

## ***TECHNICAL MEMORANDUM***

To: John Lang, City of San Jose

From: Teifion Rice-Evans and Ashleigh Kanat

Subject: Updated Fiscal and Economic Impact Analysis  
of Major League Soccer Stadium Proposal; EPS #17125

Date: March 26, 2009

*The Economics of Land Use*



In February 2008, Economics & Planning Systems, Inc. (EPS) produced the final *Fiscal and Economic Impact Analysis of a Major League Soccer Stadium Report* for the City of San Jose. The analysis evaluated the fiscal and economic impacts of development of the Airport West site and the iStar site, at buildout, under three alternative scenarios.

In the twelve months since the Final Report was prepared, deteriorating market conditions have driven down residential and commercial property values and resulted in changes to the land acquisition, project phasing and financing strategies previously proposed by the project proponents. The changed strategy and changed market conditions have altered several of the assumptions included in the February 2008 analysis.

Specifically, the revised strategy no longer calls for a publicly owned stadium on publicly owned land. Rather, the project proponents (Fisher, Wolff, Hunter & Storm (FWHS) Partners) plan to purchase the land for the stadium from the City and privately finance and privately own the stadium. In addition, the real estate market downturn and economic recession have resulted in reduced property values across all use-types in addition to lower retail sales and hotel room rates. The updated fiscal and economic impact analysis incorporates these changes. Given the likelihood that market conditions will need to improve before most development moves forward, the actual fiscal impacts are likely to be stronger than those estimated in this updated analysis.

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## Project Background

In light of these evolving conditions, the City of San Jose is reviewing the modified request by FWHS Partners to develop a Major League Soccer Stadium for the San Jose Earthquakes as part of a new mixed-use development at the Airport West site. The Airport West site is located along the west side of Coleman Avenue between Brokaw Road and Newhall Street, adjacent to the San Jose International Airport. The modified proposal calls for the purchase and development of a soccer stadium only. Under the modified proposal, the development of the Stadium is decoupled from the conversion of the iStar property and assumes that the Stadium will be privately developed and owned. In a second phase, to occur at a later date, FWHS Partners will request the re-entitlement of the iStar property to allow for residential development. The iStar site is located to the west of the intersection of Monterey Highway and Highway 85, adjacent to the existing Hitachi campus, in the Edenvale Redevelopment Area and is currently entitled for office/industrial and retail uses.<sup>1</sup>

The City wishes to understand the impacts of the re-entitlement of the iStar property and the proposed mixed-use development at the Airport West site on the City's General Fund, the Redevelopment Agency's tax increment receipts, and the local school districts' ability to accommodate additional students. The City is also interested in the economic impacts of the different development programs associated with both sites (iStar and Airport West) under the "with stadium" and "without stadium" scenarios.

This technical memorandum provides the results of the updated fiscal and economic impact analysis, with updated summary tables and detailed appendix tables attached. For a complete description of the study's methodology, please see the February 2008 report.

## Development Scenarios

The fiscal and economic impact analyses are driven by the site development assumptions associated with the three scenarios: Scenario A: "Without Stadium," Scenario B: "With Stadium and With Full Transfer of iStar Entitlements," and Scenario C: "With Stadium and With Partial Transfer of iStar Entitlements." Scenario A presumes that the iStar site is developed as currently entitled. Scenario B assumes the iStar site is developed with residential uses, but also that the currently entitled office/industrial and retail square footage is reallocated to another site in the Edenvale Redevelopment Area. To establish a sensitivity range, Scenario C assumes that none of the retail is transferred to another site. The development assumptions under each of the scenarios are summarized in **Table 1** and described below.

### Scenario A

Scenario A is the base-case "without stadium" scenario. Under Scenario A, the stadium is not developed at the Airport West site. The City has indicated that they would expect the non-stadium land use development proposed to be the same as that proposed to accompany the

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<sup>1</sup> Before 2004, the iStar site was 100 percent entitled for industrial development. In 2004, iStar applied for and received a rezoning of the site to add 450,000 square feet of retail capacity. This was accomplished by adding industrial capacity to New Edenvale.

stadium under Scenarios B and C. Specifically, this would include 1.514 million square feet of office/industrial development, 75,000 square feet of retail development, and 300 hotel rooms (in either one or two hotels).

Under Scenario A, the iStar site would be developed as currently entitled, which includes 1.0 million square feet of office/industrial development, and 450,000 square feet of retail. Because the iStar site would be developed as currently entitled, there is no shift in entitlements to other locations in the Edenvale Redevelopment Area.

### **Scenario B**

Scenario B includes the development of the stadium at the Airport West site in addition to 1.514 million square feet of office/industrial development, 75,000 square feet of retail development, and 300 hotel rooms (in either one or two hotels).

Under this scenario, the iStar site is proposed to be re-entitled to residential use. The proposal includes the development of 1,300 residential units, including 180 single-family cluster units, 940 townhome units, and 180 apartment units. It is assumed that the apartment units comprise the affordable housing component of the project. The single-family cluster units are expected to support an average household size of 3.4 people, the townhome units are expected to support 2.7 people per household, and the apartment units are expected to support 2.5 people per unit.

The currently entitled office/industrial and retail square footage that would be displaced by the residential program would, instead, be developed elsewhere in the Edenvale Redevelopment Area. City staff would need to identify specific locations where these entitlements could be provided whether through increased development densities or changed land use designations.

This analysis assumes that the displaced office/industrial entitlements are made up by increasing development densities on other sites in Edenvale. The office/industrial development associated with these areas is assumed to differ from the office/industrial currently entitled at the iStar site in that it is constructed at higher floor area ratios (FARs) and represents more of an office/R&D flex space than more typical lower density industrial space. This difference has implications for the employment density, which is assumed to be 400 square feet per employee (compared with 600 square feet per employee used at the Airport West site under all three scenarios and at the iStar site under Scenario C). It also will affect the achievable lease rates, which will have implications for the assessed valuation of the space. The new retail entitlements granted at locations elsewhere in Edenvale are assumed to result in the equivalent of the lost retail development capacity at the iStar site.

### **Scenario C**

Scenario C differs from Scenario B only in that the off-setting development elsewhere in Edenvale excludes the 450,000-square foot retail component; in other words, it is assumed that there is no viable, alternative retail site and that the retail development entitlement at the iStar site is not replaced. The 1.0 million square feet of office/industrial is still presumed to be developed somewhere within the redevelopment area.

## Study Caveats

EPS was asked to estimate the impacts on the City's General Fund and Redevelopment Agency revenues of site development as well as the overall economic impacts of the non-stadium site development. SportsEconomics was contracted separately to evaluate the economic impacts of ongoing stadium operations.

The fiscal impact analysis evaluates fiscal impacts at buildout and the economic impact analysis considers the ongoing impacts once the sites are built out as well as the one-time construction impacts. Because this is a static, buildout analysis, real estate market factors including development phasing and absorption rates are not evaluated and variations in fiscal and economic impacts through time by scenario are not analyzed. The EPS study is based on the current City budget, prior EPS fiscal studies, the SportsEconomics study, and other readily available information. As a result, this report does not directly address the following issues:

- The market viability of the proposed land uses at both sites under the three different scenarios.
- Differences in the pace of development at the two sites under the three different scenarios.
- The balances of General Fund revenues and costs in the years before buildout.
- The current service provider capacity to accommodate new development service needs and additional development-specific service needs.

These issues could be addressed through a real estate market assessment and the development of a dynamic (time series) fiscal impact model, including interviews with individual City departments.

## Key Findings

The key findings of the study are described below. **Tables 2** and **3** summarize the results of the fiscal impact analyses and **Table 4** shows the results of the economic impact analysis.

- 1. At buildout of the Airport West and iStar sites, there will be significant positive impacts on the City's General Fund and Redevelopment Agency funding under the "with stadium" scenarios.**

The net annual fiscal surplus accruing to the City's General Fund at buildout is expected to range from \$1.4 million to \$2.3 million under the "with stadium" scenarios. In addition, the Redevelopment Agency is expected to receive between \$8.8 million and \$9.7 million annually at buildout to fund redevelopment and affordable housing projects. Significant positive impacts also occur under the "without stadium" scenario.

- 2. If a viable location is found for the displaced retail capacity at the iStar site, the "with stadium" scenarios and the "without stadium" scenario generate similar buildout fiscal surpluses of \$2.3 million annually and \$2.5 million annually, respectively.**

The \$2.3 million annual surplus under Scenario B depends on the sales tax revenues from the displaced retail from the iStar site, the payment by stadium operators of the full costs of

public services provision associated with stadium events, and stadium property tax revenue based on an assessed value at 80 percent of the expected stadium construction cost. The static nature of this analysis does not allow for a comparison of the differences between the "with stadium" and "without stadium" scenarios associated with potentially differing market absorption rates for the development programs proposed under these scenarios.

**3. The inability to relocate the retail capacity at the iStar site to another site in Edenvale would significantly reduce the fiscal surplus to the City's General Fund of the "with stadium" scenarios.**

Scenario C assumes that the displaced retail at the iStar site is not developed elsewhere in Edenvale. Under this scenario, the City's General Fund annual revenues at buildout are reduced by more than \$1.0 million, primarily associated with this loss of retail development.

**4. Because property taxes in the Edenvale Redevelopment Area accrue to the City's Redevelopment Agency in the form of Tax Increment, residential development at the iStar site generates a fiscal deficit to the City's General Fund. However, the overall fiscal impact on the General Fund of the "with stadium" scenarios is still significantly positive.**

New residential development at the iStar site is expected to result in an annual fiscal deficit of about \$460,000 each year, primarily because property taxes accrue to the Redevelopment Agency and not the City. Some of this deficit is offset by the additional revenues accruing to the City's General Fund from the expected property tax revenue and sales tax revenues associated with stadium development and operation. The remaining deficit is more than offset by the significant fiscal surpluses generated by the office/industrial, retail, and hotel development.

**5. Tax increment revenues are expected to be more than twice as high under the "with stadium" scenarios.**

Significant housing set-aside revenues as well as Redevelopment Agency net tax increment revenues will be generated under all scenarios. Under the "without stadium" scenario, housing set asides are estimated at \$940,000 and net tax increment to the Redevelopment Agency is estimated at \$3.0 million. Under both variations of the "with stadium" scenarios, housing set aside revenues are above \$2.1 million and net tax increment revenues are above \$6.7 million. The higher tax increment revenues under Scenarios B and C are partially due to the higher development value associated with residential development at the iStar site, but they are also due to the additional development capacity generated elsewhere in Edenvale.

**6. The ongoing economic impacts of the proposed development under all scenarios (but not including the economic impact of the stadium operations) are significantly positive, ranging from \$1.58 billion to \$1.86 billion annually in direct economic output.**

The ongoing economic impacts are largest under Scenario B with direct economic impacts of \$1.86 billion and direct jobs of about 6,100. The indirect and induced economic impacts are also highest under this scenario. Construction activity (including construction of the stadium)

generates temporary economic activity and is expected to support about 8,600 direct person-years of employment under the “without stadium” scenario and between 13,800 and 12,900 person-years of employment under the “with stadium” scenarios.

**7. Student generation at the iStar site under the “with stadium” scenarios is likely to require the affected school districts to add new classrooms or adjust the district boundaries.**

Development of housing on the iStar site is expected to generate 240 elementary-aged students, 60 intermediate-aged students, and 120 high school-aged students. Given the limited capacity within the Oak Grove Elementary School District and the East Side Union High School District, new classrooms and/or district boundary adjustments will likely be required.

## Key Assumptions

The results of this analysis are sensitive to each of the following assumptions.

- **Pace of Development and Absorption.** This analysis estimates the economic and fiscal impacts of development under the three scenarios at full buildout. It does not consider the impacts of market demand or macro-economic cycles on the pace of absorption. This level of detail could be provided through the development of a dynamic fiscal impact analysis model, if needed.
- **Development Values.** Updated development values in this model are based on information provided by the developer as well as prior work EPS has performed in the City of San Jose. The development cost of the stadium was reduced from \$100 million to \$60 million based on input from the developer. In addition, office/light industrial market values are discounted by 15 percent to reflect current market conditions. Retail market values are discounted by 20 percent, and hotel room values are discounted by 20 percent. Residential values are reduced by 11 percent based on 2008 monthly CBIA/Hanley Wood Market Intelligence New Home Sales and Pricing Reports for the San Jose/Sunnyvale/Santa Clara region.<sup>2</sup>
- **Economic Performance.** To adjust for deteriorating economic conditions, retail sales per square foot were reduced by 10 percent and hotel room rates were reduced by 10 percent.
- **Reallocation of iStar Development Capacity.** This analysis assumes that there is land available within the Edenvale Redevelopment Area to accommodate the transferred entitlements from the iStar site. There may be more potential to transfer the office/industrial entitlement than the retail entitlement, which is why this analysis considers Scenario C, in addition to Scenario B. Whether or not the retail can be shifted to one or more other sites in Edenvale has significant sales and use tax revenue implications.

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<sup>2</sup> <http://www.cbia.org/go/cbia/newsroom/housing-statistics/median-prices/index.cfm>

- **Airport West Development.** This analysis assumes the same commercial development program capacity at the Airport West site regardless of whether or not the stadium is developed. This analysis also assumes that there is the same level of market demand for the commercial space (retail and hotel especially) regardless of whether or not the stadium is developed.
- **Stadium-Related Public Service Costs.** This analysis assumes the Athletics make direct payments of stadium-related public service costs to the City's General Fund. As a result, stadium-related revenue from possessory interest tax and sales and use taxes represents a net addition to the City's General Fund.
- **Public Service Costs.** Public service costs in this analysis are based on current budget and staffing ratios, which are assumed to be satisfactory. They are not based on departmental interviews or full consideration of existing capacity. Methodologies for fiscal impact analysis are either per capita or per employee costs and draw upon prior EPS fiscal analyses conducted for development projects in the City of San Jose.
- **Tax Increment Revenues.** This analysis assumes that after the housing set aside and other obligatory pass-throughs, approximately 56 percent of tax increment revenue generated by the new development stays with the City's Redevelopment Agency. This percentage is based on a review of the Agency's budget but has not been confirmed with Agency staff.
- **Expenditures inside Stadium.** SportsEconomics' report estimated that expenditures inside the stadium (tickets, concessions, and merchandise) would be approximately \$13.2 million. This updated analysis reduces this estimate by 10 percent to \$11.9 million. This analysis assumes 100 percent of these sales are taxable retail sales, based on SportsEconomics' report.
- **Property tax from Stadium.** Unlike in the February 2008 analysis where it was envisioned that the Stadium would be owned by the City and leased to the Athletics, it is now anticipated that the Stadium land will be sold to the developer and privately owned. This arrangement shifts what was estimated as possessory interest tax revenue to property tax revenue. This analysis assesses the value of the stadium at 80 percent of the Stadium's estimated construction cost and then calculates the City's share of the 1 percent property tax.

**Table 1**  
**Project Description Summary**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Scenario/ Land Use	Airport West	iStar	Elsewhere in Edenvale	Total
<u>Scenario: A</u>				
Office/Light Industrial (square feet)	1,514,000	1,000,000	0	2,514,000
Retail (square feet)	75,000	450,000	0	525,000
Hotel (rooms)	300	0	0	300
Residential (units)	0	0	0	0
Stadium	No	na	na	No
<u>Scenario B</u>				
Office/Light Industrial (square feet)	1,514,000	0	1,000,000	2,514,000
Retail (square feet)	75,000	0	450,000	525,000
Hotel (rooms)	300	0	0	300
Residential (units)	0	1,300	0	1,300
Stadium	Yes	na	na	Yes
<u>Scenario C</u>				
Office/Light Industrial (square feet)	1,514,000	0	1,000,000	2,514,000
Retail (square feet)	75,000	0	0	75,000
Hotel (rooms)	300	0	0	300
Residential (units)	0	1,300	0	1,300
Stadium	Yes	na	na	Yes

Sources: City of San Jose; Oakland Athletics/ Hunter Storm; Economic & Planning Systems, Inc.

**Table 2**  
**Annual Fiscal Impact Summary at Project Buildout (2009 Dollar Terms) by Scenario**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

<b>Category</b>	<b>Scenario A Without Stadium</b>	<b>Scenario B With Stadium</b>	<b>Scenario C With Stadium/No Edenvale Retail</b>
<b>City General Fund</b>			
Revenues	\$3,497,000	\$4,639,000	\$3,535,000
Expenditures	<u>\$961,000</u>	<u>\$2,385,000</u>	<u>\$2,172,000</u>
Net Annual Fiscal Balance	\$2,536,000	\$2,254,000	\$1,363,000
<b>City Redevelopment Agency</b>			
Net Tax Increment to Redevelopment Agency	\$2,958,000	\$7,336,000	\$6,707,000
Housing Set-Aside Revenues	\$940,000	\$2,332,000	\$2,132,000
<b>Total Revenue to City [1]</b>	<b>\$6,434,000</b>	<b>\$11,922,000</b>	<b>\$10,202,000</b>

[1] Estimate does not include non-General Fund revenues. For example, at the time of construction, approximately \$240,000 to \$340,000 in construction taxes would be generated. Similarly, this analysis looks at the portion of the Transient Occupancy Tax that goes to the General Fund (4%) but not the other 6% which is allocated to arts and cultural programming and the Convention and Visitors Bureau (approximately \$770,000 annually).

Sources: City of San Jose; Economic & Planning Systems, Inc.

**Table 3**  
**Annual Fiscal Impact Expanded Summary at Project Buildout (2009 Dollar Terms) by Scenario**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Category	Scenario A Without Stadium	Scenario B With Stadium	Scenario C With Stadium/no Edenvale Retail
<b>City General Fund Revenues</b>			
Property Tax	\$813,909	\$873,909	\$873,909
Property Tax In-Lieu of VLF	\$417,724	\$696,493	\$658,267
Possessory Interest Tax	\$0	\$0	\$0
Sales Tax	\$1,272,164	\$1,571,755	\$613,179
Transient Occupancy Tax [1]	\$510,489	\$510,489	\$510,489
Franchise Fee	\$95,258	\$212,551	\$191,533
Utility Users Tax	\$191,542	\$427,390	\$385,128
Business Tax	\$196,217	\$223,668	\$180,374
Fines, Forfeitures, and Penalties	\$0	\$46,495	\$46,495
Motor Vehicle License Fee	\$0	\$14,487	\$14,487
Gas Tax Transfer	\$0	\$61,405	\$61,405
Construction and Conveyance Tax Transfer	<u>\$18,461</u>	<u>\$40,946</u>	<u>\$39,257</u>
<b>Total General Fund Revenue</b>	<b>\$3,497,302</b>	<b>\$4,638,642</b>	<b>\$3,535,267</b>
<b>City General Fund Expenditures</b>			
<u>General Government</u>			
General Government	\$46,498	\$76,273	\$66,014
Finance	\$9,029	\$14,810	\$12,818
Economic Development	<u>\$4,179</u>	<u>\$6,855</u>	<u>\$5,933</u>
Total General Government	\$59,706	\$97,938	\$84,765
<u>Public Safety</u>			
Fire	\$266,129	\$654,087	\$595,368
Police	<u>\$513,571</u>	<u>\$1,262,244</u>	<u>\$1,148,929</u>
Total Public Safety	<u>\$779,700</u>	<u>\$1,916,331</u>	<u>\$1,744,297</u>
<u>Capital Maintenance</u>			
General Service	\$42,787	\$95,471	\$86,031
Public Works	\$22,568	\$50,355	\$45,376
Transportation	<u>\$35,475</u>	<u>\$44,840</u>	<u>\$35,971</u>
Total Capital Maintenance	\$100,829	\$190,667	\$167,378
<u>Community Services</u>			
Library	\$0	\$37,305	\$37,305
Park, Recreation & Neighborhood Services	\$0	\$95,700	\$95,700
Planning, Building & Code Enforcement	<u>\$21,044</u>	<u>\$46,957</u>	<u>\$42,313</u>
Total Community Services	\$21,044	\$179,962	\$175,319
<b>Total General Fund Expenditures</b>	<b>\$961,279</b>	<b>\$2,384,898</b>	<b>\$2,171,758</b>
<b>City General Fund - Net Annual Fiscal Balance</b>	<b>\$2,536,023</b>	<b>\$2,253,744</b>	<b>\$1,363,509</b>
<b>City Redevelopment Agency</b>			
Net Tax Increment to Redevelopment Agency	\$2,958,270	\$7,336,251	\$6,707,328
Housing Set-Aside Revenues	\$940,178	\$2,331,559	\$2,131,679

[1] Includes General Fund share of TOT only, although additional TOT revenues (approximately \$850,000 annually) benefiting fine arts and culture programs, the Convention and Visitors Bureau, and the conventions and cultural facilities operations are also generated.

[2] Represents the portion of C&C tax that offsets Parks O&M costs.

Sources: City of San Jose; Economic & Planning Systems, Inc.

**Table 4**  
**Economic Impact Summary**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Item	Scenario A without Stadium	Scenario B with Stadium	Scenario C with Stadium/no Edenvale Retail
<b>Annual Operations Impact [1]</b>			
<u>Output</u>			
Direct	\$1,582,934,079	\$1,864,847,814	\$1,743,479,681
Indirect	\$555,080,096	\$657,166,602	\$626,707,776
Induced	<u>\$352,247,243</u>	<u>\$414,540,618</u>	<u>\$385,420,361</u>
<b>Output Subtotal</b>	<b>\$2,490,261,418</b>	<b>\$2,936,555,034</b>	<b>\$2,755,607,818</b>
<u>Employment</u>			
Direct Jobs	5,361	6,111	4,928
Indirect Jobs	2,082	2,456	2,307
Induced Jobs	<u>2,069</u>	<u>2,435</u>	<u>2,264</u>
<b>Employment Subtotal</b>	<b>9,512</b>	<b>11,002</b>	<b>9,499</b>
<b>One-Time Construction Impact [2]</b>			
<u>Employment</u>			
Direct Jobs	8,624	13,750	12,903
Indirect and Induced Jobs	<u>3,713</u>	<u>5,920</u>	<u>5,555</u>
<b>Construction Employment Subtotal</b>	<b>12,337</b>	<b>19,669</b>	<b>18,458</b>

[1] Annual operations impact does not include impact of stadium operations.

[2] One-time construction impact includes the construction of the stadium.

Source: IMPLAN 2.0, 2004; Economic & Planning Systems, Inc.



## APPENDIX A

### Key Assumptions and Calculations

**Table A-1**  
**Detailed Program Description and Assumptions**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Scenario	Maximum Planned Development	Market Value per Unit/ SF/ Room [1]	Project Assessed Value [2]	Persons/ Household	Occ. Households/ Leased SF [3]	Project Residents	Project Employees [4]	Daytime Service Population [5]
<b>Scenario A (without Stadium)</b>								
<u>Airport West Site</u>								
	Office/Light Industrial	1,514,000 sq.ft.	\$395		\$598,030,000	1,362,600	2,271	1,136
	Retail	75,000 sq.ft.	\$237		\$17,775,000	69,000	197	99
	Hotel	<u>300 rooms</u>	<u>\$160,000</u>		<u>\$48,000,000</u>	<u>210</u>	<u>210</u>	<u>105</u>
	<i>Subtotal, Scenario A: Airport West</i>				\$663,805,000		2,678	1,339
<u>iStar Site</u>								
	Residential	0 units						
	Single-Family Detached Cluster Units							
	Townhomes							
	Podium Apartments (Affordable)							
	Office/Light Industrial	1,000,000 sq.ft.	\$395		\$395,000,000	900,000	1,500	750
	Retail	<u>450,000 sq.ft.</u>	<u>\$237</u>		<u>\$106,650,000</u>	<u>414,000</u>	<u>1,183</u>	<u>591</u>
	<i>Subtotal, Scenario A: iStar</i>				\$501,650,000	1,314,000	2,683	1,341
<b>Total, Scenario A</b>					<b>\$1,165,455,000</b>		<b>5,361</b>	<b>2,681</b>
<b>Scenario B (with Stadium)</b>								
<u>Airport West Site</u>								
	Office/Light Industrial	1,514,000 sq.ft.	\$395		\$598,030,000	1,362,600	2,271	1,136
	Retail	75,000 sq.ft.	\$237		\$17,775,000	69,000	197	99
	Hotel	<u>300 rooms</u>	<u>\$160,000</u>		<u>\$48,000,000</u>	<u>210</u>	<u>210</u>	<u>105</u>
	<i>Subtotal, Scenario B: Airport West</i>				\$663,805,000		2,678	1,339
<u>iStar Site</u>								
	Residential							
	Single-Family Detached Cluster Units	182 units	\$778,319	3.4	\$141,654,018	179	607	607
	Townhomes	936 units	\$533,704	2.7	\$499,547,231	918	2,479	2,479
	Podium Apartments (Affordable)	<u>182 units</u>	<u>\$266,852</u>	<u>2.5</u>	<u>\$48,567,092</u>	<u>179</u>	<u>446</u>	<u>446</u>
	<i>Subtotal, Scenario B: iStar</i>				\$689,768,341	1,275	3,533	3,533
<u>Elsewhere in Edenvale</u>								
	Office/Light Industrial	1,000,000 sq.ft.	\$435		\$435,000,000	900,000	2,250	1,125
	Retail	<u>450,000 sq.ft.</u>	<u>\$237</u>		<u>\$106,650,000</u>	<u>414,000</u>	<u>1,183</u>	<u>591</u>
	<i>Subtotal, Scenario B: Elsewhere in Edenvale</i>				\$541,650,000	1,314,000	3,433	1,716
	<i>Subtotal, Scenario C: Elsewhere in Edenvale</i>				\$435,000,000	900,000	2,250	1,125
	<i>Subtotal, Scenario B</i>				\$1,231,418,341		3,533	3,433
	<i>Subtotal, Scenario C</i>				\$1,124,768,341		3,533	2,250
<b>Total, Scenario B</b>					<b>\$1,895,223,341</b>		<b>3,533</b>	<b>6,111</b>
<b>Total, Scenario C</b>					<b>\$1,788,573,341</b>		<b>3,533</b>	<b>4,928</b>
							<b>6,588</b>	<b>5,997</b>

- [1] Market values based on information provided by Hunter/Storm and EPS calculations.  
[2] This is a static estimate of the assessed value and does not take into consideration inflation or property value appreciation.  
[3] Assumes 1.9% vacancy for all residential units per DOF 2007 estimate and 5% vacancy for all retail space.  
[4] Assumes one employee per 350 square feet of retail space, one employee per 600 square feet of lower intensity office/industrial use, one employee per 400 square feet of higher intensity office/industrial use, and one employee per occupied hotel room.  
[5] In cases where total new residents or total new employment does not accurately reflect relative service demands, an additional measure of service demand is used - daytime service population (100 percent of residents plus 1/2 of employment).

Source: California Department of Finance; Bo Radanovich, Mission Valley Properties; Economic & Planning Systems, Inc.

**Table A-2**  
**Citywide Demographic Data**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

<b>Item</b>		<b>Amount</b>	<b>Source</b>
Households (2008)		307,613	DoF
Mean Household Income (\$2009) [1]		\$101,085	ABAG
Single Family Housing Units		196,100	DoF
Multi Family Housing Units		100,485	DoF
Population	a	989,496	DoF
Persons per Household		3.24	DoF
Total Employed Residents		402,290	ABAG
Total Jobs	b	363,380	ABAG
Daytime Service Population [2]	c	1,171,186	$c = a + 1/2 * b$

[1] 2005 ABAG estimate inflated to \$2008 using San Francisco-Oakland-San Jose, CA CPI and then inflated to \$2009 by 3.0%.

[2] "Daytime Service Population" equals 100 percent of City residents plus 1/2 of City jobs. This measure of service population is used for cost impacts where employment affects the demand for service but by less than the residential demand.

Source: California Department of Finance 2008 estimate, Association of Bay Area Governments 2005 Projection, and Economic & Planning Systems, Inc.

**Table A-3  
General Fund Expenditures 2008/09 and Estimating Factors  
Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Item	Table Reference	2008-09		Estimating Factor/Approach	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
		Adopted General Fund	Percent Variable Costs [1]		Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
		General Government [2]			\$68,658,723	25%	\$17 per daytime service pop.	\$23,229	\$23,270	\$0	\$46,498	\$23,229	\$23,270	\$29,775	\$76,273	\$23,229
Finance [3]		\$13,331,865	25%	\$3 per daytime service pop.	\$4,510	\$4,518	\$0	\$9,029	\$4,510	\$4,518	\$5,782	\$14,810	\$4,510	\$4,518	\$3,789	\$12,818
Economic Development/Department Operation [4]		\$6,170,654	25%	\$2 per daytime service pop.	\$2,088	\$2,091	\$0	\$4,179	\$2,088	\$2,091	\$2,676	\$6,855	\$2,088	\$2,091	\$1,754	\$5,933
Police	Table A-4	\$281,146,892	100%	\$160,856 per sworn officer	\$256,560	\$257,011	\$0	\$513,571	\$256,560	\$676,825	\$328,859	\$1,262,244	\$256,560	\$676,825	\$215,544	\$1,148,929
Fire	Table A-5	\$158,203,354	100%	\$154,421 per firefighter	\$132,947	\$133,182	\$0	\$266,129	\$132,947	\$350,726	\$170,413	\$654,087	\$132,947	\$350,726	\$111,694	\$595,368
Capital Maintenance [5]																
General Service		\$24,926,510	75%	\$16 per daytime service pop.	\$21,375	\$21,412	\$0	\$42,787	\$21,375	\$46,698	\$27,398	\$95,471	\$21,375	\$46,698	\$17,958	\$86,031
Public Works		\$9,860,408	100%	\$8 per daytime service pop.	\$11,274	\$11,294	\$0	\$22,568	\$11,274	\$24,631	\$14,451	\$50,355	\$11,274	\$24,631	\$9,472	\$45,376
Transportation		\$32,894,600	100%	\$14,333 per road mile	\$17,737	\$17,737	\$0	\$35,475	\$17,737	\$9,365	\$17,737	\$44,840	\$17,737	\$9,365	\$8,869	\$35,971
Community Services [6]																
Library	Table A-6	\$29,574,613	30%	\$11 per capita	\$0	\$0	\$0	\$0	\$0	\$37,305	\$0	\$37,305	\$0	\$37,305	\$0	\$37,305
Park, Rec. & Neighborhood Services [7]		\$59,008,629	100%	\$15,000 per acre of parkland	\$0	\$0	\$0	\$0	\$0	\$95,700	\$0	\$95,700	\$0	\$95,700	\$0	\$95,700
Planning, Building & Code Enforcement		\$36,779,509	25%	\$8 per daytime service pop.	\$10,513	\$10,531	\$0	\$21,044	\$10,513	\$22,968	\$13,476	\$46,957	\$10,513	\$22,968	\$8,832	\$42,313
Other Community Services		\$842,189	-	- not estimated												
Non-Departmental [8]		\$328,380,084	-	- not estimated												
<b>Total General Fund Expenditures</b>		<b>\$1,049,778,030</b>			<b>\$480,233</b>	<b>\$481,047</b>	<b>\$0</b>	<b>\$961,279</b>	<b>\$480,233</b>	<b>\$1,294,099</b>	<b>\$610,566</b>	<b>\$2,384,898</b>	<b>\$480,233</b>	<b>\$1,294,099</b>	<b>\$397,427</b>	<b>\$2,171,758</b>

[1] Percentage of costs that increases with growth, as opposed to fixed costs.

[2] Includes city attorney, auditor, clerk, manager, mayor, council, emergency services, employee services, and information technology.

[3] Includes independent police auditor.

[4] Includes redevelopment agency expenses.

[5] Includes general services, public works and transportation. In calculating transportation costs, it is assumed that 10% of gross site acreage is allocated to roads and that roads are, on average, 50 feet wide. At the iStar site, under Scenario B1 and B2, total public street (Streets A & B) length is 3,450 feet.

[6] Community Services includes Environmental Services. It is assumed that the incremental costs of providing environmental services are covered through user fees.

[7] Assumes per acre maintenance cost of \$15,000 based on an interview with a department staff as part of a previous study for the City. Required park acreage at iStar site (6.38 acres) is provided by David Mitchell, Parks Planning Manager, in a memo to John Lang, dated January 31, 2008.

[8] Includes citywide expenses, transfers, capital contributions and reserves.

Source: City of San Jose Adopted Budget 2008/2009; Economic & Planning Systems, Inc.

**Table A-4**  
**Police Department Expenditures**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Project Service Population	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
Daytime Service Population	1,339	1,341	0	2,681	1,339	3,533	1,716	6,588	1,339	3,533	1,125	5,997
Total New Officers Required	1.6	1.6	0.0	3.2	1.6	4.2	2.0	7.8	1.6	4.2	1.3	7.1
Annual Expenditure per Officer [1]	\$146,232	\$146,232	\$146,232	\$146,232	\$146,232	\$146,232	\$146,232	\$146,232	\$146,232	\$146,232	\$146,232	\$146,232
Annual Overhead per Officer [2]	\$14,623	\$14,623	\$14,623	\$14,623	\$14,623	\$14,623	\$14,623	\$14,623	\$14,623	\$14,623	\$14,623	\$14,623
<b>Total Cost</b>	<b>\$256,560</b>	<b>\$257,011</b>	<b>\$0</b>	<b>\$513,571</b>	<b>\$256,560</b>	<b>\$676,825</b>	<b>\$328,859</b>	<b>\$1,262,244</b>	<b>\$256,560</b>	<b>\$676,825</b>	<b>\$215,544</b>	<b>\$1,148,929</b>
<b>Assumptions</b>												
Existing Sworn Officers 2008	1,395											
Existing Daytime Service Population	1,171,186											
Per 1,000 Daytime Service Population	1.19											

[1] Includes salary, benefits, and ongoing uniform and safety equipment. Per officer estimate is \$125,000 in \$2006. EPS inflated this estimate by 4% per year to \$2009.

[2] Assumes an annual overhead cost equivalent to 10% of the Expenditure per Officer.

Source: City of San Jose, e-mail from John Lang; Economic & Planning Systems, Inc.

**Table A-5**  
**Fire Department Expenditures**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Project Service Population	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
Daytime Service Population	1,339	1,341	0	2,681	1,339	<b>3,533</b>	1,716	6,588	1,339	3,533	1,125	5,997
Total New Fire Fighters Required	0.9	0.9	0.0	1.7	0.9	2.3	1.1	4.2	0.9	2.3	0.7	3.9
Annual Expenditure per Fire Fighter [1]	\$140,383	\$140,383	\$140,383	\$140,383	\$140,383	\$140,383	\$140,383	\$140,383	\$140,383	\$140,383	\$140,383	\$140,383
Annual Overhead per Fire Fighter [2]	\$14,038	\$14,038	\$14,038	\$14,038	\$14,038	\$14,038	\$14,038	\$14,038	\$14,038	\$14,038	\$14,038	\$14,038
<b>Total Cost</b>	<b>\$132,947</b>	<b>\$133,182</b>	<b>\$0</b>	<b>\$266,129</b>	<b>\$132,947</b>	<b>\$350,726</b>	<b>\$170,413</b>	<b>\$654,087</b>	<b>\$132,947</b>	<b>\$350,726</b>	<b>\$111,694</b>	<b>\$595,368</b>
<b>Assumptions</b>												
Existing Fire Fighters 2008	753											
Existing Daytime Service Population	1,171,186											
Per 1,000 Daytime Service Population	0.64											

[1] Includes salary, benefits, and on-going uniform and safety equipment. Per officer estimate is \$120,000 in 2006. EPS inflated this estimate by 4% per year to 2009.

[2] Assumes an annual overhead cost equivalent to 10% of the Expenditure per Fire Fighter.

Source: City of San Jose, e-mail from John Lang; Economic & Planning Systems, Inc.

**Table A-6**  
**Library Expenditures**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Item	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
Project Resident Population	0	0	0	0	0	3,533	0	3,533	0	3,533	0	3,533
<b>Total Cost [1]</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$37,305</b>	<b>\$0</b>	<b>\$37,305</b>	<b>\$0</b>	<b>\$37,305</b>	<b>\$0</b>	<b>\$37,305</b>
<b>Assumptions</b>												
Net O&M costs of a typical library per capita	\$10.56											

[1] In \$2009. Based on operation and maintenance of a typical library in the City.

Source: City of San Jose; Economic & Planning Systems, Inc.

**Table A-7**  
**General Fund Revenue 2008/09 and Estimating Factors**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

2008-09															
Item	Table Reference	Adopted General Fund	Estimating Factor/Assumptions	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
				Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
Fund Balance		\$231,559,793	- not estimated	-	-	-	-	-	-	-	-	-	-	-	-
Property Tax	Table A-8	\$208,267,000	12.5% of Property Tax	\$813,909	\$0	\$0	\$813,909	\$873,909	\$0	\$0	\$873,909	\$873,909	\$0	\$0	\$873,909
Property Tax In-Lieu of VLF	Table A-12		based on assessed value	\$237,922	\$179,802	\$0	\$417,724	\$255,126	\$247,228	\$194,139	\$696,493	\$255,126	\$247,228	\$155,913	\$658,267
Possessory Interest Tax	#REF!		based on value of stadium	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales Tax	Table A-10	\$152,536,000	1.00% of estimated taxable sales	\$255,628	\$1,016,536	\$0	\$1,272,164	\$374,629	\$151,610	\$1,045,516	\$1,571,755	\$374,629	\$151,610	\$86,940	\$613,179
Transient Occupancy Tax [1]	Table A-11	\$9,972,000	4.0% of hotel rent revenue	\$510,489	\$0	\$0	\$510,489	\$510,489	\$0	\$0	\$510,489	\$510,489	\$0	\$0	\$510,489
Franchise Fees		\$41,621,000	\$35.54 per daytime service pop.	\$47,587	\$47,671	\$0	\$95,258	\$47,587	\$103,966	\$60,998	\$212,551	\$47,587	\$103,966	\$39,980	\$191,533
Utility Tax		\$83,690,000	\$71.46 per daytime service pop.	\$95,687	\$95,855	\$0	\$191,542	\$95,687	\$209,052	\$122,652	\$427,390	\$95,687	\$209,052	\$80,390	\$385,128
Licenses and Permits															
Business Tax		\$13,300,000	\$36.60 per employee	\$98,022	\$98,195	\$0	\$196,217	\$98,022	\$0	\$125,645	\$223,668	\$98,022	\$0	\$82,352	\$180,374
Other (building permits, fire permits, etc.)		\$65,583,904	- not estimated	-	-	-	-	-	-	-	-	-	-	-	-
Fines, Forfeitures, and Penalties		\$15,726,000	\$15.89 per capita	\$0	\$0	\$0	\$0	\$0	\$46,495	\$0	\$46,495	\$0	\$46,495	\$0	\$46,495
Revenue from Money and Property		\$13,221,500	- not estimated	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from Local Agencies		\$48,071,886	- not estimated	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from State Government															
Motor Vehicle License Fee		\$4,900,000	\$4.95 per capita	\$0	\$0	\$0	\$0	\$0	\$14,487	\$0	\$14,487	\$0	\$14,487	\$0	\$14,487
Other (Airplane In-Lieu Tax, Grants, etc.)		\$5,365,304	- not estimated	-	-	-	-	-	-	-	-	-	-	-	-
Revenue from Federal Government		\$3,815,311	- not estimated	-	-	-	-	-	-	-	-	-	-	-	-
Departmental Charges		\$30,863,305	- not estimated	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenues [2]		\$17,496,485	- not estimated	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and Reimbursements															
Gas Tax		\$17,200,000	\$17.38 per capita based on assessed value	\$0	\$0	\$0	\$0	\$0	\$61,405	\$0	\$61,405	\$0	\$61,405	\$0	\$61,405
Construction and Conveyance Tax Transfer	Table A-13	\$2,550,000	of re-sold properties	\$10,515	\$7,946	\$0	\$18,461	\$10,515	\$21,852	\$8,580	\$40,946	\$10,515	\$21,852	\$6,890	\$39,257
Other		\$84,038,542	- not estimated	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total General Fund Revenue</b>		<b>\$1,049,778,030</b>													

[1] Includes General Fund share of TOT only, although additional TOT revenues (approximately \$850,000 annually) benefiting fine arts and cultural programs, the Convention and Visitors Bureau, and the conventions and cultural facilities operations are also generated.

[2] Includes reimbursements from investment programs, sidewalk repair activities, HP Pavilion revenue, and sale of surplus property.

Source: City of San Jose Adopted Budget 2008-2009; Economic & Planning Systems, Inc.

**Table A-8**  
**Property Tax and Tax Increment Calculation**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Category	Assumptions/Reference	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
		Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
Assessed Values by Land Use													
Office/Light Industrial	See Table A-9	\$598,030,000	\$395,000,000	\$0	\$993,030,000	\$598,030,000	\$0	\$435,000,000	\$1,033,030,000	\$598,030,000	\$0	\$435,000,000	\$1,033,030,000
Retail	See Table A-9	\$17,775,000	\$106,650,000	\$0	\$124,425,000	\$17,775,000	\$0	\$106,650,000	\$124,425,000	\$17,775,000	\$0	\$0	\$17,775,000
Hotel	See Table A-9	\$48,000,000	\$0	\$0	\$48,000,000	\$48,000,000	\$0	\$0	\$48,000,000	\$48,000,000	\$0	\$0	\$48,000,000
Stadium [1]		\$0	\$0	\$0	\$0	\$48,000,000	\$0	\$0	\$0	\$48,000,000	\$0	\$0	\$0
Residential	See Table A-1	\$0	\$0	\$0	\$0	\$0	\$689,768,341	\$0	\$689,768,341	\$0	\$689,768,341	\$0	\$689,768,341
Assessed Value of Site (land and structures)		\$663,805,000	\$501,650,000	\$0	\$1,165,455,000	\$711,805,000	\$689,768,341	\$541,650,000	\$1,943,223,341	\$711,805,000	\$689,768,341	\$435,000,000	\$1,836,573,341
Existing Assessed Value of Site (land and structures)		\$12,678,059	\$31,561,076	\$0	\$44,239,135	\$12,678,059	\$31,561,076	\$34,077,657	\$78,316,792	\$12,678,059	\$31,561,076	\$27,367,822	\$71,606,957
Incremental Assessed Value of Site		\$651,126,941	\$470,088,924	\$0	\$1,121,215,865	\$699,126,941	\$658,207,265	\$507,572,343	\$1,864,906,549	\$699,126,941	\$658,207,265	\$407,632,178	\$1,764,966,384
Redevelopment Area Site? (yes, no)		no	yes	yes	n/a	no	yes	yes	n/a	no	yes	yes	n/a
Property Tax Total	1.0% of Assessed Value	\$6,511,269	\$0	\$0	\$6,511,269	\$6,991,269	\$0	\$0	\$6,991,269	\$6,991,269	\$0	\$0	\$6,991,269
Share of Property Tax to General Fund [2]	12.5%		14.8%	14.8%		12.5%	14.8%	14.8%		12.5%	14.8%	14.8%	
<b>Property Tax to General Fund</b>		<b>\$813,909</b>	<b>\$0</b>	<b>\$0</b>	<b>\$813,909</b>	<b>\$873,909</b>	<b>\$0</b>	<b>\$0</b>	<b>\$873,909</b>	<b>\$873,909</b>	<b>\$0</b>	<b>\$0</b>	<b>\$873,909</b>
Gross Tax Increment	1.0% of Assessed Value	\$0	\$4,700,889	\$0	\$4,700,889	\$0	\$6,582,073	\$5,075,723	\$11,657,796	\$0	\$6,582,073	\$4,076,322	\$10,658,394
Less Housing Set Aside	20.0% of Tax Increment	\$0	\$940,178	\$0	\$940,178	\$0	\$1,316,415	\$1,015,145	\$2,331,559	\$0	\$1,316,415	\$815,264	\$2,131,679
Less Obligated Payments and Pass Throughs	17.1% of Tax Increment	\$0	\$802,442	\$0	\$802,442	\$0	\$1,123,560	\$866,426	\$1,989,986	\$0	\$1,123,560	\$695,828	\$1,819,388
<b>Net Tax Increment to Redevelopment Agency</b>	<b>62.9% of Tax Increment</b>	<b>\$0</b>	<b>\$2,958,270</b>	<b>\$0</b>	<b>\$2,958,270</b>	<b>\$0</b>	<b>\$4,142,098</b>	<b>\$3,194,153</b>	<b>\$7,336,251</b>	<b>\$0</b>	<b>\$4,142,098</b>	<b>\$2,565,229</b>	<b>\$6,707,328</b>

[1] Value of Stadium is based on 80% of the construction cost estimate (\$60 million) but could vary depending on the evaluation of the County Assessor.

[2] Tax allocation rates were provided by the County Finance Agency, Controller-Treasure Department for FY 2007-08 on 12/06/2007 and are specific to the Project's Tax Rate Area and does not reflect additional allocation retained in-lieu of VLF. Instead, property tax in-lieu of VLF is calculated separately in Table A-12.

Source: City of San Jose; Santa Clara County Finance Agency; Economic & Planning Systems, Inc.

**Table A-9**  
**Assessed Value Calculation (NOI Approach)**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail				
	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	
Office/Industrial Square Footage (Gross)	1,514,000	1,000,000	0	2,514,000	1,514,000	0	1,000,000	2,514,000	1,514,000	0	1,000,000	2,514,000	
Office/Industrial Square Footage (Occupied)	1,362,600	900,000	0	2,262,600	1,362,600	0	900,000	2,262,600	1,362,600	0	900,000	2,262,600	
Rent per Square Foot per Year (NNN) [1]	\$40.00	\$54,504,000	\$36,000,000	\$0	\$90,504,000	\$54,504,000	\$0	\$39,600,000	\$94,104,000	\$54,504,000	\$0	\$39,600,000	\$94,104,000
Less Expenses	10.0%	\$5,450,400	\$3,600,000	\$0	\$9,050,400	\$5,450,400	\$0	\$3,960,000	\$9,410,400	\$5,450,400	\$0	\$3,960,000	\$9,410,400
Less Commissions	6.0%	\$3,270,240	\$2,160,000	\$0	\$5,430,240	\$3,270,240	\$0	\$2,376,000	\$5,646,240	\$3,270,240	\$0	\$2,376,000	\$5,646,240
NOI		\$45,783,360	\$30,240,000	\$0	\$76,023,360	\$45,783,360	\$0	\$33,264,000	\$79,047,360	\$45,783,360	\$0	\$33,264,000	\$79,047,360
Capitalized Value	6.5%	\$704,359,385	\$465,230,769	\$0	\$1,169,590,154	\$704,359,385	\$0	\$511,753,846	\$1,216,113,231	\$704,359,385	\$0	\$511,753,846	\$1,216,113,231
<b>Value per Gross Square Foot</b>		\$465	\$465		\$465	\$512		\$465	\$512		\$512		
<b>Adjusted Value per Gross Square Foot [2]</b>		\$395	\$395		\$395	\$435		\$395	\$435		\$435		
<b>Adjusted Value</b>		\$598,030,000	\$395,000,000		\$993,030,000	\$598,030,000		\$435,000,000	\$1,033,030,000	\$598,030,000		\$435,000,000	\$1,033,030,000
Retail Square Footage (Gross)	75,000	450,000	0	525,000	75,000	0	450,000	525,000	75,000	0	0	75,000	
Retail Square Footage (Occupied)	69,000	414,000	0	483,000	69,000	0	414,000	483,000	69,000	0	0	69,000	
Rent per Square Foot per Year	\$35.00	\$2,415,000	\$14,490,000	\$0	\$16,905,000	\$2,415,000	\$0	\$14,490,000	\$16,905,000	\$2,415,000	\$0	\$0	\$2,415,000
Less Expenses	25.0%	\$603,750	\$3,622,500	\$0	\$4,226,250	\$603,750	\$0	\$3,622,500	\$4,226,250	\$603,750	\$0	\$0	\$603,750
Less Commissions	6.0%	\$144,900	\$869,400	\$0	\$1,014,300	\$144,900	\$0	\$869,400	\$1,014,300	\$144,900	\$0	\$0	\$144,900
NOI		\$1,666,350	\$9,998,100	\$0	\$11,664,450	\$1,666,350	\$0	\$9,998,100	\$11,664,450	\$1,666,350	\$0	\$0	\$1,666,350
Capitalized Value	7.5%	\$22,218,000	\$133,308,000	\$0	\$155,526,000	\$22,218,000	\$0	\$133,308,000	\$155,526,000	\$22,218,000	\$0	\$0	\$22,218,000
<b>Value per Gross Square Foot</b>		\$296	\$296		\$296	\$296		\$296	\$296		\$296		
<b>Adjusted Value per Gross Square Foot [2]</b>		\$237	\$237		\$237	\$237		\$237	\$237		\$237		
<b>Adjusted Value</b>		\$17,775,000	\$106,650,000		\$124,425,000	\$17,775,000		\$106,650,000	\$124,425,000	\$17,775,000		\$17,775,000	
Hotel Rooms (Total)	300			300	300			300	300			300	
Value per Room	\$200,000			\$200,000	\$200,000			\$200,000	\$200,000			\$200,000	
Total Hotel Value	\$60,000,000			\$60,000,000	\$60,000,000			\$60,000,000	\$60,000,000			\$60,000,000	
<b>Adjusted Value per Room [2]</b>	\$160,000			\$160,000	\$160,000			\$160,000	\$160,000			\$160,000	
<b>Adjusted Value</b>	\$48,000,000			\$48,000,000	\$48,000,000			\$48,000,000	\$48,000,000			\$48,000,000	

[1] Office/Industrial lease rates are assumed to be 10% higher elsewhere in Edenvale to reflect higher quality environment due to higher FARs that result in construction that functions more like office space than industrial space.

[2] Adjusted market value assumptions reflect deteriorating market conditions and are provided by Hunter/Storm. Office/Light Industrial values are discounted by 15%. Retail values are discounted by 20%, and hotel values are discounted by 20%.

**Table A-10**  
**Sales Tax Calculation**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Assumptions	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
<b>Household Expenditures</b>												
Household Income Assumptions												
Average Unit Selling Price [1]						\$490,263		\$490,263		\$490,263		\$490,263
Percentage Mortgaged						90%		90%		90%		90%
Total Mortgage						\$441,237		\$441,237		\$441,237		\$441,237
Annual Mortgage Payment [2]						\$35,558		\$35,558		\$35,558		\$35,558
Ratio of Housing Expenditures to Household Income						1:3		1:3		1:3		1:3
Required Household Income per Unit						\$106,673		\$106,673		\$106,673		\$106,673
Average Taxable Expenditures per Household [3]	26% of household income					\$27,647		\$27,647		\$27,647		\$27,647
Net New Household Expenditures [4]	50% of expenditures					\$13,823		\$13,823		\$13,823		\$13,823
Total Occupied Households						1,097		1,097		1,097		1,097
Total Net New Taxable Retail Expenditures						\$15,160,993		\$15,160,993		\$15,160,993		\$15,160,993
Subtotal New Sales Tax to the City	1% of taxable sales					\$151,610		\$151,610		\$151,610		\$151,610
<b>Employee Expenditures</b>												
Total Employees		2,678	2,683	5,361		2,678	3,433	6,111		2,678	2,250	4,928
Average Taxable Expenditures per Employee in City [5]	\$3,328 per employee	\$8,912,859	\$8,928,549	\$17,841,408		\$8,912,859	\$11,424,549	\$20,337,408		\$8,912,859	\$7,488,000	\$16,400,859
Total Net New Taxable Expenditures [6]	50% of expenditures	\$4,456,430	\$4,464,274	\$8,920,704		\$4,456,430	\$5,712,274	\$10,168,704		\$4,456,430	\$3,744,000	\$8,200,430
Subtotal New Sales Tax to the City	1% of taxable sales	\$44,564	\$44,643	\$89,207		\$44,564	\$57,123	\$101,687		\$44,564	\$37,440	\$82,004
<b>Retail Sales</b>												
Total Occupied Square Feet of Retail		69,000	414,000	483,000		69,000	414,000	483,000		69,000		69,000
Taxable Retail Sales Generated/SqFt		\$315	\$315	\$315		\$315	\$315	\$315		\$315		\$315
Total Taxable Retail Sales		\$21,735,000	\$130,410,000	\$152,145,000		\$21,735,000	\$130,410,000	\$152,145,000		\$21,735,000		\$21,735,000
Total Net New Taxable Retail Sales [7]	70% of total sales	\$15,214,500	\$91,287,000	\$106,501,500		\$15,214,500	\$91,287,000	\$106,501,500		\$15,214,500		\$15,214,500
Subtotal New Sales Tax to the City	1% of taxable sales	\$152,145	\$912,870	\$1,065,015		\$152,145	\$912,870	\$1,065,015		\$152,145		\$152,145
<b>In-Stadium Spending</b>												
Spending Inside Proposed Stadium Facility [8]						\$11,900,097		\$11,900,097		\$11,900,097		\$11,900,097
Total Net New Taxable Retail Sales	100%					\$11,900,097		\$11,900,097		\$11,900,097		\$11,900,097
Subtotal New Sales Tax to the City	1% of taxable sales					\$119,001		\$119,001		\$119,001		\$119,001
<b>Non-Retail Sales</b>												
Subtotal Net New Sales Tax to the City [9]	\$22 per employee	\$58,919	\$59,023	\$0	\$117,942	\$58,919	\$0	\$75,523	\$134,442	\$58,919	\$0	\$49,500
<b>Total Sales Tax Generated</b>		<b>\$255,628</b>	<b>\$1,016,536</b>	<b>\$0</b>	<b>\$1,272,164</b>	<b>\$374,629</b>	<b>\$151,610</b>	<b>\$1,045,516</b>	<b>\$1,571,755</b>	<b>\$374,629</b>	<b>\$151,610</b>	<b>\$86,940</b>
												<b>\$613,179</b>

[1] Weighted average, in \$2009.

[2] Calculation assumes 10% down, 30-Year Fixed Mortgage at 7 percent interest rate.

[3] Bureau of Labor Statistics; assumes households with average incomes over \$70,000 spend 26% of household income on taxable expenditures.

[4] Assumes 50% of retail expenditures made by new residents are captured within the City of San Jose.

[5] Based on the annual workday spending by office workers in suburban locations as reported by the Office Worker Retail Spending Patterns: a Downtown and Suburban Area Study, ICSC Research; includes average annual spending of office workers on lunch, shoppers goods, convenience goods, and dinner/drinks. Assumes 100% of lunch and 40% of all other goods are purchased near work (in San Jose) based on the source's finding that workers conduct 40% of their retail spending closer to work than home.

[6] Adjusts estimate to account for percentage of employees who live outside of the City of San Jose.

[7] Net new retail sales represent sales that would not have been generated in the City absent this new retail.

[8] In-Stadium spending estimate from Exhibit 6-5 (page 49) of SportsEconomics December 19, 2007 analysis - "Market Assessment and Economic Impact Analysis For Proposed Soccer Stadium in the City of San Jose" is reduced by 10% to reflect current market conditions. This estimate includes spending on tickets, merchandise, concessions, and in-stadium amenities such as luxury boxes, etc. Sales tax calculation methodology assumes 100% of spending is taxable as confirmed by Dan Rascher of SportsEconomics.

[9] Based on business to business sales tax generated in the Edenvale Area.

Sources: U.S. Bureau of Labor Statistics; International Council of Shopping Centers; Dollars and Cents, ULI 2000; City of San Jose; Economic & Planning Systems, Inc.

**Table A-11  
 Transient Occupancy Tax (TOT) Calculation  
 Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
Number of Hotel Rooms	300	0	0	300	300			300	300			300
Average Occupancy Rate	[1] 70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%	70%
Annual Room Nights	76,650	0	0	76,650	76,650	0	0	76,650	76,650	0	0	76,650
Average Room Rate per Night	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167	\$167
Annual Revenue	\$12,762,225	\$0	\$0	\$12,762,225	\$12,762,225	\$0	\$0	\$12,762,225	\$12,762,225	\$0	\$0	\$12,762,225
Transient Occupancy Tax	4.0% [2] \$510,489	\$0	\$0	\$510,489	\$510,489	\$0	\$0	\$510,489	\$510,489	\$0	\$0	\$510,489
Non-General Fund Revenue												
Transient Occupancy Tax Func	6.0% [3] \$765,734	\$0	\$0	\$765,734	\$765,734	\$0	\$0	\$765,734	\$765,734	\$0	\$0	\$765,734

[1] The 2007 occupancy rate in the "Uptown" area was 56%. Typically, hotel operations break-even at a 70% occupancy rate or higher. This analysis assumes the hotel would not be developed until hotel market conditions improve enough to generate at least a 70% occupancy rate.

[2] The TOT tax rate is currently 10%, 6% of which is placed in the Transient Occupancy Tax Fund and 4% of which is deposited in the General Fund. This calculation looks at the General Fund deposit only.

[3] The revenues collected in the TOT Fund are distributed by formula to three program categories: the Conventions, Arts and Entertainment Operating Subsidy; Cultural Grants; and the San Jose Convention and Visitors Bureau.

Source: City of San Jose; Economic & Planning Systems, Inc.

**Table A-12**  
**Vehicle License Fee (VLF) Calculation**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Property Tax In-Lieu of VLF	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
2005 Motor Vehicle in-lieu Fee Rev (2%) [2]				\$53,943,010				\$53,943,010				\$53,943,010
2005 Motor Vehicle License Fee Rev (.65%) [1]				<u>\$4,498,343</u>				<u>\$4,498,343</u>				<u>\$4,498,343</u>
Base Value for Property Tax in-lieu of VLF [3]				\$49,444,667				\$49,444,667				\$49,444,667
Citywide Assessed Value (Base Value) [4]	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637	\$137,951,271,637
Project Assessed Value	\$663,805,000	\$501,650,000	-	\$1,165,455,000	\$711,805,000	\$689,768,341	\$541,650,000	\$1,943,223,341	\$711,805,000	\$689,768,341	\$435,000,000	\$1,836,573,341
% Increase in Assessed Value	0.5%	0.4%	0.0%	0.8%	0.5%	0.5%	0.4%	1.4%	0.5%	0.5%	0.3%	1.3%
Total property tax in-lieu of VLF (Above the Base)	\$237,922	\$179,802	\$0	\$417,724	\$255,126	\$247,228	\$194,139	\$696,493	\$255,126	\$247,228	\$155,913	\$658,267

[1] From 2004-2005 adopted budget.

[2] 2004-2005 Vehicle License Fee amount before change of VLF calculation.

[3] Amount that is offset by the new State budget and will be reimbursed by property tax.

[4] Assumes 2009 assessed value as the base value (derived by taking the 2007 assessed value and applying 6% increase based on the average growth between 2003 and 2007).

Source: City of San Jose; CA State Controller Office; Economic & Planning Systems, Inc.

**Table A-13  
Construction & Conveyance Tax Calculation  
Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Land Use	Assumption	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
		Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
<b>Conveyance Taxable AV</b>													
Resold Properties													
Residential	10% Turnover Rate	\$0	\$0	\$0	\$0	\$0	\$68,976,834	\$0	\$68,976,834	\$0	\$68,976,834	\$0	\$68,976,834
Commercial	5% Turnover Rate	\$33,190,250	\$25,082,500	\$0	\$58,272,750	\$33,190,250	\$0	\$27,082,500	\$60,272,750	\$33,190,250	\$0	\$21,750,000	\$54,940,250
Total Value		\$33,190,250	\$25,082,500	\$0	\$58,272,750	\$33,190,250	\$68,976,834	\$27,082,500	\$129,249,584	\$33,190,250	\$68,976,834	\$21,750,000	\$123,917,084
Conveyance Tax (\$3.30/\$1,000 value)		\$109,528	\$82,772	\$0	\$192,300	\$109,528	\$227,624	\$89,372	\$426,524	\$109,528	\$227,624	\$71,775	\$408,926
Construction Tax [1]	not estimated												
Total C&C Tax		\$109,528	\$82,772	\$0	\$192,300	\$109,528	\$227,624	\$89,372	\$426,524	\$109,528	\$227,624	\$71,775	\$408,926
<b>Allocation to Parks O&amp;M Use [2]</b>		<b>\$10,515</b>	<b>\$7,946</b>	<b>\$0</b>	<b>\$18,461</b>	<b>\$10,515</b>	<b>\$21,852</b>	<b>\$8,580</b>	<b>\$40,946</b>	<b>\$10,515</b>	<b>\$21,852</b>	<b>\$6,890</b>	<b>\$39,257</b>
Allocation to Capital Programs													
Parks Capital Program (64%)		\$70,098	\$52,974	\$0	\$123,072	\$70,098	\$145,679	\$57,198	\$272,975	\$70,098	\$145,679	\$45,936	\$261,713
Communications (3.34%)		\$3,658	\$2,765	\$0	\$6,423	\$3,658	\$7,603	\$2,985	\$14,246	\$3,658	\$7,603	\$2,397	\$13,658
Service Yard (7.78%)		\$8,521	\$6,440	\$0	\$14,961	\$8,521	\$17,709	\$6,953	\$33,184	\$8,521	\$17,709	\$5,584	\$31,814
Library (14.25%)		\$15,608	\$11,795	\$0	\$27,403	\$15,608	\$32,436	\$12,736	\$60,780	\$15,608	\$32,436	\$10,228	\$58,272
Fire (8.4%)		\$9,200	\$6,953	\$0	\$16,153	\$9,200	\$19,120	\$7,507	\$35,828	\$9,200	\$19,120	\$6,029	\$34,350
Park Yards (1.2%)		\$1,314	\$993	\$0	\$2,308	\$1,314	\$2,731	\$1,072	\$5,118	\$1,314	\$2,731	\$861	\$4,907
<b>Total</b>		<b>\$108,400</b>	<b>\$81,920</b>	<b>\$0</b>	<b>\$190,319</b>	<b>\$108,400</b>	<b>\$225,279</b>	<b>\$88,452</b>	<b>\$422,130</b>	<b>\$108,400</b>	<b>\$225,279</b>	<b>\$71,036</b>	<b>\$404,714</b>
<b>One-Time Construction Tax [3]</b>													
Multi-Family Construction Tax	\$75.00 per unit	\$0	\$0	\$0	\$0	\$0	\$97,500	\$0	\$97,500	\$0	\$97,500	\$0	\$97,500
Commercial Construction Tax	\$0.08 per s.f.	\$127,120	\$116,000	\$0	\$243,120	\$127,120	\$0	\$116,000	\$243,120	\$127,120	\$0	\$80,000	\$207,120
<b>Total One-Time Construction Tax</b>		<b>\$127,120</b>	<b>\$116,000</b>	<b>\$0</b>	<b>\$243,120</b>	<b>\$127,120</b>	<b>\$97,500</b>	<b>\$116,000</b>	<b>\$340,620</b>	<b>\$127,120</b>	<b>\$97,500</b>	<b>\$80,000</b>	<b>\$304,620</b>

[1] Because this model reflects a stabilized year of operations, the construction tax is not estimated.

[2] Nearly 9.6% of the City's construction and conveyance tax revenue (or 15% of the City's Parks Capital Program revenue) can be used for parks operation and maintenance purposes.

[3] The construction tax represents a one-time source of revenue based on the current rate of \$75 per multi-family unit and \$0.08 per square foot of commercial buildings. Revenues are dedicated to the Park and Community Facilities, Communications, Fire, Library, and Service Yards Capital Programs.

Source: City of San Jose; Economic & Planning Systems, Inc.

**Table A-14**  
**Annual Fiscal Impact Summary at Project Buildout (2009 Dollar Terms)**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

Category	Scenario A without Stadium				Scenario B with Stadium				Scenario C with Stadium/ no Edenvale Retail			
	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total	Airport West	iStar	Elsewhere in Edenvale	Total
<b>City General Fund Revenues</b>												
Property Tax	\$813,909	\$0	\$0	\$813,909	\$873,909	\$0	\$0	\$873,909	\$873,909	\$0	\$0	\$873,909
Property Tax In-Lieu of VLF	\$237,922	\$179,802	\$0	\$417,724	\$255,126	\$247,228	\$194,139	\$696,493	\$255,126	\$247,228	\$155,913	\$658,267
Sales Tax	\$255,628	\$1,016,536	\$0	\$1,272,164	\$374,629	\$151,610	\$1,045,516	\$1,571,755	\$374,629	\$151,610	\$86,940	\$613,179
Transient Occupancy Tax	\$510,489	\$0	\$0	\$510,489	\$510,489	\$0	\$0	\$510,489	\$510,489	\$0	\$0	\$510,489
Franchise Fee	\$47,587	\$47,671	\$0	\$95,258	\$47,587	\$103,966	\$60,998	\$212,551	\$47,587	\$103,966	\$39,980	\$191,533
Utility Users Tax	\$95,687	\$95,855	\$0	\$191,542	\$95,687	\$209,052	\$122,652	\$427,390	\$95,687	\$209,052	\$80,390	\$385,128
Business Tax	\$98,022	\$98,195	\$0	\$196,217	\$98,022	\$0	\$125,645	\$223,668	\$98,022	\$0	\$82,352	\$180,374
Fines, Forfeitures, and Penalties	\$0	\$0	\$0	\$0	\$0	\$46,495	\$0	\$46,495	\$0	\$46,495	\$0	\$46,495
Motor Vehicle License Fee	\$0	\$0	\$0	\$0	\$0	\$14,487	\$0	\$14,487	\$0	\$14,487	\$0	\$14,487
Gas Tax Transfer	\$0	\$0	\$0	\$0	\$0	\$61,405	\$0	\$61,405	\$0	\$61,405	\$0	\$61,405
Construction and Conveyance Tax Transfer [1]	\$10,515	\$7,946	\$0	\$18,461	\$10,515	\$21,852	\$8,580	\$40,946	\$10,515	\$21,852	\$6,890	\$39,257
<b>Total General Fund Revenue</b>	<b>\$2,059,244</b>	<b>\$1,438,058</b>	<b>\$0</b>	<b>\$3,497,302</b>	<b>\$2,255,449</b>	<b>\$834,244</b>	<b>\$1,548,949</b>	<b>\$4,638,642</b>	<b>\$2,255,449</b>	<b>\$834,244</b>	<b>\$445,574</b>	<b>\$3,535,267</b>
<b>City General Fund Expenditures</b>												
<u>General Government</u>												
General Government	\$23,229	\$23,270	\$0	\$46,498	\$23,229	\$23,270	\$29,775	\$76,273	\$23,229	\$23,270	\$19,515	\$66,014
Finance	\$4,510	\$4,518	\$0	\$9,029	\$4,510	\$4,518	\$5,782	\$14,810	\$4,510	\$4,518	\$3,789	\$12,818
Economic Development	\$2,088	\$2,091	\$0	\$4,179	\$2,088	\$2,091	\$2,676	\$6,855	\$2,088	\$2,091	\$1,754	\$5,933
Total General Government	\$29,827	\$29,879	\$0	\$59,706	\$29,827	\$29,879	\$38,232	\$97,938	\$29,827	\$29,879	\$25,059	\$84,765
<u>Public Safety</u>												
Fire	\$132,947	\$133,182	\$0	\$266,129	\$132,947	\$350,726	\$170,413	\$654,087	\$132,947	\$350,726	\$111,694	\$595,368
Police	\$256,560	\$257,011	\$0	\$513,571	\$256,560	\$676,825	\$328,859	\$1,262,244	\$256,560	\$676,825	\$215,544	\$1,148,929
Total Public Safety	\$389,507	\$390,193	\$0	\$779,700	\$389,507	\$1,027,552	\$499,272	\$1,916,331	\$389,507	\$1,027,552	\$327,238	\$1,744,297
<u>Capital Maintenance</u>												
General Service	\$21,375	\$21,412	\$0	\$42,787	\$21,375	\$46,698	\$27,398	\$95,471	\$21,375	\$46,698	\$17,958	\$86,031
Public Works	\$11,274	\$11,294	\$0	\$22,568	\$11,274	\$24,631	\$14,451	\$50,355	\$11,274	\$24,631	\$9,472	\$45,376
Transportation	\$17,737	\$17,737	\$0	\$35,475	\$17,737	\$9,365	\$17,737	\$44,840	\$17,737	\$9,365	\$8,869	\$35,971
Total Capital Maintenance	\$50,386	\$50,443	\$0	\$100,829	\$50,386	\$80,694	\$59,586	\$190,667	\$50,386	\$80,694	\$36,298	\$167,378
<u>Community Services</u>												
Library	\$0	\$0	\$0	\$0	\$0	\$37,305	\$0	\$37,305	\$0	\$37,305	\$0	\$37,305
Park, Recreation & Neighborhood Services	\$0	\$0	\$0	\$0	\$0	\$95,700	\$0	\$95,700	\$0	\$95,700	\$0	\$95,700
Planning, Building & Code Enforcement	\$10,513	\$10,531	\$0	\$21,044	\$10,513	\$22,968	\$13,476	\$46,957	\$10,513	\$22,968	\$8,832	\$42,313
Total Community Services	\$10,513	\$10,531	\$0	\$21,044	\$10,513	\$155,973	\$13,476	\$179,962	\$10,513	\$155,973	\$8,832	\$175,319
<b>Total General Fund Expenditures</b>	<b>\$480,233</b>	<b>\$481,047</b>	<b>\$0</b>	<b>\$961,279</b>	<b>\$480,233</b>	<b>\$1,294,099</b>	<b>\$610,566</b>	<b>\$2,384,898</b>	<b>\$480,233</b>	<b>\$1,294,099</b>	<b>\$397,427</b>	<b>\$2,171,758</b>
<b>City General Fund - Net Annual Fiscal Balance</b>	<b>\$1,579,011</b>	<b>\$957,012</b>	<b>\$0</b>	<b>\$2,536,023</b>	<b>\$1,775,217</b>	<b>(\$459,855)</b>	<b>\$938,383</b>	<b>\$2,253,744</b>	<b>\$1,775,217</b>	<b>(\$459,855)</b>	<b>\$48,147</b>	<b>\$1,363,509</b>
<b>City Redevelopment Agency</b>												
Net Tax Increment to Redevelopment Agency	\$0	\$2,958,270	\$0	\$2,958,270	\$0	\$4,142,098	\$3,194,153	\$7,336,251	\$0	\$4,142,098	\$2,565,229	\$6,707,328

[1] Represents the portion of C&C tax that offsets Parks O&M costs.

Sources: City of San Jose; Economic & Planning Systems, Inc.

**Table A-15**  
**Student Generation Rates**  
**Fiscal and Economic Impact Analysis of Major League Soccer Stadium; EPS #17125**

<b>Item</b>	<b>K-6</b>	<b>7-8</b>	<b>9-12</b>	<b>Total</b>
<b>Residential Units [1]</b>				
Cluster	182	182	182	<b>182</b>
Townhome 1	260	260	260	<b>260</b>
Townhome 2	299	299	299	<b>299</b>
Townhome 3	377	377	377	<b>377</b>
Apartments	182	182	182	<b>182</b>
Age Restricted Senior	0	0	0	<b>0</b>
<b>Total Units</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>
<b>Students [2]</b>				
<b>Student Generation Rate</b>				
Cluster	0.16	0.04	0.08	<b>0.28</b>
Townhome 1	0.16	0.04	0.08	<b>0.28</b>
Townhome 2	0.16	0.04	0.08	<b>0.28</b>
Townhome 3	0.16	0.04	0.08	<b>0.28</b>
Apartments	0.32	0.08	0.16	<b>0.56</b>
<b>Students Generated</b>				
Cluster	29	7	15	<b>51</b>
Townhome 1	42	10	21	<b>73</b>
Townhome 2	48	12	24	<b>84</b>
Townhome 3	60	15	30	<b>105</b>
Apartments	58	15	29	<b>102</b>
<b>Total Students</b>	<b>237</b>	<b>59</b>	<b>119</b>	<b>415</b>

[1] Estimated iStar product mix

[2] Source: Oak Grove ESD Enrollment Study, 2006 and interpolated HSD SGR.

Sources: Oak Grove ESD Enrollment Study, 2006; Economic & Planning Systems, Inc.