

**ATTACHMENT B**

**DRAFT 2045 GENERAL PLAN FISCAL IMPACT ANALYSIS**

## Memorandum

**To:** Tanya Sundberg, Principal, PlaceWorks

**From:** Matt Kowta, Principal

**Date:** August 21, 2024

**Re:** Contra Costa County General Plan Update Fiscal Impact Analysis

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### Introduction

To understand the fiscal implications of the proposed Contra Costa County General Plan Update (GPU), Contra Costa County engaged BAE Urban Economics as a subconsultant to PlaceWorks to conduct a fiscal impact analysis that projects the increased General Fund expenditures and revenues that could be expected as a result of the net increase in development that is anticipated under the proposed GPU. This memorandum summarizes the methodology, key assumptions, and results of the fiscal impact analysis, including the expected County General Fund revenues and expenditures to provide ongoing services to the new residents and employees, if land in the unincorporated area is developed as projected under the proposed GPU.

### Net New Development Potential

To serve as the starting point for the fiscal impact analysis, PlaceWorks provided BAE with the net new development (i.e., new residential units and new non-residential square footage minus existing residential units or non-residential square footage that would be removed) that is anticipated by 2045 under the proposed GPU within the unincorporated county. This includes the number of new single-family and multifamily residential units, the new square footage of commercial and industrial space, and the estimated number of new employees in approximately 50 different sub-areas spread across the county. BAE grouped the sub-areas into 11 different sub-markets, as summarized in Table 1 on the following page. BAE applied a series of assumptions to produce estimates of the number of new residents associated with the potential increase in residential units. To produce an estimate of the number of persons per housing unit within each sub-market, BAE identified the average persons per housing unit in the primary cities within each sub-market as reported by the State Department of Finance, and assumed that demographics of households in new single-family and multifamily units built in the unincorporated parts of each sub-market would be similar, but not necessarily identical, to the demographics of the nearby cities. Then within each of the sub-markets, BAE adjusted the overall average persons per housing unit to be somewhat higher than the overall average for single-family units, and somewhat lower than the overall average for multifamily units, to account for the fact that multifamily housing units and the households residing in them are typically smaller than the average for all housing units and single-family units and the

households that occupy them are typically larger than the overall average. Attachment A includes the key assumptions that were utilized in this analysis. As shown in the attachment, BAE assumes that single-family homes will generally have between 2.5 and 3.0 persons per unit, on average, and multifamily homes will have between 1.75 and 2.25 persons per unit, on average.

The estimates of new employees that were included in the new development data that PlaceWorks provided to BAE were based on estimates of the quantity of new non-residential development and a set of assumptions about employment density by building type (i.e., square feet of building space per employee).

As shown in Table 1, a total of just under 7,100 new single-family housing units, just over 21,500 new multifamily housing units, and approximately 1.2 million square feet of new commercial space and 5.0 million square feet of new industrial space are expected by 2045. This amount of new development would accommodate just under 53,000 new residents and approximately 5,400 new employees.

From the estimates of anticipated new residents and new employees, BAE calculated a metric called “service population.” Service population is a metric widely used by fiscal impact analysis practitioners to characterize the public service demand that is created by a mixture of residential and non-residential development. Service population is calculated as the number of residents plus one-half of the number of employees. The weighting of employees at 50 percent of the level of residents is meant to account for the reduced public service demand associated with employees, who may only be present in the community for the work day, as opposed to residents who spend much more of their time within the community. As shown in Table 1, these calculations yield an estimated service population increase of just under 57,000.

**Table 1: Projected Net New Development by 2045 for Unincorporated County**

Sub-Market	Single-Family		Multifamily		Commercial		Industrial		Total Increase		
	Units	Residents	Units	Residents	Sq. Ft.	Jobs	Sq. Ft.	Jobs	Residents	Jobs	Service Population
Antioch/Brentwood/Pittsburg	3,888	12,635	4,299	10,748	261,300	686	1,881,616	2,309	23,383	2,994	24,880
Concord	65	195	0	0	0	0	0	0	195	0	195
Danville/Alamo	990	2,970	377	848	4,125	10	441,000	541	3,818	552	4,094
El Cerrito/Kensington	56	139	623	1,091	4,912	12	0	0	1,230	12	1,236
Lafayette/Moraga/Orinda	5	16	0	0	0	0	0	0	16	0	16
Martinez/Pacheco	268	672	2,052	3,590	136,012	345	581,090	713	4,262	1,058	4,791
Pinole/Hercules/El Sobrante	109	327	1,089	2,450	124,650	316	133,220	163	2,777	480	3,017
Pleasant Hill	235	587	0	0	0	0	0	0	587	0	587
Richmond/San Pablo	876	2,628	4,567	10,276	332,713	844	1,966,387	2,413	12,904	3,257	14,533
San Ramon/Bishop	54	163	0	0	0	0	0	0	163	0	163
Walnut Creek	524	1,310	1,336	2,339	378,874	1,042	0	0	3,649	1,042	4,170
<b>Total</b>	<b>7,071</b>	<b>21,642</b>	<b>14,343</b>	<b>31,342</b>	<b>1,242,587</b>	<b>3,257</b>	<b>5,003,313</b>	<b>6,139</b>	<b>52,984</b>	<b>9,396</b>	<b>57,682</b>

Note: Methodology for development projections is described in Chapter 3 of the Contra Costa County 2045 General Plan and Climate Action Plan Draft EIR, which was published in February 2024 (State Clearinghouse #2023090467). Residential development projections were reduced slightly for this analysis to reflect adjustments to the Mixed-Use Community-Specific designation.

Sources: PlaceWorks, 2024; California State Department of Finance, 2024; BAE, 2024.

## Methodology

BAE developed a fiscal model to assess the expected General Fund revenues and expenditures associated with the new development that could be expected to occur by 2045 under the proposed GPU based on the estimated increase in new development as compared to the currently existing development in unincorporated Contra Costa County.

To estimate the future Contra Costa County General Fund expenditures associated with the GPU land use changes, BAE utilized current average annual expenditures per resident or per service population to project future increases based on the projected new development. Table 2 shows current net General Fund expenditures (i.e., projected increase in General Fund revenues minus projected increase in General Fund expenditures) for County departments based on the recommended County budget for the 2024/2025 fiscal year and the relevant service units for the 2024/2025 fiscal year. As noted in the table, for County services that are provided to both the residential and non-residential sectors, the relevant service unit is “service population.” For services that are provided primarily to residents, the relevant service unit is resident population. As noted in the table, for some services, the resident population is the entire county (incorporated as well as unincorporated); for some it is the unincorporated area only; and for some it is the entire county minus certain incorporated areas.

To estimate the projected revenues, BAE assessed the current market values for the land uses proposed in the GPU, providing an estimate of property-related tax revenue, as well as the average per-capita sales tax generation. Table 4 shows projected property taxes and Table 5 shows projected sales taxes. The remaining revenue items<sup>1</sup> – shown in Table 6 – are assumed to increase based on the County’s existing average annual per-service population revenue.

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<sup>1</sup> Remaining revenue items include Taxes Other Than Current Property Taxes (and property tax in-lieu of vehicle license fees), License/Permit/Franchises, Fines/Forfeitures/Penalties, Use Of Money & Property, Intergovernmental Revenue, Charges For Services, and Miscellaneous Revenue.

**Table 2: Existing General Fund Expenditures**

<u>Department</u>	<u>Service Basis</u>	<u>24/25 Service Units</u>	<u>24/25 Net G.F. Expend.</u>	<u>24/25 G.F./ Svc. Units.</u>
<b>General Government</b>				
Agriculture-Weights/Measures	Countywide Svc. Pop.	1,332,976 (a)	\$3,818,889	\$2.86
Assessor	Countywide Svc. Pop.	1,332,976 (a)	\$22,245,815	\$16.69
Auditor-Controller	Countywide Svc. Pop.	1,332,976 (a)	\$4,376,436	\$3.28
Board of Supervisors	Countywide Svc. Pop.	1,332,976 (a)	\$7,943,812	\$5.96
Clerk-Recorder Elections	Countywide Svc. Pop.	1,332,976 (a)	\$10,315,164	\$7.74
Conservation & Development	Countywide Svc. Pop.	1,332,976 (a)	\$16,410,650	\$12.31
County Counsel	Countywide Svc. Pop.	1,332,976 (a)	\$3,007,154	\$2.26
County Administrator	Countywide Svc. Pop.	1,332,976 (a)	\$13,934,691	\$10.45
Department of Information Technology	Countywide Svc. Pop.	1,332,976 (a)	\$5,210,000	\$3.91
General County Services	Countywide Svc. Pop.	1,332,976 (a)	\$2,268,800	\$1.70
Human Resources	Countywide Svc. Pop.	1,332,976 (a)	\$2,982,851	\$2.24
Library	Countywide Residents, ex. Richmond	1,033,891 (b)	\$215,040	\$0.21
Public Works - Countywide Functions (c)	Countywide Svc. Pop.	1,332,976 (a)	\$31,860,873	\$23.90
Public Works - Unincorp. Area Functions (c)	Unincorporated Area Svc. Pop.	191,465 (a)	\$9,139,126	\$47.73
Office of Racial Equity and Social Justice	Countywide Svc. Pop.	1,332,976 (a)	\$1,290,240	\$0.97
Risk Management	Countywide Svc. Pop.	1,332,976 (a)	\$409,634	\$0.31
Treasurer-Tax Collector	Countywide Svc. Pop.	1,332,976 (a)	\$4,313,711	\$3.24
<b>Health and Human Services</b>				
Employment and Human Services	Countywide Residents	1,146,626 (b)	\$43,604,055	\$38.03
Health Services	Countywide Residents	1,146,626 (b)	\$247,731,113	\$216.05
Veterans Services	Countywide Residents	1,146,626 (b)	\$1,889,744	\$1.65
<b>Law and Justice</b>				
Animal Services	Countywide Residents, ex. Antioch	1,030,994 (b)	\$5,788,985	\$5.61
District Attorney	Countywide Svc. Pop.	1,332,976 (a)	\$31,013,065	\$23.27
Probation	Countywide Svc. Pop.	1,332,976 (a)	\$49,457,000	\$37.10
Public Defender	Countywide Svc. Pop.	1,332,976 (a)	\$40,240,276	\$30.19
Sheriff-Coroner - Countywide Functions (d)	Countywide Svc. Pop.	1,332,976 (a)	\$89,014,805	\$66.78
Sheriff-Coroner - Unincorp. Area Functions (e)	Unincorporated Area Svc. Pop.	191,465 (a)	\$55,842,026	\$291.66
Superior Court-Related Functions	Countywide Svc. Pop.	1,332,976 (a)	\$13,205,500	\$9.91
Justice Programs - Conflict Defense	Countywide Svc. Pop.	1,332,976 (a)	\$5,000,000	\$3.75
<b>Consolidated Fire District</b>	Countywide Svc. Pop.	1,332,976 (a)	\$15,641,600	\$11.73
<b>Capital Improvements</b>	Countywide Svc. Pop.	1,332,976 (a)	\$25,000,000	\$18.76
<b>Contingency Reserves</b>	Countywide Svc. Pop.	1,332,976 (a)	\$20,000,000	\$15.00
<b>Total General Purpose Revenue Expenditures</b>			<b>\$783,171,055</b>	

**Notes:**

(a) Considers service population, defined as residents plus one-half of employees.

(b) Considers residents only.

**Population**

Contra Costa County	1,145,626
Contra Costa County, Unincorporated Area Only	174,289
City of Richmond	112,735
City of Antioch	115,632

**Jobs**

Contra Costa County	372,700
Contra Costa County, Unincorporated Area Only (est.)	34,351

(c) Total Public Works expenditures funded by General Purpose Revenues	\$40,999,999
Facilities Maintenance (part of above)	\$33,060,000
Countywide Facilities Maintenance (part of above)	\$31,860,873
Unincorporated Area Facilities Maintenance (part of above)	\$1,199,127
Non-Facilities Maintenance in Unincorporated Areas	\$7,939,999

- Notes continued next page -

(d) Total Sheriff expenditures funded by General Purpose Revenues	\$144,856,831
(e) Sheriff Patrol and Marine Patrol expenditures funded by GP Revenues	\$55,842,026

Sources: Contra Costa County 2024-2025 Recommended Budget; Contra Costa County Administrator's Office, 2024; CA Dept. of Finance, 2024; CA Employment Development Department, 2024.

## Expenditures

Table 3 shows the projected General Fund expenditure increases associated with the net new development anticipated through the 2045 General Plan horizon year, as compared to existing expenditure levels. As shown in Table 3, the total projected increase in annual General Fund expenditures is \$51.6 million by the 2045 General Plan horizon year. The largest projected expenditure increases are Sheriff-Coroner Unincorporated Area Functions (primarily Sheriff Patrol in unincorporated areas; \$16.8 million per year), Health Services (\$11.5 million), Sheriff-Coroner Countywide Services (\$3.9 million), and Public Works Unincorporated Area Functions (\$2.8 million). These cost projections assume that the County's current Measure X expenditures, which are spread across various departments, will increase linearly from the current expenditure levels, as the service population or resident population increases with new development through 2045. The table utilizes the per capita or per service population costs calculated on Table 2, multiplied by the service population or resident increase, as appropriate for each County department that receives funding from the General Fund. The expenditure projections represent the expected annual General Fund expenditure increases at the General Plan horizon year of 2045, based on the County's current service cost structure. All figures are provided in 2024 dollars.

**Table 3: Projected Expenditure Increases**

<b>Services</b>	<b>Per Capita/Svc. Pop. Cost</b>	<b>Service Demand</b>	<b>Projected Growth (b)</b>	<b>Projected Cost</b>
<b>General Government</b>				
Agriculture-Weights/Measures	\$2.86	Service Population	57,682	\$165,255
Assessor	\$16.69	Service Population	57,682	\$962,645
Auditor-Controller	\$3.28	Service Population	57,682	\$189,382
Board of Supervisors	\$5.96	Service Population	57,682	\$343,753
Clerk-Recorder Elections	\$7.74	Service Population	57,682	\$446,369
Conservation & Development	\$12.31	Service Population	57,682	\$710,140
County Counsel	\$2.26	Service Population	57,682	\$130,129
County Administrator	\$10.45	Service Population	57,682	\$602,997
Department of Information Technology	\$3.91	Service Population	57,682	\$225,453
General County Services	\$1.70	Service Population	57,682	\$98,178
Human Resources	\$2.24	Service Population	57,682	\$129,077
Library	\$0.21	Residents	52,984	\$11,020
Public Works - Countywide Functions (c)	\$23.90	Service Population	57,682	\$1,378,718
Public Works - Unincorp. Area Functions (d)	\$47.73	Service Population	57,682	\$2,753,319
Office of Racial Equity and Social Justice	\$0.97	Service Population	57,682	\$55,833
Risk Management	\$0.31	Service Population	57,682	\$17,726
Treasurer-Tax Collector	\$3.24	Service Population	57,682	\$186,668
<b>Health and Human Services</b>				
Employment and Human Services	\$38.03	Residents	52,984	\$2,014,883
Health Services	\$216.05	Residents	52,984	\$11,447,312
Veterans Services	\$1.65	Residents	52,984	\$87,322
<b>Law and Justice</b>				
Animal Services	\$5.61	Residents	52,984	\$297,503
District Attorney	\$23.27	Service Population	57,682	\$1,342,031
Probation	\$37.10	Service Population	57,682	\$2,140,157
Public Defender	\$30.19	Service Population	57,682	\$1,741,321
Sheriff-Coroner - Countywide Functions	\$66.78	Service Population	57,682	\$3,851,946
Sheriff-Coroner - Unincorp. Area Functions (a)	\$291.66	Service Population	57,682	\$16,823,372
Superior Court-Related Functions	\$9.91	Service Population	57,682	\$571,443
Justice Programs - Conflict Defense	\$3.75	Service Population	57,682	\$216,365
<b>Consolidated Fire District</b>	\$11.73	Service Population	57,682	\$676,860
<b>Capital Improvements</b>	\$18.76	Service Population	57,682	\$1,081,827
<b>Contingency Reserves</b>	\$15.00	Service Population	57,682	\$865,462
<b>TOTAL COSTS</b>				<b>\$51,564,467</b>

**Notes:**

(a) Includes Sheriff Patrol and Sheriff Marine Patrol

(b) Projected growth:

Projected Increase in Service Population: 57,682

Projected Increase in Resident Population: 52,984

Sources: Contra Costa County, 2024; BAE, 2024.

## Revenue

The following section summarizes the projected revenue generation from new development anticipated through the 2045 General Plan horizon, including property-related revenue, sales tax revenue, and other County revenue. As shown on Table 7, the total projected increase in annual General Fund revenues is \$56.9 million by the 2045 General Plan horizon year. The revenue estimates represent the expected annual revenue increase from current levels attributable to net new development in the unincorporated areas at the General Plan horizon year of 2045, based on the County's current revenue structure. All figures are provided in 2024 dollars.

### ***Property-Related Revenue***

By the 2045 GPU horizon year, BAE estimates the new development anticipated under the GPU will have an assessed value of nearly \$15.4 billion, based on the assumptions regarding average value per residential unit and average value per non-residential square foot shown in Attachment A. Residential value estimates are based on recent sales of newer residential units in the various Contra Costa County sub-markets, while non-residential values are based on recent sales of new non-residential properties.

The total projected assessed value drives the increase in direct property tax revenue to the County. As shown in Table 3, based on the allocation of property tax to the Contra Costa County General Fund within each of the tax rate areas (TRAs) where new development is anticipated, which averages about 17 percent of the one percent ad-valorem property tax paid,<sup>2</sup> the County is expected to receive roughly \$25.7 million in additional annual property tax from the new development by the 2045 General Plan horizon year. In addition to secured and unsecured property tax, the County is also projected to receive approximately \$10 million per year of In-Lieu of Vehicle License Fee (ILVLF) revenue in 2045. The increase in ILVLF is driven by the increase in assessed valuation within the county.

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<sup>2</sup> The remainder of the ad valorem property tax is allocated to other tax-receiving entities, such as school districts and other special service districts in combinations that are unique to each tax rate area.



**Table 4: Projected Property Taxes and Property Tax In-Lieu of Vehicle License Fees**

<u>Sub-Market</u>	<u>New SF Units</u>	<u>New MF Units</u>	<u>New Comm. Sq. Ft.</u>	<u>New Ind. Sq. Ft.</u>	<u>Total Valuation</u>	<u>General Fund Property Tax Revenue</u>
Antioch/Brentwood/Pittsburg	3,888	4,299	261,300	1,881,616	\$5,407,271,802	\$9,689,356
Concord	65	0	0	0	\$73,922,138	\$128,640
Danville/Alamo	990	377	4,125	441,000	\$2,771,277,347	\$4,497,945
El Cerrito/Kensington	56	623	4,912	0	\$362,869,528	\$355,056
Lafayette/Moraga/Orinda	5	0	0	0	\$11,577,521	\$17,611
Martinez/Pacheco	268	2,052	136,012	581,090	\$1,223,000,198	\$2,195,759
Pinole/Hercules/El Sobrante	109	1,089	124,650	133,220	\$694,039,616	\$1,341,925
Pleasant Hill	235	0	0	0	\$346,223,377	\$557,813
Richmond/San Pablo	876	4,567	332,713	1,966,387	\$2,755,211,057	\$4,010,028
San Ramon/Bishop	54	0	0	0	\$97,652,157	\$169,398
Walnut Creek	524	1,336	378,874	0	\$1,635,294,757	\$2,731,182
<b>Total</b>	<b>7,071</b>	<b>14,343</b>	<b>1,242,587</b>	<b>5,003,313</b>	<b>\$15,378,339,498</b>	<b>\$25,694,712</b>
<b>Property Tax In-Lieu of Vehicle License Fee (a)</b>						<b>\$10,041,312</b>

Note:

(a) ILVLF calculations:	
2024/25 ILVLF Revenues	\$174,124,018
2023 Total Assessed Valuation	\$266,672,154,709
ILVLF as % of Total AV	0.07%

**Sales Tax Revenue**

As with other California counties, Contra Costa County receives annual Bradley-Burns sales tax revenues based on the quantity of taxable sales transactions within the unincorporated area, equal to one percent of taxable sales. In addition, the County also receives a special voter-approved sales tax allocation that is equal to one-half a percent (one-half cent per \$1.00) of taxable sales transactions countywide (including in cities). Table 5 details the projected sales tax increases anticipated by the 2045 General Plan horizon year, based on the anticipated new development in the unincorporated area. Applying the 1.0 percent Bradley-Burns sales tax rate to the unincorporated area sales and the 0.5 percent Measure X sales tax rate to the countywide sales increase, Table 5 projects that the net new General Plan development in the unincorporated area would generate roughly \$9.8 million in new annual sales tax revenues for Contra Costa County by 2045 as compared to current revenues.

**Table 5: Projected Sales Tax Increases**

<u>Existing Taxable Sales</u>	<u>Taxable Sales</u>	<u>Population</u>	<u>Per Capita Taxable Sales</u>
Contra Costa County Taxable Sales	\$22,565,635,833	1,146,626	\$19,680
Unincorporated Contra Costa County Taxable Sales	\$1,514,442,794	174,289	\$8,689

  

<u>Projected Sales Tax Increases</u>	<u>Population Increase</u>	<u>Projected Taxable Sales</u>	<u>Projected Local Sales Tax</u>
Countywide Measure X Sales Tax (a)	52,984	\$1,042,726,791	\$5,213,634
Unincorporated Area Bradley-Burns 1% Sales Tax (b)	52,984	\$460,391,861	\$4,603,919
<b>Total Sales Tax Revenues</b>		<b>\$1,503,118,651</b>	<b>\$9,817,553</b>

Notes:

- (a) Measure X is a 1/2 cent sales tax on taxable sales countywide.
- (b) Bradley-Burns 1% Sales Tax is the local share of taxes on sales in the unincorporated area.

Sources: CA Dept. of Tax and Fee Administration, 2023; CA Dept. of Finance, 2024; BAE, 2024.

Based on average annual per-resident and per-employee taxable sales assumptions, the new development by the 2045 GPU horizon year is projected to generate approximately \$460 million of additional retail sales within the unincorporated parts of Contra Costa County yearly. The new unincorporated area development could also be anticipated to generate just over \$1 billion in new annual taxable sales countywide by the 2045 horizon year.

**Other Revenue**

As shown on Table 6, in 2045, the net new development under the proposed GPU is projected to generate an additional \$8.8 million in annual revenue for the County from “other” sources as compared to current levels. This includes taxes other than property taxes and ILVLF;

License/Permit/Franchise revenues; Intergovernmental Revenues; Charges for Services; and Miscellaneous Revenues. As shown in Table 6, below, the majority of this revenue is associated with Taxes Other Than Current Property Taxes and ILVLF. Use of Money and Property is a revenue category driven largely by the County's ability to earn interest on idle fund balances held during the course of a year. Thus, this particular revenue source is very dependent on prevailing interest rates, which had been much lower in years prior to the Federal Reserve raising interest rates in efforts to reduce the post-Pandemic rate of inflation. Recognizing that most economists expect the Federal Reserve to eventually move interest rates lower than their current level, this analysis conservatively assumes that this revenue source will not increase significantly as a result of net new General Plan development by the 2045 General Plan horizon year.

**Table 6: Projected “Other” Revenues**

<b>Other Revenues</b>	<b>23/24 Service Units</b>	<b>24/25 Net G.P. Revenues</b>	<b>24/25 G.P./ Svc. Pop.</b>	<b>Projected Svc. Pop. Growth</b>	<b>New Revenue</b>
Taxes Other Than Current Property Taxes (and ILVLF)	1,332,976 (a)	\$150,142,077	\$112.64	57,682	\$6,497,111
License/Permit/Franchises	1,332,976 (a)	\$9,300,000	\$6.98	57,682	\$402,440
Fines/Forfeits/Penalties	1,332,976 (a)	\$20,250,000	\$15.19	57,682	\$876,280
Use Of Money & Property	1,332,976 (a)	\$60,000,000	\$45.01	57,682	\$0 (b)
Intergovernmental Revenue	1,332,976 (a)	\$13,500,000	\$10.13	57,682	\$584,187
Charges For Services	1,332,976 (a)	\$8,600,000	\$6.45	57,682	\$372,149
Miscellaneous Revenue	1,332,976 (a)	\$800,000	\$0.60	57,682	\$34,618
<b>Total</b>		<b>\$262,592,077</b>			<b>\$8,766,785</b>

Notes:

(a) Considers service population, defined as residents plus one-half of employees.

(b) Considering the potential for interest rates to decrease significantly in the future, this analysis conservatively assumes that revenue increases from the Use of Money and Property category will be negligible.

Sources: Contra Costa County 2024-2025 Recommended Budget; CA Dept. of Finance, 2024; CA Employment Development Department, 2024.

## Net Fiscal Impact

As summarized on Table 7, new development is projected to generate an annual surplus of approximately \$2.8 million to the County's General Fund by the 2045 General Plan horizon year. This result indicates that considering new revenue generation potential and anticipated expenditure increases, attributable to new development under the proposed General Plan Update has the potential to improve the County's fiscal health, assuming there are no significant changes to the County's General Fund expenditure and revenue structures in the intervening years. From a modeling sensitivity standpoint, the projected surplus, which equals approximately five percent of the projected expenditure increases, provides a modest buffer against unanticipated revenue decreases or expenditure increases.

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**Table 7: Projected Net Fiscal Impacts**

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<b>Projected Revenue Increases</b>	
Property Taxes	\$25,694,712
Property Tax In-Lieu of Vehicle License Fees	\$10,041,312
Sales Tax	\$9,817,553
Other Revenues	\$8,766,785
<b>Total Revenue Increases</b>	<b>\$54,320,361</b>
<b>Projected Expenditure Increases</b>	<b>\$51,564,467</b>
<b>PROJECTED NET ANNUAL FISCAL SURPLUS/(DEFICIT)</b>	<b>\$2,755,895</b>

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Source: BAE, 2024.

## Attachment A: Key Assumptions by Sub-Market

<b>Sub-Market</b>	<b>Persons/ SF Unit</b>	<b>Persons/ MF Unit</b>	<b>SF Value/ Unit</b>	<b>MF Value/ Unit</b>	<b>Commercial Value/Sq. Ft.</b>	<b>Industrial Value/Sq. Ft.</b>
Antioch/Brentwood/Pittsburg	3.25	2.50	\$900,000	\$310,000	\$403	\$250
Concord	3.00	2.25	\$1,140,000	\$385,000	\$450	\$230
Danville/Alamo	3.00	2.25	\$2,505,000	\$460,000	\$500	\$260
El Cerrito/Kensington	2.50	1.75	\$1,000,000	\$490,000	\$388	\$230
Lafayette/Moraga/Orinda	3.00	2.25	\$2,170,000	\$660,000	\$463	\$260
Martinez/Pacheco	2.50	1.75	\$965,000	\$370,000	\$395	\$260
Pinole/Hercules/El Sobrante	3.00	2.25	\$900,000	\$480,000	\$358	\$215
Pleasant Hill	2.50	1.75	\$1,475,000	\$280,000	\$360	\$260
Richmond/San Pablo	3.00	2.25	\$800,000	\$320,000	\$358	\$230
San Ramon/Bishop	3.00	2.25	\$1,795,000	\$380,000	\$500	\$250
Walnut Creek	2.50	1.75	\$1,475,000	\$520,000	\$440	\$260

Sources: CA State Department of Finance, 2024; CoStar, 2024; BAE, 2024.