b>General Fund Revenue</b>			
Building Permit Fee <sup>(4)</sup>	\$929,937	\$321,406	\$62,890
Plan Check Fee <sup>(4)</sup>	\$242,906	\$84,688	\$17,475
Transfer Tax Revenue	\$64,036	\$8,677	\$3,300
<b>Revenue Subtotal</b>	<b>\$1,236,879</b>	<b>\$414,771</b>	<b>\$83,665</b>
<b>Tax Revenue to City of Placentia General Fund During Construction<sup>(5)</sup></b>	<b>\$1,236,879</b>	<b>\$414,771</b>	<b>\$83,665</b>

(1) Tax revenue figures represent fiscal impacts of the direct effects only. The fiscal impact of indirect and induced effects are excluded from this analysis.

(2) Development impact fees and outside agency fees calculated using City of Placentia Development Impact Fee calculator.

(3) Net tax revenue from "Net-Neutral Revenues" is estimated to be zero dollars, under assumption that development impact fees and outside agency fees are proportional to increased expenditures necessitated by development.

(4) Building Permit and Plan Check Fees provided by City of Placentia based on anticipated construction costs for each scenario.

(5) Figures represent gross fiscal revenue, and do not account for any fiscal expenditures necessitated by on-site construction.

Note: Figures may not sum to total figure due to rounding.

Source: JS&A, City of Placentia

# Net Fiscal Impact of Stabilized Operations for City of Placentia

The hotel development scenario would generate the highest net fiscal return for the City of Placentia among the three scenarios, generating approximately \$579,000 of additional annual General Fund revenue upon reaching stabilized operations.

This strong fiscal return is largely driven by \$575,733 in Transient Occupancy Tax revenue estimated to be generated annually. A hotel would also result in lower overall fiscal expenditures to accommodate on-site users, as hotel guests typically require fewer municipal services than full-time residents. In its first fifteen years of stabilized operations, it would generate a cumulative \$9.9 million in General Fund revenue. A larger hotel development with more rooms would have a larger economic and fiscal impact that would be approximately proportional to the increase in rooms. For reference, a 150-room hotel would have an annual net fiscal impact of \$699,000 upon stabilized operations, and cumulative net fiscal impact of \$11.7 million in its first 15 years.

Conversely, the proposed residential development would have a negative net annual fiscal impact of -\$2,226 upon stabilized operations. This is due to the enhanced municipal services needed to serve the estimated 384 residents that would reside in the development. The residential scenario would generate a positive net return of approximately \$1.2 million over its first fifteen years (including one-time tax revenues during construction), significantly lower than the other two scenarios.

A new car dealership use would generate approximately \$497,000 in annual tax revenue (predominantly generated through sales taxes), and require a very minimal increase in fiscal expenditures, resulting in an annual net fiscal impact of approximately \$486,000.

Anticipated Annual Net Tax Revenue for City of Placentia General Fund <sup>(1)</sup>

Tax Revenue/Expenditure Type	Residential Development	Hotel Development <sup>(2)</sup>	New Car Dealership Use
<b>Est. Annual Revenue to City of Placentia General Fund</b>	<b>\$244,335</b>	<b>\$687,799</b>	<b>\$497,453</b>
Property Taxes <sup>(3)</sup>	\$78,889	\$12,201	\$4,020
Property Taxes in Lieu of VLF	\$86,837	\$12,498	\$3,379
Sales Tax (Bradley Burns)	\$13,957	\$43,770	\$237,554
Sales Tax (Transactions & Use)	\$15,186	\$42,062	\$237,554
Transient Occupancy Tax	\$0	\$575,733	\$0
Business License Fees	\$1,764	\$921	\$13,093
Utility Users Tax	\$47,704	\$613	\$1,854
<b>Est. Annual Expenditures from City of Placentia General Fund by User<sup>(4)</sup></b>	<b>(\$246,435)</b>	<b>(\$108,788)</b>	<b>(\$12,855)</b>
Residents	(\$242,267)	\$0	\$0
Workers	(\$4,168)	(\$28,053)	(\$12,855)
Hotel Guests	\$0	(\$80,735)	\$0
<b>Annual Net Fiscal Impact to City General Fund</b>	<b>(\$2,226)</b>	<b>\$579,010</b>	<b>\$484,599</b>
<b>Net Fiscal Impact to City General Fund Over 15-Yr Period (Construction + Annual)<sup>(6)</sup></b>	<b>\$1,203,486</b>	<b>\$9,922,036</b>	<b>\$8,505,858</b>

- (1) Estimated impacts are presented in current (2024) dollars. Tax revenue figures represent impacts of the direct effects only. Fiscal impact of indirect and induced effects are excluded from analysis. Actual impacts may vary.
- (2) Analysis assumes 75% of hotel guest spending occurs within City of Placentia. Analysis assumes the remaining 25% goes toward other local municipalities and is therefore excluded from this analysis.
- (3) Sales tax revenue estimates for residential development account for taxes collected on residents' online transactions and in-person spending at Placentia retailers. Spending estimates calculated by IMPLAN based on anticipated on-site household incomes. Analysis assumes 20% of in-person retail spending will occur at businesses in Placentia.
- (4) Analysis assumes the following property valuations for each development scenario: Residential Development: \$117,744,296, Hotel Development: \$18,209,927, New Car Dealership Use: \$6,000,000. Residential Development and Hotel Development figures include property valuations of on-site retail spaces. Property valuations for Residential and Hotel Development based on local comparable projects. Car Dealership property valuation based on estimate from prospective new dealership at subject site.
- (5) Analysis assumes the following per-user fiscal expenditures: \$631 per new resident, \$363 per new worker, and \$85 per new hotel guest. These estimates are based on FY2023-24 expenditures, divided by the current base of each user group. Figures are adjusted based on anticipated share of costs attributable to each user group.
- (6) Net fiscal impact to City General Fund Over 15-Year Period includes tax revenue generated during construction period and net General Fund revenue in first fifteen years of stabilized operations.

# Community Impact

The following section assesses how the project will benefit the surrounding community and how these impacts align with established local planning goals.

# Community Impact

The community impacts of the three proposed development scenarios were assessed based on alignment with the City of Placentia’s current zoning, proposed General Plan Land Use Map, and alignment with strategic housing and economic development objectives identified in the City’s General Plan and 2021-2029 Housing Element Update. Findings are summarized below, with evaluations ranging from “Does Not Align” to “Strong Alignment”.

Planning Objectives	Residential Development	Hotel Development	New Car Dealership Use
<b>Current Zoning</b> <i>Subject site is zoned for office and commercial uses, with maximum allowable height of 75 feet.</i>	<b>Does Not Align</b> Residential not allowed by-right; would require zoning variance.	<b>Strong Alignment</b> Hotel and retail uses align with current zoning and would add new retail amenities for nearby residents.	<b>Strong Alignment</b> Car dealership aligns with current commercial use zoning, though it lacks any retail amenities to serve surrounding community.
<b>Proposed General Plan Land Use Map</b> <i>Specific Plan 5: Office and commercial uses “intended to provide a site for retailers and businesses, which through the characteristics of their [services], cater to the entire community.”</i>	<b>Does Not Align</b> Residential not allowed by-right; would require zoning variance.	<b>Strong Alignment</b> Hotel and retail uses align with current zoning and would add new commercial amenities for nearby residents.	<b>Strong Alignment</b> Car dealership aligns with current commercial use zoning, though it lacks any retail amenities to serve surrounding community.
<b>General Plan Economic Development Goals</b> <i>Relevant goals include but are not limited to a) diversifying City revenue sources, b) creating new jobs, c) attracting and expanding community-serving retail businesses, and d) encouraging densification along major corridors.</i>	<b>Moderate Alignment</b> Adds mixed-use project and 2,703 SF of retail along major corridor; has relatively minimal impact on local employment.	<b>Strong Alignment</b> Boosts Transient Occupancy Tax revenue, while adding 5,000 retail SF along major arterial road; will support approx. 96 jobs.	<b>Moderate Alignment</b> Diversifies City revenue stream; relatively minimal impact on local employment. Does not add any community-serving retail amenities or mixed-use activity to subject site.
<b>2021-2029 Housing Element Update</b> <i>Update establishes goal to add 2,374 new housing units by 2029; add senior, affordable, and single-housing occupancy units.</i>	<b>Neutral</b> Adds 248 units to help meet housing supply targets. Does not include any affordable or senior units; not within walking distance of major transit station.	<b>Neutral</b> Does not include any residential units.	<b>Neutral</b> Does not include any residential units.
<b>Overall Community Impact Evaluation</b>	<b>Minimal Alignment</b> Conflicts with the current land use map; conflicts with zoning. Moderate alignment with economic development priorities.	<b>Strong Alignment</b> Allowed by-right; aligns with current land use map and with zoning; achieves stated economic development goals.	<b>Moderate Alignment</b> Allowed by-right; aligns with current land use map and zoning; activates a vacant property; directly support approx. 35 jobs.

# Summary of Findings & Implications

# Summary of Impact Analysis Findings

JS&A assessed the anticipated economic, community, and net fiscal impacts generated by each site scenario. Key findings, summarized below, reflect both the construction periods and stabilized operations of each scenario.

## DEVELOPMENT SCENARIOS

	RESIDENTIAL DEVELOPMENT <i>248 Multifamily Rental Units with 2,703 SF of Ground-Floor Retail</i>	HOTEL DEVELOPMENT <i>123 Hotel Rooms with 5,000 SF of Standalone Retail</i>	NEW CAR DEALERSHIP <i>New On-Site Car Dealership No On-Site Retail</i>
<b>Economic Impact<sup>1</sup></b> <i>To what extent does the development create local jobs, wages, and business revenue?</i>	<b>Slight Positive Impact</b> Adds \$10.4 million in annual economic output, 49 annual jobs; \$3.5 million in annual wages to the City once complete.	<b>Strong Positive Impact</b> Adds \$17.4 million in annual economic output, 130 annual jobs; \$7 million in annual wages to the City once complete.	<b>Slight Positive Impact</b> Adds \$11.8 million in annual economic output, 56 annual jobs; \$5.2 million in annual wages to the City once complete.
<b>Fiscal Impact<sup>2</sup></b> <i>To what extent does the development increase general fund reserves?</i>	<b>Slight Positive Impact</b> Net loss of -\$2,000 in fiscal revenue annually; \$1.2 million net fiscal impact over first 15 years.	<b>Strong Positive Impact</b> Generates \$579,000 in net fiscal revenue annually; \$9.9 million net fiscal impact over first 15 years.	<b>Strong Positive Impact</b> Generates \$485,000 in net fiscal revenue annually; \$8.5 million net fiscal impact over first 15 years.
<b>Community Impact<sup>3</sup></b> <i>To what extent does the development achieve stated local planning objectives?</i>	<b>Slight Negative Impact</b> Limited alignment with stated planning objectives; conflicts with the current land use map and zoning; activates a vacant property; helps achieve goal to grow housing supply.	<b>Strong Positive Impact</b> Allowed by-right; aligns with current land use map and zoning; achieves stated economic development goals; activates a vacant property.	<b>Slight Positive Impact</b> Allowed by-right; aligns with current land use map and zoning; activates a vacant property; lacks on-site retail.
	<b>Slight Positive Impact</b> Features slightly net negative annual fiscal returns to City; relatively minimal economic impact.	<b>Strong Positive Impact</b> Features strong annual fiscal returns to City, with strong ongoing job creation.	<b>Slight Positive Impact</b> Features strong annual fiscal returns to City; relatively minimal economic impact; and slight alignment with zoning and local planning objectives.

IMPACT SUMMARY

OVERALL IMPACT

-  **Economic Impact<sup>1</sup>**  
*To what extent does the development create local jobs, wages, and business revenue?*
-  **Fiscal Impact<sup>2</sup>**  
*To what extent does the development increase general fund reserves?*
-  **Community Impact<sup>3</sup>**  
*To what extent does the development achieve stated local planning objectives?*

(1) Annually at stabilization; includes direct, indirect, and induced; jobs located within City of Placentia  
 (2) Includes unrestricted general funds revenues (other revenues and expenses generated onsite are assumed to be roughly revenue neutral)  
 (3) Stated planning objectives according to City of Placentia General Plan, Future Land Use Map, 2021-2029 Updated Housing Element

# Summary of Findings & Implications for City of Placentia

The City of Placentia has conducted a significant amount of planning and research to assess the feasibility and impacts of various potential development scenarios at the subject site. This study leverages the prior due diligence conducted by the City, using submitted development proposals to inform assumptions and inputs for the economic, fiscal, and community impact analysis.

The impact analysis finds that a potential hotel development has the strongest overall economic, fiscal, and community impact on the City, compared to a residential development or new car dealership. A hotel use closely aligns with stated planning objectives to diversify revenue streams (by boosting Transient Occupancy Tax revenue), attract new retail businesses, create new job opportunities, and add mixed-use projects to major corridors. Furthermore, the hotel development scenario has the highest fiscal return to the City over a fifteen-year timeframe.

Conversely, the residential development is expected to produce a slight negative annual fiscal impact upon stabilized operations, given the increased municipal services required to serve new residents. The use also does not align with current Specific Plan 5 zoning. The City has designated other locations for this type of high-density residential use in areas that are more pedestrian-friendly, transit-accessible, and proximate to retail amenities. The retained use of a car dealership on-site would not align with stated planning objectives to densify along major corridors or add new community-serving retail. However, a new car dealership would still activate the now-vacant site and generate a positive fiscal impact for the City, due to the high volume of sales tax revenue generated on-site.

**Considering the above factors, this study recommends prioritizing the redevelopment of the site as a hotel with on-site retail uses.** It is important to note that this impact analysis is not a market analysis. The impact analysis assumes that each development scenario is financially viable and will be able to achieve a sufficient level of demand to sustain operations for at least fifteen years. The City has already received specific proposals to develop the site for each proposed use. Given this established interest from developers, a City-conducted market analysis is likely not necessary. However, the City may want to explore further market research if such demand weakens.



# Appendix



## A.1

# Residential Development One-Time Economic Impact During Construction

The residential development scenario would be expected to generate approximately \$150 million of one-time revenue in construction and supporting industries.

Impact Type	Anticipated Industry Revenue <sup>(1)</sup>	Anticipated Employment <sup>(2)</sup>	Anticipated Salary and Wages <sup>(3)</sup>
Direct ( <i>On-Site Uses</i> )	\$92,704,235	642	\$54,178,782
Indirect ( <i>Supply Chain Transactions</i> )	\$17,573,714	80	\$6,527,526
Induced ( <i>Spending of Wages</i> )	\$39,675,502	203	\$13,819,420
<b>Total Anticipated Economic Impact<sup>(4)</sup></b>	<b>\$149,953,451</b>	<b>924</b>	<b>\$74,525,728</b>

Note: Changes in the anticipated development program and market forces may impact the anticipated industry revenue, employment, and salary and wages of employees.

(1) Industry revenue reflects "Industry Output," or annual revenues plus net inventory change.

(2) Anticipated employment represents jobs defined as full-time equivalent jobs years during the duration of development and construction.

(3) Anticipated salary and wages calculated using IMPLAN with the latest version of the regional-specific multipliers.

(4) Figures represent impact of the full development program, including 248-unit multifamily building and 2,703 SF ground-floor retail space.

Source: IMPLAN, 2024

## A.2

# Hotel Development One-Time Economic Impact During Construction

The hotel development scenario would be expected to generate approximately \$47.8 million of one-time revenue in construction and supporting industries.

Impact Type	Anticipated Industry Revenue <sup>(1)</sup>	Anticipated Employment <sup>(2)</sup>	Anticipated Salary and Wages <sup>(3)</sup>
Direct ( <i>On-Site Uses</i> )	\$29,410,543	202	\$16,848,419
Indirect ( <i>Supply Chain Transactions</i> )	\$5,925,913	27	\$2,191,254
Induced ( <i>Spending of Wages</i> )	\$12,438,233	63	\$4,332,520
<b>Total Anticipated Economic Impact<sup>(4)</sup></b>	<b>\$47,774,688</b>	<b>293</b>	<b>\$23,372,192</b>

Note: Changes in the anticipated development program and market forces may impact the anticipated industry revenue, employment, and salary and wages of employees.

(1) Industry revenue reflects "Industry Output," or annual revenues plus net inventory change.

(2) Anticipated employment represents jobs defined as full-time equivalent jobs years during the duration of development and construction.

(3) Anticipated salary and wages calculated using IMPLAN with the latest version of the regional-specific multipliers.

(4) Figures represent impact of the full development program, including 123-room hotel and 5,000 SF of retail space.

Source: IMPLAN, 2024

## A.3

# New Car Dealership Use One-Time Economic Impact During Construction

The anticipated build-out costs of a new car dealership would be expected to generate approximately \$9.5 million of one-time revenue in construction and supporting industries.

Impact Type	Anticipated Industry Revenue <sup>(1)</sup>	Anticipated Employment <sup>(2)</sup>	Anticipated Salary and Wages <sup>(3)</sup>
Direct ( <i>On-Site Uses</i> ) <sup>(4)</sup>	\$6,000,000	21	\$1,696,526
Indirect ( <i>Supply Chain Transactions</i> )	\$1,995,789	8	\$645,529
Induced ( <i>Spending of Wages</i> )	\$1,526,377	8	\$531,665
<b>Total Anticipated Economic Impact<sup>(5)</sup></b>	<b>\$9,522,166</b>	<b>36</b>	<b>\$2,873,720</b>

Note: Changes in the anticipated development program and market forces may impact the anticipated industry revenue, employment, and salary and wages of employees.

(1) Industry revenue reflects "Industry Output," or annual revenues plus net inventory change.

(2) Anticipated employment represents jobs defined as full-time equivalent jobs years during the duration of development and construction.

(3) Anticipated salary and wages calculated using IMPLAN with the latest version of the regional-specific multipliers.

(4) Construction costs for "New Car Dealership Use" based on submitted estimate from comparable car dealership. Infrastructure, public realm and land acquisition costs are unknown at this time and therefore excluded from the analysis.

(5) Figures represent impact of the full development program, with new car dealership tenant operating within renovated 35,073 SF building that exists on-site.

Source: IMPLAN, 2024

## B.1

# Residential Development Annual Economic Impact During Stabilized Operations

Upon stabilized operations, the proposed residential development would be expected to generate approximately \$3.5 million and 49 jobs annually in the local economy.

Impact Type	Anticipated Industry Revenue <sup>(1)</sup>	Anticipated Employment <sup>(2)</sup>	Anticipated Salary and Wages <sup>(3)</sup>
<b>Multifamily</b>			
Direct (On-Site Uses) <sup>(4)(5)</sup>	\$3,289,623	12	\$900,128
Indirect (Supply Chain Transactions)	\$1,722,984	9	\$684,940
Induced (Spending of Wages) <sup>(6)</sup>	\$3,996,806	20	\$1,384,238
<b>Subtotal</b>	<b>\$9,009,412</b>	<b>40</b>	<b>\$2,969,305</b>
<b>Retail</b>			
Direct (On-Site Uses)	\$890,244	7	\$323,347
Indirect (Supply Chain Transactions)	\$271,415	1	\$108,876
Induced (Spending of Wages)	\$274,047	1	\$95,407
<b>Subtotal</b>	<b>\$1,435,706</b>	<b>9</b>	<b>\$527,630</b>
<b>Total Development Program</b>			
Direct (On-Site Uses)	\$4,179,866	18	\$1,223,475
Indirect (Supply Chain Transactions)	\$1,994,399	10	\$793,816
Induced (Spending of Wages)	\$4,270,852	22	\$1,479,644
<b>Total Anticipated Economic Impact</b>	<b>\$10,445,118</b>	<b>49</b>	<b>\$3,496,935</b>

(1) Industry revenue reflects "Industry Output," or annual revenues plus net inventory change.

(2) Employment figures reflect jobs as calculated by IMPLAN which includes full-time and part-time jobs.

(3) Anticipated salary and wages calculated via IMPLAN with regional-specific multipliers.

(4) Direct impact includes impact from on-site retail uses, property management, at-home businesses, and resident spending on local Placentia retailers.

(5) Residential Development figures assume 2.5% of residents at-home businesses as primary source of income and use residential address as primary business address.

(6) Induced impact figures for Residential Development scenario assume that 15% of residents are moving from outside region.

## B.2

# Hotel Development Annual Economic Impact During Stabilized Operations

Upon stabilized operations, the hotel development scenario would be expected to generate approximately \$17.4 million and 130 jobs annually in the local economy.

Impact Type	Anticipated Industry Revenue <sup>(1)</sup>	Anticipated Employment <sup>(2)</sup>	Anticipated Salary and Wages <sup>(3)</sup>
<b>Hotel (Operations)</b>			
Direct (On-Site Uses) <sup>(4)</sup>	\$5,757,335	40	\$2,216,698
Indirect (Supply Chain Transactions)	\$1,678,408	9	\$655,855
Induced (Spending of Wages)	\$1,805,777	9	\$628,819
<b>Subtotal</b>	<b>\$9,241,520</b>	<b>58</b>	<b>\$3,501,371</b>
<b>Hotel (Guest Spending)</b>			
Direct (On-Site Uses) <sup>(5)</sup>	\$3,277,081	44	\$1,758,340
Indirect (Supply Chain Transactions)	\$1,241,952	5	\$453,441
Induced (Spending of Wages)	\$1,422,813	7	\$495,500
<b>Subtotal</b>	<b>\$5,941,846</b>	<b>57</b>	<b>\$2,707,281</b>
<b>Retail</b>			
Direct (On-Site Uses)	\$1,320,147	11	\$439,442
Indirect (Supply Chain Transactions)	\$526,549	2	\$192,766
Induced (Spending of Wages)	\$405,849	2	\$141,339
<b>Subtotal</b>	<b>\$2,252,545</b>	<b>15</b>	<b>\$773,547</b>
<b>Total Development Program</b>			
Direct (On-Site Uses)	\$10,354,562	96	\$4,414,480
Indirect (Supply Chain Transactions)	\$3,446,909	16	\$1,302,062
Induced (Spending of Wages)	\$3,634,439	19	\$1,265,657
<b>Total Anticipated Economic Impact</b>	<b>\$17,435,910</b>	<b>130</b>	<b>\$6,982,199</b>

(1) Industry revenue reflects "Industry Output," or annual revenues plus net inventory change.

(2) Employment figures reflect jobs as calculated by IMPLAN which includes full-time and part-time jobs.

(3) Anticipated salary and wages calculated via IMPLAN with regional-specific multipliers.

(4) Direct impact includes impact from on-site retail uses, hotel operations, and hotel guest spending.

(5) Analysis estimates that on-site hotel guests will spend approximately \$3.7 million at local Placentia retailers annually, based on Orange County tourism spending averages (Visit Anaheim, CIC Research, Inc.). Direct industry revenue impact is lower than this \$3.7 million figure due to retail margin coefficients that factor in cost of transportation and the wholesale/retail services.

## B.3

# New Car Dealership Use

## Annual Economic Impact During Stabilized Operations

Upon stabilized operations, a new car dealership operating in the existing on-site commercial building would be expected to generate approximately \$11.8 million and 56 jobs annually in the local economy.

Impact Type	Anticipated Industry Revenue <sup>(1)</sup>	Anticipated Employment <sup>(2)</sup>	Anticipated Salary and Wages <sup>(3)</sup>
Direct ( <i>On-Site Uses</i> )	\$7,503,111	35	\$3,674,871
Indirect ( <i>Supply Chain Transactions</i> )	\$1,623,468	7	\$584,344
Induced ( <i>Spending of Wages</i> )	\$2,682,051	14	\$933,931
<b>Total Anticipated Economic Impact<sup>(4)</sup></b>	<b>\$11,808,631</b>	<b>56</b>	<b>\$5,193,145</b>

(1) Industry revenue reflects "Industry Output," or annual revenues plus net inventory change.

(2) Employment figures reflect jobs as calculated by IMPLAN which includes full-time and part-time jobs.

(3) Anticipated salary and wages calculated via IMPLAN with regional-specific multipliers.

Source: IMPLAN, 2024

## C.1

# Residential Development

## Gross Annual Fiscal Expenditures by On-Site User Type

The chart below details the estimated amount of additional City of Placentia General Fund expenditures required to serve the increase in on-site residents and employees from the residential development scenario. In total, the scenario would be expected to necessitate approximately \$246,000 in additional General Fund expenses annually.

City of Placentia General Fund Expenditure Type	Residents	On-Site Employees	Total
Administrative Services	\$35,581	\$718	\$36,299
Finance	\$7,736	\$156	\$7,892
Development Services	\$8,731	\$235	\$8,966
Public Safety – Police	\$79,682	\$1,628	\$81,310
Fire & Life Safety	\$26,364	\$539	\$26,902
Public Works	\$29,845	\$430	\$30,275
Community Services	\$20,748	\$88	\$20,836
General Government	\$33,581	\$374	\$33,955
<b>Total</b>	<b>\$242,267</b>	<b>\$4,168</b>	<b>\$246,435</b>

(1) On-site employment includes employees at on-site retail spaces and residential property management staff.

(2) Figures based on estimated 384 new residents in residential development, 6 on-site retail employees, and 6 on-site property management staff.

(3) Estimated figures calculated based on average expenditure by current user type in FY2023-24 City of Placentia budget. Analysis assumes that legislative and City Administrator costs remain fixed and are not impacted by incremental increase in population or workforce.

Source: JS&A, City of Placentia FY2023-24 Budget

## C.2

# Hotel Development

## Gross Annual Fiscal Expenditures by On-Site User Type

The chart below details the estimated amount of additional City of Placentia General Fund expenditures required to serve the increase in on-site hotel guests and employees from the hotel development scenario. In total, the scenario would be expected to necessitate approximately \$109,000 in additional General Fund expenses annually.

City of Placentia General Fund Expenditure Type	Hotel Guests	On-Site Employees	Total
Administrative Services	\$0	\$4,832	<b>\$4,832</b>
Finance	\$0	\$1,051	<b>\$1,051</b>
Development Services	\$0	\$1,581	<b>\$1,581</b>
Public Safety – Police	\$39,082	\$10,959	<b>\$50,040</b>
Fire & Life Safety	\$12,931	\$3,626	<b>\$16,556</b>
Public Works	\$13,767	\$2,895	<b>\$16,662</b>
Community Services	\$0	\$593	<b>\$593</b>
General Government	\$14,956	\$2,516	<b>\$17,472</b>
<b>Total</b>	<b>\$80,735</b>	<b>\$28,053</b>	<b>\$108,788</b>

(1) On-site employment includes employees at on-site retail spaces and hotel staff.

(2) Figures based on estimated 34,749 annual guest nights, 66 on-site hotel staff, and 11 on-site retail employees.

(3) Estimated figures calculated based on average expenditure by current user type in FY2023-24 City of Placentia budget. Analysis assumes that legislative and City Administrator costs remain fixed and are not impacted by incremental increase in population or workforce.

Source: JS&A, City of Placentia FY2023-24 Budget

### C.3

# New Car Dealership Development

## Gross Annual Fiscal Expenditures by On-Site User Type

The chart below details the estimated amount of additional City of Placentia General Fund expenditures required to serve the increase in on-site employees from a new car dealership at the subject site. In total, a new car dealership would be expected to necessitate approximately \$13,000 in additional General Fund expenses annually.

City of Placentia General Fund Expenditure Type	On-Site Employees	Total
Administrative Services	\$2,214	\$2,214
Finance	\$481	\$481
Development Services	\$724	\$724
Public Safety – Police	\$5,021	\$5,021
Fire & Life Safety	\$1,661	\$1,661
Public Works	\$1,327	\$1,327
Community Services	\$272	\$272
General Government	\$1,153	\$1,153
<b>Total</b>	<b>\$12,855</b>	<b>\$12,855</b>

(1) On-site employment includes employees at new car dealership.

(2) Figures based on estimated 35 on-site car dealership employees.

(3) Estimated figures calculated based on average expenditure by current user type in FY2023-24 City of Placentia budget. Analysis assumes that legislative and City Administrator costs remain fixed and are not impacted by incremental increase in population or workforce.

Source: JS&A, City of Placentia FY2023-24 Budget

## D.1

# Gross Fiscal Impact of Stabilized Operations by Development Scenario

Annual Revenue Source by Jurisdiction <sup>(1)</sup>	Residential Development	Hotel Development <sup>(2)</sup>	New Car Dealership
<b>City of Placentia General Fund</b>			
Property Tax <sup>(3)</sup>	\$78,889	\$12,201	\$4,020
Property Tax in Lieu of VLF	\$86,837	\$12,498	\$3,379
Sales Tax (Bradley Burns) <sup>(4)</sup>	\$13,957	\$43,770	\$237,554
Sales Tax (Transactions & Use) <sup>(4)</sup>	\$15,186	\$42,062	\$237,554
Transient Occupancy Tax	\$0	\$575,733	\$0
Business License Fees	\$1,764	\$921	\$13,093
Utility Users Tax	\$47,704	\$613	\$1,854
<b>Orange County</b>			
Property Tax	\$1,018,488	\$157,516	\$51,900
Retail Sales Tax	\$6,589	\$10,943	\$296,942
<b>State of California</b>			
Retail Sales Tax	\$52,709	\$262,621	\$1,425,322
<b>Other Local Taxing Districts</b>			
Property Tax: Placentia-Yorba Linda Unified School District	\$49,876	\$7,714	\$2,542
Property Tax: North OC Community College	\$20,193	\$3,123	\$1,029
Property Tax: MWDOC	\$4,121	\$637	\$210
<b>Subtotal of Annual Tax Revenue by Recipient</b>			
City of Placentia General Fund	\$244,335	\$687,799	\$497,453
Orange County	\$1,025,077	\$168,458	\$348,842
State of California	\$52,709	\$262,621	\$1,425,322
Other Local Taxing Districts	\$74,191	\$11,474	\$3,781
<b>Total Direct Fiscal Impact<sup>(4)(5)</sup></b>	<b>\$1,396,312</b>	<b>\$1,130,352</b>	<b>\$2,275,398</b>

(1) Tax revenue figures represent fiscal impacts of the direct effects only. The fiscal impact of indirect and induced effects are excluded from this analysis. Actual impacts may vary.

(2) Analysis assumes 75% of hotel guest spending occurs within City of Placentia. Analysis assumes the remaining 25% goes toward other local municipalities and is therefore excluded from this analysis.

(3) Analysis assumes the following property valuations for each development scenario: Residential Development: \$117,744,296, Hotel Development: \$18,209,927, New Car Dealership Use: \$6,000,000. Residential Development and Hotel Development figures include property valuations of on-site retail spaces. Property valuations for Residential and Hotel Development based on local comparable projects. Car Dealership property valuation based on estimate from prospective new dealership at subject site.

(4) Sales tax revenue estimates for residential development account for taxes collected on residents' online transactions and in-person spending at Placentia retailers. Spending estimates calculated by IMPLAN based on anticipated on-site household incomes. Analysis assumes 20% of in-person retail spending will occur at businesses in Placentia.



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