

Economic Analysis Program

An outcome of the Countywide Economic Strategy

FINAL REPORT

Determining the Economic Impacts of Land-Use Projects

February 2014

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ECONOMIC ANALYSIS PROGRAM

OVERVIEW

In June 2012, the Board of Supervisors approved and funded a pilot project in two phases for the purpose of: (1) continuing development of the Economic Analysis Program; (2) testing and evaluating the program through completion of economic analyses of a specified number of discretionary projects; (3) incorporating refinements into the program captured through lessons learned; and (4) reporting findings.

Prospective discretionary permit applicants meeting certain project eligibility requirements could participate in an analysis of their project's potential economic effects. Eligible projects were defined as a) residential projects that planned for four or more units; and/or b) commercial projects exceeding 10,000 square feet.

For this pilot project, the EVC utilized **EMSI Analyst 3.0™**, which is an online economic modeling software tool. A subscription to this online tool was made available to the EVC by the Workforce Investment Board of San Luis Obispo County.

The project data inputs were developed using information provided by the prospective discretionary permit applicant, based upon a short list of economic indicators (e.g., number of jobs created, annual revenue, increase in assessed property value, construction cost, etc.). The economic modeling outputs provided an estimate of initial, direct, indirect, and induced impacts from sales, earnings, and job growth as result of the project.

ECONOMIC ANALYSIS REPORT

Based on the EMSI modeling, an Economic Analysis Report was generated for each proposed project (see attached). The reports provided detailed forecasts by industry of the estimated economic impacts of a land-use discretionary project in relation to growth in regional jobs, earnings, occupations, sales and tax revenues. Utilizing local tax rates, the estimated impact to the County general fund was also estimated.

The economic analysis reports were presented in a uniform format to facilitate review and include the following components:

- Project Description and Summary
- Construction Cost Estimate and Methodology
- Estimated Sales and Property Tax Revenue
- Estimated Impact to Economic Strategy initiatives
- RSMMeans CostWorks™ Conceptual Construction Cost Estimate
- EMSI Analyst 3.0™ modeling outputs for Development and Operational impacts to:
 - Industry Jobs
 - Industry Earnings
 - Industry Sales
 - Demographics (related to Job growth)

DEFINITIONS

“Initial” Actual impact – One job added, additional sales or earnings to an industry.

“Direct” Industry transactions – Direct impacts take place only in the industry immediately impacted and consist of permanent jobs, wages and output of the event itself.

“Indirect” Inter-Industry transactions – Indirect impacts are the jobs, wages and output created by businesses, which provide goods and services essential to the construction of the project, the special event, tourist activity, or to the new company.

“Induced” Impacts to household income – Induced impacts are the result of spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation, etc.

Construction Cost and Sales Revenues Estimates – For the economic analysis reports generated, construction cost and sales revenue estimates do not include soft costs such as architectural, environmental assessment, site work, marketing, broker fees etc.

The pilot project focused on capturing the beneficial economic effects and community benefits that may result from approval of the discretionary land use projects, and sought to provide quantitative information of the project’s beneficial impact to jobs, earnings, sales and tax revenues.

The objectives of this program included:

- Developing an enhanced understanding of the economic effects resulting from discretionary land use projects;
- Identifying the connection between these projects and the goals and objectives contained within the Economic Strategy; and
- Enabling more informed planning decisions by creating a standardized method of capturing and presenting economic information related to discretionary land use projects.

PHASE I ANALYSIS

Phase I began in July 2012 with the identification of a diverse group of projects involving different existing site locations and characteristics, proposed land uses, and configurations. Working with a short list of potential projects provided by County staff that was supplemented by outreach to the Building Design & Construction (BD&C) cluster, the following four projects were selected and analyzed:

- Digital West Data Center Expansion
- Grover Beach Lodge & Conference Center
- Hillside Terrace Multifamily (Residential rental units)
- Vintage Home Multifamily (Residential for sale units)

Through the Phase I analysis, the following best practices were identified:

1. Clear messaging to the project proponent on the expectations and benefits of participating in the program;
2. Assisted data collection using well-defined data metrics;
3. Frequent confirmation, clarification and review of data inputs to ensure accurate results, and acceptance from the project proponent on the metrics for the analysis and results; and
4. Like-to-like comparison requires careful review and scrutiny during the data collection process.

A key issue raised during the Phase I analysis was whether to include soft costs, such as professional fees associated with architectural design, site work, environmental review, broker fees, advertising, etc. Because these costs are highly variable and add a level of complexity to the program, after substantial discussion with the BD&C cluster members, it was determined that it would be best to omit soft costs. It is recognized that such soft costs represent

economic benefits to the County of San Luis Obispo however; such a level of complexity would make the program overly cumbersome. This is in direct conflict with the intent, to provide an economic analysis option that is cost efficient and can be broadly utilized.

It is worth noting that during completion of Phase I of the pilot project, the County Board of Supervisors adopted the updated Economic Element on October 23, 2012. While not required under state law, the County originally adopted the Economic Element as part of its General Plan in 1999. The update made it more current by removing outdated information and made it complement the Economic Strategy.

The results of Phase I of the pilot project were presented to the BD&C Cluster and County staff for their review and input. Following their comments and feedback, reports for each of the four projects were finalized and are documented in Appendix I, Economic Analysis Program, Phase I Outcomes. On May 14, 2013, the results were presented to the County Board of Supervisors.

Based upon lessons learned, refinements to the program were incorporated for the Phase II analysis.

PHASE II ANALYSIS

Phase II was initiated in June 2013. The final Phase II deliverables included two (2) additional Tier II projects submittals for an overall total of six (6) Tier II projects.

The following projects were analyzed:

- Marsh Street Commons (Mixed Use)
- Mindbody Expansion

Through completion of the Phase II analysis, the following best practices were identified:

- Identify most appropriate data metric for the project; and
- Include any specific variances, project components or factors which may which impact perception of the data within the narrative of the report.

A key issue addressed in Phase II implementation was whether to include annual sales revenue. Following careful review with the BD&C Cluster and County staff, it was determined that in cases where an applicant is uncomfortable disclosing sales revenue data, annual earnings or number of jobs, which are both valid data inputs for the economic modeling tool, would be utilized.

After review and approval by the project proponents, the results were documented in a final report provided in Appendix II, Economic Analysis Report, Marsh Street Commons and Appendix III, Economic Analysis Report, Mindbody Expansion.

PROGRAM REFINEMENTS

As a result of feedback from the BD&C cluster members, County staff and the Board of Supervisors on the results of the Phase I analysis that were presented in May 2013, the following refinements were implemented in Phase II of the Pilot Project:

- **REPORT FORMAT** - Modified to enhance clarity and readability.

- **CONSTRUCTION “SOFT COSTS”** – The Construction Soft Costs were evaluated in depth by the BD&C cluster to determine whether some portion or all of these costs should be included in the economic model. The soft costs included environmental assessment and mitigation costs, permit fees and architectural design fees, the operational cost of sales such as advertising and market studies, etc. Because soft costs are highly variable from project to project it was deemed that they should not be included. However, in an effort to better inform decision makers regarding specific significant and uniform fees, the following metrics were added as voluntary applicant provided data:
 - City and School Fees
 - Water and Sewer Fees
 - Land Cost

- **ANNUAL SALES REVENUE**- The public disclosure of projected annual sales revenue continues to be problematic to applicants. To overcome this obstacle, alternate methodologies were evaluated, including the utilization of median annual sales revenue for similar establishments in that industry, and the utilization of annual earnings or number of jobs as the direct input (Analysis of the Mindbody project is based upon projected earnings).

SUPPORT SERVICES

The EVC provided the following support services to participants:

- Overview of Pilot Project goals and objectives;
- Assistance in identifying and documenting the connection of a project’s potential economic benefits with the goals and objectives of the Economic Strategy;
- Assistance in developing appropriate economic data for evaluating impacts ; and
- Reporting of results.

Coordination between EVC staff and County Staff included the following:

- Selection of meaningful Tier I and Tier II projects for analysis;
- Report refinement; and
- Evaluating progress and program modifications.

PHASE II PROJECTS

Mindbody Expansion – Two-story commercial office building located with the City of San Luis Obispo’s Airport Area Specific Plan. This expansion proposes 64,022 square feet of commercial office space and a four-level parking structure to support the existing Mindbody employees and facilities.

Marsh Street Commons – Mixed used project with 8,000 square feet of ground floor commercial space, and a total of 12 residential units. Four 2-bedroom upper level lofts are proposed above the commercial space (range in size between 1,254 and 1,425 square feet). Eight 3-bedroom single-family residential units on compact lots are proposed behind the commercial building and upper level lofts (range in size between 1,551 and 1,799 square feet).

PROJECT ANALYSIS

The **Mindbody Expansion** project was unique in that it utilized annual earnings, rather than sales revenue, as the data input for analysis. In addition, this project analyzed only the facilities being expanded, and was noted by the project proponent to omit beneficial effects related to the existing 600 employees through utilization of the training, meeting, exercise and dining facilities.

The **Marsh Street Commons** project provided an opportunity for additional diversity in project selection by analyzing multiple proposed uses on a single site. This mixed use project included commercial space, detached single-family and attached multi-family units.

A summary of the key economic benefits that would be realized through implementation of the projects analyzed in the Phase I and Phase II analyses are illustrated in Table 1.

Table 1 -Economic Analysis Pilot Project (Phase I and Phase II)

Applicant/Project	Jobs	Sales	Sales Tax	Property Improvement Tax Estimate
Digital West Data Center Expansion	946	\$74,339,457	\$557,546	\$108,339
Grover Beach Lodge & Conference Center	294	\$33,019,702	\$412,746	\$173,685
Hillside Terrace Multifamily	41	\$3,551,240	\$26,634	\$25,438
Vintage Homes Multifamily	43	\$3,605,908	\$27,044	\$17,831
Subtotal	1,324	\$114,516,307	\$1,023,970	\$325,292
Marsh Street Commons	128	\$12,256,315	\$153,204	\$51,964
Mindbody Expansion	420	\$63,316,342	\$672,211	\$160,985
Subtotal	548	\$75,572,657	\$825,415	\$212,949
TOTAL	1,872	\$190,088,964	\$1,849,385	\$538,241

Note: Economic effects vary, in some cases occurring on an annual basis, and in others, where the effect is based upon property sales, being a single event.

CONCLUSION

PROGRAM IMPLEMENTATION

The Economic Analysis Program pilot project successfully tested a new method by which discretionary land use projects and proposed land use policies or proposed modifications to existing land use policies can be analyzed and credible information of the potential economic benefits captured and presented at a significantly lower cost than a full regional economic analysis might require.

There are a few inherent challenges in considering formal implementation.

- Variability of project data inputs – Each project is unique, requiring a great deal of support and oversight in establishing and validating data inputs;
- Conceptual project design – In many cases the proposed land use or commercial use may change through the entitlement and/or design process; and
- Program implementation costs.

The pilot program provided a uniform structure, defined metrics, and a credible process that was vetted by industry stakeholders and County staff, for the purpose of providing quantitative and qualitative economic information of a proposed discretionary land use project.

The EVC believes this two-phase pilot project was successful in demonstrating that beneficial economic effects of a discretionary land use project can be effectively qualified and quantified, thereby enhancing the County's land use decision making process. Through incorporation of the Economic Analysis Program into the County's land use decision-making process, more-informed land use decisions can occur, thereby resulting in better land use planning for housing, infrastructure, workforce development, resource protection, and quality of life. In addition, provision of information regarding potential economic benefits of a project may enable members of the public to better understand how proposed projects may benefit them and their community.

RECOMMENDATION

In October 2013, the final results of the Phase II analysis were presented to the BD&C cluster members for their thoughts and feedback. There was consensus by the members that the program provides meaningful objective information on the potential short- and long-term economic benefits of a proposed land use project.

Considering that the Economic Strategy is the result of a private/public partnership and that BD&C cluster widely supports this program, the EVC recommends that the Economic Analysis Program be incorporated into the County's land use planning procedures as a voluntary program, whereby project proponents have the option of capturing and presenting the potential economic benefits of their project in a manner similar to how applicants provide other information about their project, such as engineering, planning, and environmental.

Not all individuals or groups may want to participate in the Economic Analysis Program. As such, it should be integrated into the County's land use planning procedures as a voluntary program where project proponents may elect to participate at their own cost. This information would be included with other supplied applicant data – as additional material for decision-makers to consider when reviewing staff reports for land use entitlement requests. Similarly, the County may decide to perform economic analysis of a proposed new land use policy or proposed modification or update to an existing land use policy through the California Environmental Quality Act (CEQA) review process based on feedback from the community and direction by the Board of Supervisors.

To incorporate the Economic Analysis Program into the County's land use planning procedure, the County should consider creating a list of approved firms, through a Request for Qualifications process, from which applicants can choose and directly hire to perform the analysis. This could minimize County administrative costs, reduce potential delays in permit processing, and ensure consistency and quality of the results captured and presented through the program. Economic Analysis Reports completed under this framework for proposed discretionary land use projects could be provided in the staff reports to be heard by the Administrative Hearing Officer, Subdivision Review Board, Planning Commission, and Board of Supervisors.

ACKNOWLEDGEMENTS

The EVC has been honored to work with the members of the Building Design & Construction cluster and the County of San Luis Obispo to pursue innovative solutions with goal of achieving a more balanced discussion around land use planning and economic vitality.

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PROJECT PARTICIPANTS

Digital West Expansion

Tim Williams, CEO and Founder

Grover Beach Lodge & Conference Center – Pacific Companies/City of Grover Beach

Allison Rolfe, Director of Planning (Pacific Companies)

Bruce Buckingham, Community Development Director (City of Grover Beach)

Hillside Terrace – Teddy Bear Homes, Inc.

William Kengle, President

Mindbody Expansion

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Rick Stollmeyer, CEO

Vintage Homes – Estrella Associates

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Marsh Street Commons – Mangano Homes

Stephen Peck, President, Peck Planning and Development

RSMeans Online for their generous sponsorship of the *CostWorks* online tool for the pilot project.



<http://rsmeansonline.com/>

Economic Modeling Specialists, Inc. for their generous support and partial sponsorship of the *EMSI Analyst 3.0* online tool for the pilot project.



<http://www.economicmodeling.com/>

APPENDICES

Appendix I - Economic Analysis Report – Phase I Outcomes

Appendix II - Economic Analysis Report – Marsh Street Commons

Appendix III - Economic Analysis Report - Mindbody Expansion

Appendix I - *Economic Analysis Report – Phase I Outcomes*

STATUS REPORT
Economic Analysis Program – Phase I Pilot Project

Determining the Economic Benefit of Land-Use Projects

May 2013

Prepared by:

Christine Rogers, Program Manager
Economic Vitality Corporation

EXECUTIVE SUMMARY

Economic Analysis Program– Phase I Pilot Project

The purpose of this status report is to provide results of the Phase I Pilot Project of the Economic Analysis Program. The Economic Analysis Program was developed to assess and present the economic effects of land-use projects proposed for consideration by the County Board of Supervisors. This County-funded project is one of many innovative concepts being pursued through the countywide Economic Strategy project. For information regarding the overall Economic Strategy project, please refer to a separate status report entitled the “Economic Strategy Update 2013, Clusters of Opportunity, dated May 1, 2013”.

In June 2011, the County Board of Supervisors directed staff to include a discussion of economic information in staff reports related to land use policies and discretionary permit applications. In September 2011, county staff began to incorporate a “Business Impact Statement” into all Board of Supervisor’s staff reports relating to discretionary projects or policy initiatives. The Business Impact Statements, which are incorporated into staff reports, provide a brief narrative of the high-level economic effects of a land use project or policy proposed for consideration by the Board of Supervisors.

The EVC is collaborating with County Planning and Building Department staff to develop a framework for analyzing and presenting economic effects of land use projects proposed for consideration by the Board of Supervisors. This supplemental economic analysis, which was encouraged by the EVC, provides the Board of Supervisors with additional stakeholder input on the potential economic benefits, and provides quantitative economic data when considering discretionary projects.

In 2012, the Board of Supervisors approved the framework of the Economic Strategy’s Economic Analysis Program and directed staff to conduct a pilot project to test and refine the program. The pilot project was designed to occur in two phases, each analyzing four discretionary permit projects. A presentation will be made to the Board of Supervisors upon completion of Phase I analysis. The input received from these discussions will inform any beneficial modifications or revisions to the process, which will then be incorporated into the Phase II implementation.

This report presents the results of Phase I of the Pilot Project. These results were presented to the Building Design & Construction Cluster, who expressed agreement with the recommendations outlined in this report.

The following four projects were analyzed:

- Data Center Expansion (Digital West Networks, Inc, San Luis Obispo)
- Grover Beach Lodge & Conference Center (City of Grover Beach)
- Hillside Terrace (multifamily rental units by Teddy Bear Homes, Nipomo)
- Vintage Homes (multifamily for-sale units by Estrella Associates, Atascadero)

The Phase I pilot project provides meaningful estimates of economic output, both short- and long-term, based upon historical performance for similar investments into the affected industries.

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ECONOMIC ANALYSIS PROGRAM

Pilot Project– Phase I

The EVC, in collaboration with County Planning and Building Department staff, developed the Economic Analysis Program, which addresses discretionary permits proposed for consideration by the County Board of Supervisors. This report provides an overview of the goals, framework, and output for the Economic Analysis Program.

ECONOMIC ANALYSIS PROGRAM PILOT PROJECT: DISCRETIONARY PROJECTS

This project seeks to collect and analyze quantitative economic information about a proposed land use project, including the project's effect on jobs, earnings, sales and tax revenues. The objectives of this program include:

1. Enhancing public understanding of the economic benefit of land use projects;
2. Improving the understanding of the connection and benefit of land use projects within the Clusters of Opportunity as identified in the Economic Strategy; and
3. Informing land use planning decisions by establishing a standard method of collecting and disseminating economic information related to land use projects.

This program is voluntary on behalf of the project proponent, and has been structured in a tiered framework to allow for three levels of assessment:

- Tier I projects (voluntary submittal of online data);
- Tier II projects (voluntary submittal of online data accompanied by optional economic modeling); and
- Tier III projects (project proponent secures a third-party economic analysis report).

Eligible projects have been defined as:

- Residential projects that are greater than four (4) units.
- Commercial projects exceeding 10,000 square-feet.

DISCRETIONARY PERMITS

The first level, or Tier I, involved the submittal of an Economic Analysis Self-Assessment using a web-based tool. The subsequent level, or Tier II, built upon Tier I data and provided for an optional economic analysis utilizing **EMSI Analyst 3.0**, modeling software made available by the Workforce Investment Board of San Luis Obispo County.

Basic information is provided by an applicant using a short list of economic indicators (number of jobs created, annual revenue, increase in assessed property value, construction cost, etc.). Based upon this data input, the modeling tool will estimate initial, direct, indirect, and induced effects of sales, earnings, and job growth as result of the project. Beneficial effects to sales and property tax revenues are also evaluated.

Definition of Key Terms

- “Initial” Actual benefit - One job added, additional sales or earnings to an industry.
- “Direct” Industry transactions - Direct benefits take place only in the industry immediately affected and consist of permanent jobs, wages and output of the event itself.
- “Indirect” Inter-Industry transactions - Indirect benefits are the jobs, wages and output created by businesses, which provide goods and services essential to the construction of a project, special event or activity.
- “Induced” Benefit to household income - Induced benefits are the result of spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation, etc.

TIER I – SELF-ASSESSMENT

The first level of participation, or the “Tier I” component, was envisioned as a self-assessment, using an online software program, where applicants describe the potential benefits anticipated by the project. In addition to general project information (e.g., description, location, project duration, etc.) the applicant was asked to highlight how the project may support or hinder the Economic Strategy project goals, as well as estimating beneficial effects on job growth, increases to sales or property tax revenues, and other community benefits.

Implementation of the Tier I process proved to be positive and challenging. Questions posed were fairly basic, however, many of the applicants were not familiar with the Economic Strategy project, or with developing data such as jobs, earnings, and sales, or property tax estimates. This data was more easily obtained through extensive discussions with the applicant which included the provision of additional guidance and tools.

TIER II – SUPPLEMENTAL ANALYSIS

Tier II builds upon Tier I by incorporating information on construction costs and sales revenue estimates -- the primary direct input for the economic modeling software. The resulting report provides detailed forecasts on the estimated economic benefits of a project, detailed by industry, in relation to regional jobs, earnings, occupations, demographics, and sales, as well as their potential benefit to sales tax revenues.

In implementing Phase I, and moving into project selection and applicant outreach, limited knowledge of the program discouraged some applicants in taking the time to explore participation; however, the applicants who participated quickly began to understand the potential benefits of the program and were responsive in providing the necessary information to complete the process. There was a preference by applicants to participate in the higher level of review rather than simply completing the Tier I Self-Assessment. As a result, the Phase I results include Tier II analysis of all four of the projects that were selected for this pilot project.

Similar to the Tier I experience, meeting with the participants to personally review the program requirements resulted in more thorough data collection. The amount of support required varied depending on the complexity of the project, the experience of the individual, and their familiarity with the Economic Strategy project goals and objectives.

TIER II ECONOMIC ANALYSIS REPORT

The Tier II Economic Analysis Report is presented in a uniform format to facilitate review and includes the following components:

- Project Description and Summary;
- Applicant Construction Cost Estimate and Methodology;
- Estimated Sales Tax Revenue;
- Estimated Increase in Assessed Property Tax Value (Post Construction);
- Occupation Sales effects;
- Estimated effect on Economic Strategy Priorities;
- RSMean CostWorks Construction Cost Estimate; and
- EMSI Analyst 3.0 Outputs for Development and Industry benefits to:
 - Industry Jobs
 - Industry Earnings
 - Industry Occupations
 - Demographics (related to Job growth)
 - Industry Sales

PARTICIPANT PROJECTS

The following four projects were analyzed:

- Data Center Expansion (Digital West Networks, Inc, San Luis Obispo)
- Grover Beach Lodge & Conference Center (Grover Beach)
- Hillside Terrace (multifamily rental units by Teddy Bear Homes, Nipomo)
- Vintage Homes (multifamily for-sale units by Estrella Associates, Atascadero)

The results to date of the Economic Analysis Program have been positive, as was feedback by all of the applicants. There was consensus that the information provided a level of detail that is otherwise not available.

Another resource being used for this project is the RSMeans Online “CostWorks” program, an online tool which models comparative construction cost estimates. By adding additional analysis to applicant-submitted estimates, this tool has provided an additional level of scrutiny. The estimates generated by the conceptual model thus far are within a range of 10-15% in comparison to the applicant submitted estimates. In cases where project improvement costs had not been evaluated, the tool provides a cost basis to model the development effects.

The final results of this pilot project provide meaningful estimates of economic benefits, both short- and long-term, which are based upon historical performance for similar investments into the affected industries (see Table 1 below). The individual project reports are attached to provide the detail necessary to highlight such industry-specific jobs, earnings, and sales benefits.

Table 1 -Economic Analysis Pilot Project Output

Applicant/Project	Jobs	Sales	Sales Tax	Property Value
Digital West Data Center Expansion	946	\$74,339,457	\$557,546	\$9,849,000
Grover Beach Lodge & Conference Center	294	\$33,019,702	\$412,746	\$16,911,500
Hillside Terrace Multifamily	41	\$3,551,240	\$26,634	\$2,312,500
Vintage Homes Multifamily	43	\$3,605,908	\$27,044	\$1,499,000
Total	1,324	\$114,516,307	\$1,023,970	\$30,572,000

ADMINISTRATION AND COLLABORATION

As program administrators, the EVC continues to provide the following support services to applicants of the program:

- Understanding of Pilot Project goals and objectives;
- Evaluation of Economic Strategy priorities;
- Assistance in developing appropriate Economic Data for Evaluating benefits; and
- Reporting results.

The collaboration between the Economic Vitality Corporation and County Staff includes the following:

- Selection of meaningful Tier I and Tier II projects for analysis;
- Report development;
- Evaluating progress and program modifications; and
- Outreach and Communication.

RECOMMENDATIONS

Phase II of the pilot project will be implemented after presenting the Phase I results to the Board of Supervisors in mid-May, and receiving their direction. Phase II project selection will be made by the Building Design & Construction cluster and will be based upon the following proposed policy:

POLICY

“The Economic Analysis Program project selection will include projects which meet the eligibility requirements with a secondary goal of achieving a broad range of diversity in project types, community benefits and geographic locations.”

Based upon the input received from the Phase I participants, the EVC will assume a more direct role in Phase II of the Pilot Project by assisting the applicants in identifying how their project may meet the Economic Strategy cluster objectives, and in defining the metrics required for data analysis.

Should the County Board of Supervisors determine that the project should proceed beyond Phase II of the pilot project the follow program enhancements may be considered:

- Depth of Analysis (i.e., evaluation of the inclusion of specific soft costs);
- Outreach (broader understanding of process and program);
- Tools (i.e., database development for project tracking, web-based online submittal tools, etc.); and
- Process for tracking and trending results over time.

CONCLUDING REMARKS

The Phase I pilot project provides a high-level or general overview so as to be practical and affordable, and to achieve an “apples-to-apples” comparison of the benefits of projects. In taking such a broad estimation, there are soft costs related to development (such as environmental assessment and mitigation, permit fees and architectural design fees) and operational costs related to sales (such as advertising and market studies), which are not included. These omissions are related to expenses which are highly variable and add a level of complexity to the data collection and analysis.

Some of the participants commented that as a result of these intentional omissions, the results understate the construction costs and overstate the sales revenue. This perception of the applicant’s return on investment is critical considering the extensive public review process. A potential solution that was raised by the participants, and is supported by the Building Design & Construction Cluster, is to work with industry stakeholders and County staff to define a reasonable percentage for these costs that can be incorporated into the model.

We wish thank RSMeans Online for their generous sponsorship of the CostWorks online tool for the pilot project.



ATTACHMENTS

- Attachment I Economic Analysis Report – Digital West Data Center Expansion
- Attachment II Economic Analysis Report – Grover Beach Lodge & Conference Center
- Attachment III Economic Analysis Report - Hillside Terrace Multifamily
- Attachment IV Economic Analysis Report – Vintage Home Multifamily

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Attachment 1

ECONOMIC ANALYSIS PROGRAM

Project Description

Applicant: Digital West Networks	Permit Number: BP-010112
Project Description: Digital West Networks - Data Center Expansion	
This commercial expansion is located at 600 Tank Farm Road, within the Urban Reserve Line of San Luis Obispo, and proposes a three Phase Data Center and Office build-out which incorporates a photovoltaic system.	

Summary:

The project is located in east San Luis Obispo near Tank Farm and Broad within the City of San Luis Obispo urban reserve line. The new Data Center and Offices will allow Digital West to increase its Data Infrastructure services by 2,000%. The services provide key infrastructure to the Knowledge & Innovation cluster companies, as well as supporting Specialized Manufacturing. Digital West's expansion also provides key opportunities to specific national brands needing connectivity to the sub-sea fiber cables that connect the US to the Pacific Rim countries. Companies like Google, Microsoft and other large data-centric companies will use these services, increasing the chances of a U.S. and/or regional presence. In addition to these potential economic impacts, the project proposes the following:

- Public Improvements - Expanded infrastructure and purple pipe for future reclamation
- LEED Certified Facility
- Public Art and Bike Paths
- Photovoltaic System

Construction Cost Estimate				
	PHASE 1	PHASE 2	PHASE 3	OVERALL
CostWorks Conceptual Estimate¹:	\$4,744,000	\$2,552,500	\$2,552,500	\$9,849,000
Permit Estimate:				
Applicant Estimate (\$500 per sq ft - Includes mechanical)	\$9,800,000	\$5,000,000	\$5,000,000	\$19,800,000
Jobs Estimate²				
	PHASE 1	PHASE 2	PHASE 3	ONGOING
EMSI Model Output				
Development	47	25	25	-
Operation	230	270	349	849
SubTotal	277	295	374	-
TOTAL JOB GROWTH			946	849

Sales Tax Revenue Estimate					
		PHASE 1	PHASE 2	PHASE 3	OVERALL
Jurisdiction: San Luis Obispo	EMSI Model Output				
Tax Rate: 0.75%	Construction:	\$6,392,097	\$3,439,930	\$3,439,930	\$13,271,957
	Operation:³	\$16,524,148	\$19,457,783	\$25,085,569	\$61,067,500
Annual Sales³	Tax Revenue:	\$171,872	\$171,733	\$213,941	\$557,546
BUILD OUT \$45,900,000					
TOTAL IMPACTS		\$23,088,117	\$23,069,446	\$28,739,440	\$74,897,003

Methodology: Phased occupancy assumptions based upon: Average Sales per Cabinet (Colocation), Averages Sales per Fiber Mile (Connectivity) and Annuals Sales Revenue (Cloud Services).

Property Tax Valuation	
Existing Value (County Assessor):	Unavailable
Construction Cost - Applicant Estimate:	\$950,000
Construction Cost - CostWorks:	\$9,849,000
Estimated Value: \$10,799,000	Property Tax Increase: Unknown

1. Conceptual construction cost estimate based upon historical costs, building type, location, square footage, wall frame type, number of stories, height of stories.
2. Based upon Full Time Equivalent.
3. Annual sales revenue based upon applicant estimate with explanation of methodology. Annual Sales Estimated is based upon the Median Sales Revenue (50% Occupancy estimate and 100% Occupancy estimate.) Sales Tax Estimate based upon economic modeling outcomes relative to Initial, Direct, Indirect and Induced impacts to sales.

Attachment 1

ECONOMIC ANALYSIS PROGRAM

CLUSTER IMPACTS

Building Design & Construction

PRIMARY IMPACTS

None

SECONDARY IMPACTS

Job creation and sales revenue.
 Supports strategic growth principles.
 BD&C #2 - Permitting process balances economic vitality and environmental well-being, and results in more approvals of high-quality projects.

Green Energy

PRIMARY IMPACTS

None

SECONDARY IMPACTS

GET #4 - New and expanded green energy production facilities in County.
 GET #6 - Increases in companies providing green energy products and services.
 GET #9 - Become recognized leader in green energy in a way that attracts national and international attention, investment, and other benefits (e.g., ecotourism).
 GET #10 - Increasing use of local incentives for energy efficiency improvements (e.g., utility, Homestar, Pace loans, energy efficient mortgages).

Health Services

PRIMARY IMPACTS

None

SECONDARY IMPACTS

HS #4 - Increase in the connectivity across different levels and elements of the local health care system, as well as related social support, active senior housing, and other elements supporting the vision of the County as a leading wellness destination.

Knowledge Innovation

PRIMARY IMPACTS

K&I #1 - Increase in awareness of cluster employment opportunities among local residents, Cal Poly students and graduates, "trailing spouses", and outside talent.
 K&I #2 - Increase in brand awareness of the knowledge and innovation cluster, including the range of expertise, companies, products and services located in San Luis Obispo County.
 K&I #3 - Creation of a convener of cluster companies, enabling greater collaboration among companies to pursue business opportunities, address shared challenges, and collaborate with community partners to address challenges (e.g., workforce, access to global markets, access to capital, awareness-building).
 K&I #7 - Increase in global exports of knowledge and innovation services due to improved connectivity to outside markets.

SECONDARY IMPACTS

None

Specialized Manufacturing

PRIMARY IMPACTS

SMA #1 - Increase in understanding of employment opportunities in specialized manufacturing, and appreciation for what cluster contributes to the economic vitality in the County.
 SMA #10 - Increase income, jobs, and exports of the County's specialized manufacturing cluster.
 SMA #11 - Increase base of local suppliers, retain existing firms, and grow new entrepreneurial companies in the cluster.

SECONDARY IMPACTS

None

Uniquely SLO

PRIMARY IMPACTS

US #1 - Increase in awareness of the full range of cluster assets within County among residents, governments, businesses, as well as among potential tourists outside the County.
 US #2 - Increase in support for the cluster among local residents and public officials due to better understanding of the cluster's multiple benefits (e.g., quality of life amenities for residents and talent for other industry clusters, tourist spending that helps fund local jurisdictions, job creation).
 US #6 - Increase in events with local interest marketed outside the area, resulting in more people traveling to the County and more local residents venturing outside their immediate community to participate.

SECONDARY IMPACTS

None

All Clusters

Indirect and induced economic benefit through job creation, increased earnings and sales revenue.

Attachment 1

ECONOMIC ANALYSIS PROGRAM

Impact Summary

Changes to Commercial and Institutional Building Construction (236220)

Development

Change in Earnings	Change in Jobs	Average Earnings Per Job (2011)
\$5,920,177	97	\$61,305
1.26 Multiplier	1.52 multiplier	

Operations

Change in Earnings	Change in Jobs	Average Earnings Per Job (2011)
\$21,659,243	849	\$25,514
1.38 Multiplier	1.27 Multiplier	

“INITIAL” - Actual impact - One job added, additional sales or earnings to an industry.

“DIRECT” - Industry transactions - Direct impacts take place only in the industry immediately impacted and consist of permanent jobs, wages and output of the event itself.

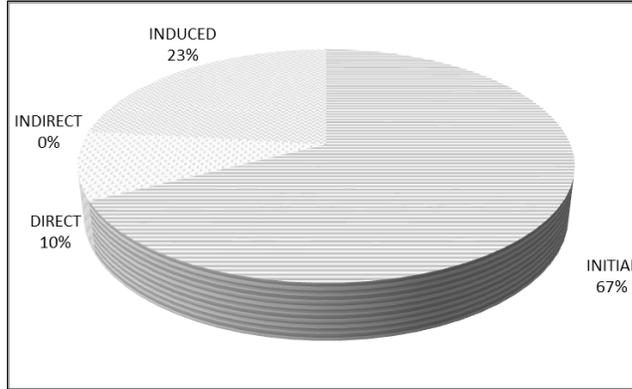
“INDIRECT” - Inter-Industry transactions - Indirect impacts are the jobs, wages and output created by businesses, which provide goods and services essential to the construction of the project, the special event, tourist activity, or to the new company.

“INDUCED” - Impacts to household income - Induced impacts are the result of spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation and medical services.

Attachment 1
ECONOMIC ANALYSIS PROGRAM
CONSTRUCTION

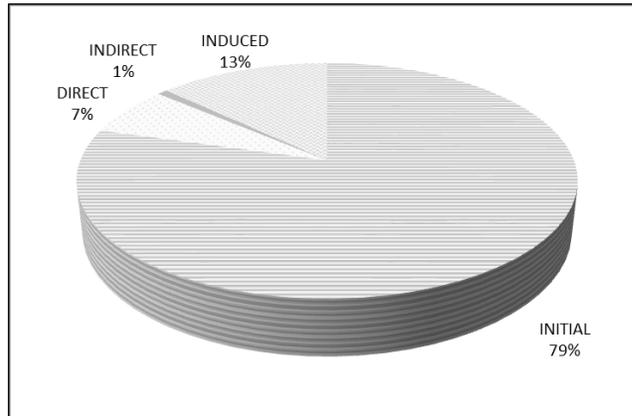
Effect on Jobs from adding \$9,849,000 sales in Commercial and Institutional Building Construction (236220)

Initial	Direct	Indirect	Induced
64	10	1	22
1.00 Multiplier	0.16 Multiplier	0.02 Multiplier	.034 Multiplier

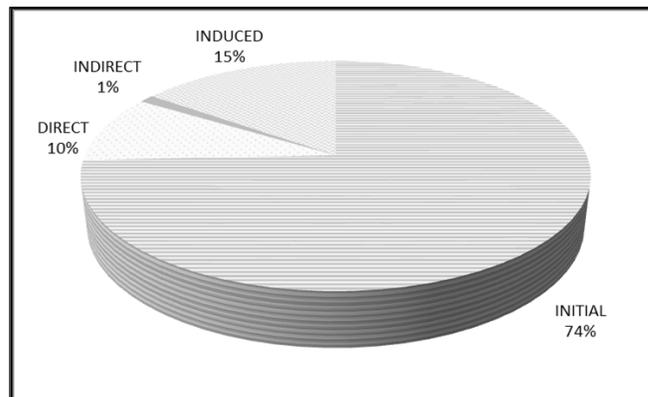


Effect on Earnings from adding \$9,849,000 sales in Commercial and Institutional Building Construction (236220)

Initial	Direct	Indirect	Induced
\$4,701,560	\$403,775	\$45,033	\$769,808
1.0 Multiplier	0.09 Multiplier	0.01 Multiplier	0.16 Multiplier



Effect on Sales from adding \$9,849,000 sales in Commercial and Institutional Building Construction (236220)



Attachment 1

ECONOMIC ANALYSIS PROGRAM

CONSTRUCTION

Effect on Jobs from adding \$9,849,000 sales in Commercial and Institutional Building Construction (236220)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	64	0	0	1
31-33	Manufacturing	7,475	0	1	0	0
42	Wholesale Trade	3,509	0	0	0	0
44-45	Retail Trade	16,701	0	3	0	4
48-49	Transportation and Warehousing	2,156	0	0	0	0
51	Information	1,776	0	0	0	0
52	Finance and Insurance	5,879	0	0	0	1
53	Real Estate and Rental and Leasing	9,577	0	1	0	1
54	Professional, Scientific, and Technical Services	10,888	0	2	0	1
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support and Waste Management and Rem	8,417	0	1	0	1
61	Educational Services (Private)	3,992	0	0	0	2
62	Health Care and Social Assistance	13,490	0	0	0	4
71	Arts, Entertainment, and Recreation	3,712	0	0	0	1
72	Accommodation and Food Services	14,675	0	0	0	3
81	Other Services (except Public Administration)	11,011	0	1	0	2
90	Government	21,002	0	0	0	1
		154,503	64	9	0	22
						95

Scenario Results - Occupation

Scenario Results - Demographic

SOC	Occupation	Change in Jobs
11-0000	Management Occupations	12
13-0000	Business and Financial Operations Occupations	4
15-0000	Computer and Mathematical Occupations	0
17-0000	Architecture and Engineering Occupations	4
19-0000	Life, Physical, and Social Science Occupations	0
21-0000	Community and Social Service Occupations	0
23-0000	Legal Occupations	0
25-0000	Education, Training, and Library Occupations	1
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	1
29-0000	Healthcare Practitioners and Technical Occupations	2
31-0000	Healthcare Support Occupations	1
33-0000	Protective Service Occupations	0
35-0000	Food Preparation and Serving Related Occupations	3
37-0000	Building and Grounds Cleaning and Maintenance Occupations	2
39-0000	Personal Care and Service Occupations	2
41-0000	Sales and Related Occupations	7
43-0000	Office and Administrative Support Occupations	10
45-0000	Farming, Fishing, and Forestry Occupations	0
47-0000	Construction and Extraction Occupations	39
49-0000	Installation, Maintenance, and Repair Occupations	2
51-0000	Production Occupations	2
53-0000	Transportation and Material Moving Occupations	2
55-0000	Military occupations	0
99-0000	Unclassified Occupation	0
		94

Demographic	Change in Jobs
Male 14-18	1
Female 14-18	2
Male 19-21	2
Female 19-21	2
Male 22-24	4
Female 22-24	2
Male 25-34	15
Female 25-34	6
Male 35-44	15
Female 35-44	5
Male 45-54	15
Female 45-54	6
Male 55-64	11
Female 55-64	4
Male 65-99	3
Female 65-99	3
	96

Attachment 1

ECONOMIC ANALYSIS PROGRAM

CONSTRUCTION

Effect on Earnings from adding \$9,849,000 sales in Commercial and Institutional Building Construction (236220)

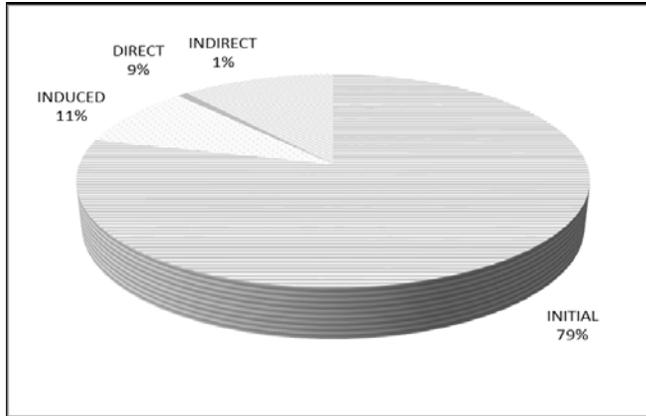
NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$466	\$140	\$2,271
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$13,144	\$3,703	\$290
22	Utilities	\$374,828,846	\$0	\$1,372	\$567	\$6,885
23	Construction	\$444,351,885	\$4,701,560	\$1,683	\$1,074	\$36,615
31-33	Manufacturing	\$450,101,296	\$0	\$69,053	\$1,833	\$9,977
42	Wholesale Trade	\$193,194,090	\$0	\$14,646	\$1,717	\$16,708
44-45	Retail Trade	\$518,210,923	\$0	\$79,594	\$982	\$127,094
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$6,728	\$2,485	\$7,495
51	Information	\$85,868,093	\$0	\$4,059	\$786	\$9,230
52	Finance and Insurance	\$272,855,315	\$0	\$12,344	\$4,419	\$30,760
53	Real Estate and Rental and Leasing	\$221,417,306	\$0	\$18,208	\$3,149	\$30,439
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$131,050	\$11,223	\$35,568
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$837	\$756	\$1,008
56	Administrative and Support, Waste Mgmt and Remediation Sv	\$213,790,952	\$0	\$21,814	\$6,941	\$15,510
61	Educational Services (Private)	\$61,206,576	\$0	\$253	\$151	\$23,694
62	Health Care and Social Assistance	\$711,600,367	\$0	\$1,467	\$78	\$224,059
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$1,555	\$511	\$9,191
72	Accommodation and Food Services	\$301,579,107	\$0	\$4,157	\$2,177	\$62,476
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$20,995	\$1,586	\$46,334
90	Government	\$1,337,614,755	\$0	\$350	\$754	\$74,203
		\$6,363,149,840	\$4,701,560	\$403,775	\$45,032	\$769,807
						\$5,920,174

Effect on Sales from adding \$9,849,000 sales in Commercial and Institutional Building Construction (236220)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$2,059	\$317	\$7,202
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$57,978	\$15,475	\$1,288
22	Utilities	\$2,170,513,281	\$0	\$7,754	\$3,359	\$38,873
23	Construction	\$930,844,524	\$9,849,000	\$3,525	\$2,250	\$76,702
31-33	Manufacturing	\$3,701,988,530	\$0	\$445,630	\$26,147	\$116,485
42	Wholesale Trade	\$525,878,843	\$0	\$39,862	\$4,674	\$45,477
44-45	Retail Trade	\$1,277,934,202	\$0	\$196,288	\$2,422	\$313,432
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$19,933	\$6,555	\$19,942
51	Information	\$391,560,074	\$0	\$20,517	\$3,556	\$44,084
52	Finance and Insurance	\$897,796,334	\$0	\$54,101	\$16,155	\$111,885
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$0	\$89,817	\$17,791	\$163,444
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$236,021	\$19,836	\$64,436
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$1,536	\$1,387	\$1,848
56	Administrative and Support and Waste Management and Rerr	\$423,093,708	\$0	\$41,699	\$12,453	\$30,195
61	Educational Services (Private)	\$100,954,777	\$0	\$431	\$262	\$38,972
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$2,532	\$145	\$399,731
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$2,859	\$961	\$21,553
72	Accommodation and Food Services	\$953,146,303	\$0	\$13,460	\$6,852	\$192,309
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$42,479	\$3,147	\$88,737
90	Government	\$5,162,216,341	\$0	\$581	\$1,250	\$220,952
		\$21,588,950,216	\$9,849,000	\$1,279,062	\$144,994	\$1,997,547
						\$13,270,603

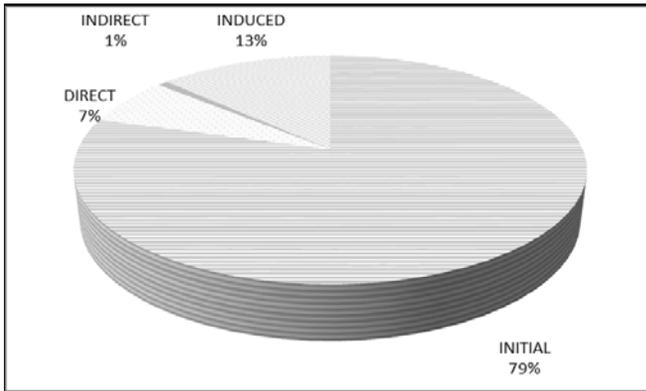
Effect on Jobs from adding \$45,900,000 sales in Data Processing, Hosting, and Related Services (518210)

Initial	Direct	Indirect	Induced
670	76	7	95
1.00 Multiplier	0.11 Multiplier	0.01 Multiplier	0.14 Multiplier

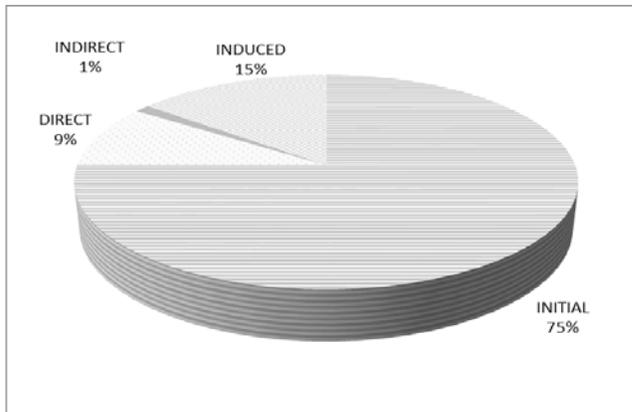


Effect on Earnings from adding \$45,900,000 sales in Data Processing, Hosting, and Related Services (518210)

Initial	Direct	Indirect	Induced
\$15,739,781	\$2,318,635	\$226,566	\$3,374,262
1.00 Multiplier	0.15 Multiplier	0.01 Multiplier	0.21 Multiplier



Effect on Sales from adding \$45,900,000 sales in Data Processing, Hosting, and Related Services (518210)



Attachment 1

ECONOMIC ANALYSIS PROGRAM

OPERATIONS

Effect on Jobs from adding \$45,900,000 sales in Data Processing, Hosting, and Related Services (518210)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	0	1	0	5
31-33	Manufacturing	7,475	0	1	0	1
42	Wholesale Trade	3,509	0	1	0	1
44-45	Retail Trade	16,701	0	2	0	17
48-49	Transportation and Warehousing	2,156	0	3	0	1
51	Information	1,776	670	1	0	1
52	Finance and Insurance	5,879	0	2	1	3
53	Real Estate and Rental and Leasing	9,577	0	6	1	6
54	Professional, Scientific, and Technical Services	10,888	0	12	1	4
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support and Waste Management and	8,417	0	30	2	3
61	Educational Services (Private)	3,992	0	1	0	6
62	Health Care and Social Assistance	13,490	0	0	0	17
71	Arts, Entertainment, and Recreation	3,712	0	2	0	2
72	Accommodation and Food Services	14,675	0	11	1	13
81	Other Services (except Public Administration)	11,011	0	5	0	9
90	Government	21,002	0	1	0	6
		154,503	670	79	6	95
						850

Scenario Results - Occupation

SOC	Occupation	Change in Jobs
11-0000	Management Occupations	69
13-0000	Business and Financial Operations Occupations	57
15-0000	Computer and Mathematical Occupations	173
17-0000	Architecture and Engineering Occupations	8
19-0000	Life, Physical, and Social Science Occupations	2
21-0000	Community and Social Service Occupations	2
23-0000	Legal Occupations	2
25-0000	Education, Training, and Library Occupations	5
27-0000	Arts, Design, Entertainment, Sports, and Media Occupatio	23
29-0000	Healthcare Practitioners and Technical Occupations	8
31-0000	Healthcare Support Occupations	4
33-0000	Protective Service Occupations	2
35-0000	Food Preparation and Serving Related Occupations	20
37-0000	Building and Grounds Cleaning and Maintenance Occupat	19
39-0000	Personal Care and Service Occupations	8
41-0000	Sales and Related Occupations	74
43-0000	Office and Administrative Support Occupations	339
45-0000	Farming, Fishing, and Forestry Occupations	1
47-0000	Construction and Extraction Occupations	5
49-0000	Installation, Maintenance, and Repair Occupations	9
51-0000	Production Occupations	10
53-0000	Transportation and Material Moving Occupations	9
55-0000	Military occupations	0
99-0000	Unclassified Occupation	1
		850

Scenario Results - Demographic

Demographic	Change in Jobs	
Male 14-18	3	
Female 14-18	5	
Male 19-21	10	
Female 19-21	8	
Male 22-24	96	
Female 22-24	43	
Male 25-34	156	
Female 25-34	68	
Male 35-44	182	
Female 35-44	76	
Male 45-54	43	
Female 45-54	54	
Male 55-64	33	
Female 55-64	47	
Male 65-99	17	
Female 65-99	8	
		849

Attachment 1
ECONOMIC ANALYSIS PROGRAM
OPERATIONS

Effect on Earnings from adding \$45,900,000 sales in Data Processing, Hosting, and Related Services (518210)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$20	\$919	\$9,079
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$103	\$2,506	\$1,789
22	Utilities	\$374,828,846	\$0	\$3,260	\$2,175	\$27,517
23	Construction	\$444,351,885	\$0	\$28,459	\$6,164	\$252,612
31-33	Manufacturing	\$450,101,296	\$0	\$47,189	\$5,412	\$47,320
42	Wholesale Trade	\$193,194,090	\$0	\$30,688	\$5,422	\$73,534
44-45	Retail Trade	\$518,210,923	\$0	\$60,626	\$6,425	\$518,937
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$102,774	\$7,127	\$31,726
51	Information	\$85,868,093	\$15,739,781	\$50,351	\$6,260	\$37,896
52	Finance and Insurance	\$272,855,315	\$0	\$90,641	\$27,159	\$151,316
53	Real Estate and Rental and Leasing	\$221,417,306	\$0	\$160,013	\$18,515	\$134,191
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$533,786	\$54,305	\$168,945
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$10,583	\$4,173	\$4,318
56	Administrative and Support and Waste Management and	\$213,790,952	\$0	\$723,502	\$43,910	\$69,050
61	Educational Services (Private)	\$61,206,576	\$0	\$13,847	\$712	\$98,104
62	Health Care and Social Assistance	\$711,600,367	\$0	\$9,569	\$404	\$888,965
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$28,569	\$4,542	\$37,283
72	Accommodation and Food Services	\$301,579,107	\$0	\$221,307	\$15,822	\$250,581
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$158,904	\$10,132	\$189,950
90	Government	\$1,337,614,755	\$0	\$44,445	\$4,482	\$381,147
		\$6,363,149,840	\$15,739,781	\$2,318,636	\$226,566	\$3,374,260
						\$21,659,243

Effect on Sales from adding \$45,900,000 sales in Data Processing, Hosting, and Related Services (518210)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$92	\$2,018	\$28,747
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$458	\$10,404	\$7,907
22	Utilities	\$2,170,513,281	\$0	\$16,872	\$12,062	\$155,198
23	Construction	\$930,844,524	\$0	\$59,617	\$12,912	\$529,181
31-33	Manufacturing	\$3,701,988,530	\$0	\$233,569	\$87,868	\$500,813
42	Wholesale Trade	\$525,878,843	\$0	\$83,525	\$14,757	\$200,143
44-45	Retail Trade	\$1,277,934,202	\$0	\$149,509	\$15,845	\$1,279,756
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$235,061	\$17,356	\$85,033
51	Information	\$391,560,074	\$45,900,000	\$270,485	\$28,465	\$180,729
52	Finance and Insurance	\$897,796,334	\$0	\$409,052	\$96,486	\$550,690
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$0	\$913,920	\$104,605	\$725,226
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$911,999	\$95,484	\$302,649
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$19,414	\$7,656	\$7,922
56	Administrative and Support and Waste Management and	\$423,093,708	\$0	\$1,200,066	\$78,784	\$134,107
61	Educational Services (Private)	\$100,954,777	\$0	\$22,791	\$1,241	\$161,443
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$17,090	\$748	\$1,585,423
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$54,639	\$8,588	\$87,345
72	Accommodation and Food Services	\$953,146,303	\$0	\$723,974	\$49,773	\$771,527
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$307,050	\$19,760	\$363,606
90	Government	\$5,162,216,341	\$0	\$73,746	\$7,437	\$1,134,871
		\$21,588,950,216	\$45,900,000	\$5,702,929	\$672,249	\$8,792,316
						\$61,067,494

Attachment 1

ECONOMIC ANALYSIS PROGRAM		
Project Description		
Applicant:	Pacifica Companies	Permit Number: 10-003
Project Descriptic	Grover Beach Lodge and Conference Center	
<p>This phased commercial project consists of a Hotel, Restaurant and Conference Center situated between State Highway 1 and the Pacific Ocean in the city of Grover Beach, at the terminus of West Grand Avenue at Pismo State Beach. The permit request consists of a Zoning Ordinance Amendment, Local Coastal Program Amendment, Coastal Development Permit, Use Permit, and Architectural Approval.</p>		
Summary:		
<p>The city currently does not have any lodging facilities within the Coastal Zone. The proposed project is a vital part of the City of Grover Beach's efforts to increase visitor serving uses within the Coastal Zone. In addition, the current visitor facilities within Pismo State Beach are in need of repair and new improvements would enhance visitors' experiences. In order to achieve both objectives, the project is made up of two components: (1) lodge improvements, and (2) existing State Park visitor facilities improvements within the project area, which together have been comprehensively planned to improve the overall usability and experience for the public.</p> <p>Additional project goals:</p> <ul style="list-style-type: none"> * LEED Certification at a level of Silver (by design it will be required to be energy efficient) * Comprehensively plan the entire area to include the existing Fin's Restaurant (building, patio, and parking) as well as State Park's picnic area in project plans with the goal of enhancing the visitor experience. * Integrate the golf course uses existing within the project area, including the golf parking, golf pro-shop, a new golf course practice green, and similar ancillary uses. * Provide paths and seating areas within the project area to enjoy the outdoors and view shed. * Provide connection to the existing Grover Beach/Pismo Beach Boardwalk. * Provide beachfront amenities to correspond with the lodge and conference center, including visitor serving uses that are available both to lodge guests and beachfront visitors. * Provide visitor serving uses including restaurants, public viewing area, gift shop, beach equipment rentals, etc. 		
Construction Cost Estimate		
HOTEL		\$13,687,500
RESTAURANT		\$797,000
CONFERENCE CENTER		\$1,305,000
OVERALL		\$15,789,500
Jobs Estimate ²		
	Construction	Operation
HOTEL	134	80
RESTAURANT	8	55
CONFERENCE CENTER	13	4
OVERALL	155	139
TOTAL JOB GROWTH		294

Attachment 1

Annual Sales Revenue ³			
HOTEL			\$5,373,700
RESTAURANT			\$2,750,000
CONFERENCE CENTER			\$556,500
OVERALL			\$8,680,200
Sales Tax Revenue Estimate - HOTEL			
Jurisdiction:	Grover Beach	EMSI Model Output	
Tax Rate:	1.25%	Construction:	\$18,443,299
Sales Tax Revenue:	\$322,691	Operation:	\$7,371,965
Sales Tax Revenue Estimate - RESTAURANT			
Jurisdiction:	Grover Beach	EMSI Model Output	
Tax Rate:	1.25%	Construction:	\$1,073,880
Sales Tax Revenue:	\$58,895.05	Operation:	\$3,637,724
Sales Tax Revenue Estimate - CONFERENCE CENTER			
Jurisdiction:	Grover Beach	EMSI Model Output	
Tax Rate:	1.25%	Construction:	\$1,758,366
Sales Tax Revenue:	\$31,160.43	Operation:	\$734,468
Sales Tax Revenue Estimate - OVERALL			
Jurisdiction:	Grover Beach	EMSI Model Output	
Tax Rate:	1.25%	Construction:	\$21,275,545
Sales Tax Revenue:	\$412,746.28	Operation:	\$11,744,157
TOTAL IMPACT	\$ 412,746	TOTAL IMPACT	\$33,432,448
Methodology: Estimated Annual Sales Revenue per square foot.			
Property Tax Valuation			
Existing Value (County Assessor):	Unknown		
Construction Cost - CostWorks:	\$15,789,500		
Estimated Value: Possessory Interest to be determined.			
1. Conceptual construction cost estimate based upon historical costs, building type, location, square footage, wall frame type, number of stories, height of stories.			
2. Based upon Full -Time Equivalent.			
3. Annual sales revenue based upon applicant estimate of revenues per square foot for each use, as defined in the economic impact study prepared by David Tausigg & Associates, Inc., April 23, 2012.			

Changes to Commercial and Institutional Building Construction (236220)**CONSTRUCTION - HOTEL**

Change in Earnings	Change in Jobs	Average Earnings Per Job
\$8,227,778	134	\$61,305
1.26 Multiplier	1.52 multiplier	

Changes to New Multifamily Housing Construction (236116)**CONSTRUCTION - RESTAURANT**

Change in Earnings	Change in Jobs	Average Earnings Per Job
\$479,072	8	\$61,305
1.26 Multiplier	1.52 Multiplier	

Changes to New Multifamily Housing Construction (236116)**CONSTRUCTION - CONVENTION CENTER**

Change in Earnings	Change in Jobs	Average Earnings Per Job
\$784,428	13	\$61,305
1.26 Multiplier	1.52 Multiplier	

Changes to Hotels (except Casino Hotels) and Motels (721110)**OPERATIONS - HOTEL**

Change in Earnings	Change in Jobs	Average Earnings Per Job
\$2,180,694	80	\$27,218
1.53 Multiplier	1.35 multiplier	

Changes to Full Service Restaurants (722110)**OPERATIONS - RESTAURANT**

Change in Earnings	Change in Jobs	Average Earnings Per Job
\$1,267,544	55	\$22,960
1.33 Multiplier	1.19 Multiplier	

Changes to Lessors of Nonresidential Buildings (except Miniwarehouse) (531120)**OPERATIONS - CONVENTION CENTER**

Change in Earnings	Change in Jobs	Average Earnings Per Job
\$159,731	4	\$44,961
1.65 Multiplier	1.89 Multiplier	

"INITIAL" - Actual impact - One job added, additional sales or earnings to an industry.

"DIRECT" - Industry transactions - Direct impacts take place only in the industry immediately impacted and consist of permanent jobs, wages and output of the event itself.

"INDIRECT" - Inter-Industry transactions - Indirect impacts are the jobs, wages and output created by businesses, which provide goods and services essential to the construction of the project, the special event, tourist activity, or to the new company.

"INDUCED" - Impacts to household income - Induced impacts are the result of spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation and medical services.

Attachment 1

ECONOMIC ANALYSIS PROGRAM
CLUSTER IMPACTS

Building Design & Construction

PRIMARY IMPACTS

BD&C 2 - Permitting process balances economic vitality and environmental well-being, and results in more approvals of high-quality projects.
BD&C 8 - Increasing resource savings and efficiency in County due to innovative design and building

SECONDARY IMPACTS

None

Green Energy

PRIMARY IMPACTS

GET 9 - Become recognized leader in green energy in a way that attracts national and international attention, investment, and other benefits (e.g., ecotourism).

SECONDARY IMPACTS

LEED Silver Certification results in buildings that by nature are more efficient (waste, water and energy).

Health Services

PRIMARY IMPACTS

None

SECONDARY IMPACTS

Provides lodging and conference services for industry and visiting clients.

Knowledge Innovation

PRIMARY IMPACTS

None

SECONDARY IMPACTS

Provides lodging and conference services for industry and visiting clients.

Specialized Manufacturing

PRIMARY IMPACTS

None

SECONDARY IMPACTS

Provides lodging and conference services for industry and visiting clients.

Uniquely SLO

PRIMARY IMPACTS

US 1 - Increase in awareness of the full range of cluster assets within County among residents, governments, businesses, as well as among potential tourists outside the County.
US 5 - Increase in packaging of multiple specialties into unique SLO County experiences (e.g., connecting wine, food, entertainment, cultural, educational, environmental, recreational assets in different combinations).
US 6 - Increase in events with local interest marketed outside the area, resulting in more people traveling to the County and more local residents venturing outside their immediate community to participate.
US 7 - Increase in occupancy rates, deplanements, entrance into state parks.
US 8 - Increase in visitor length of stay.
US 10 - Increase in sales of local products in local restaurants, retail outlets, schools, hospitals, etc..
US 11 - Increase in tourism driven revenues for local jurisdictions.

SECONDARY IMPACTS

None

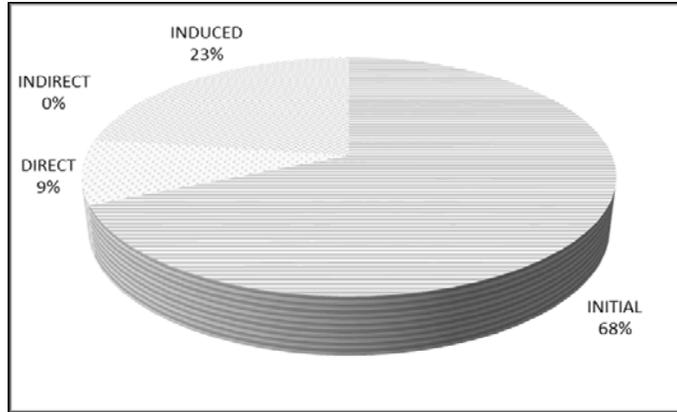
All Clusters

Indirect and induced economic benefit through job creation, increased earnings and sales revenue.

**ECONOMIC ANALYSIS PROGRAM
CONSTRUCTION**

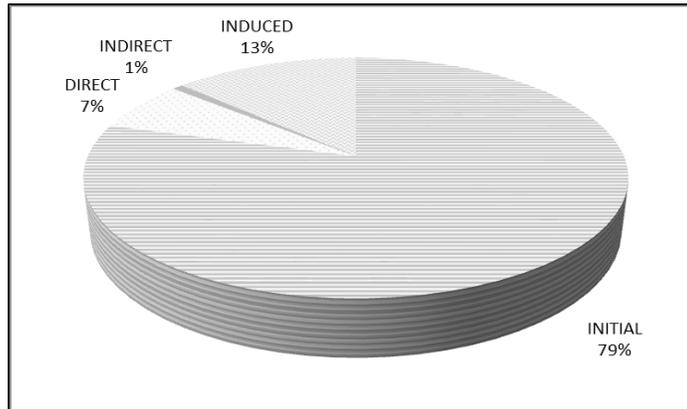
Effect on Jobs from adding \$15,790,000 sales in Commercial and Institutional Building Construction (236220)

INITIAL	DIRECT	INDIRECT	INDUCED
102	15	2	36
1.00 Multiplier	0.15 Multiplier	0.02 Multiplier	0.35 Multiplier

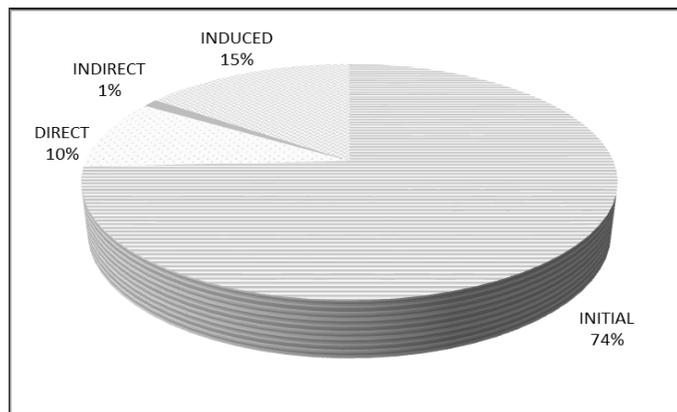


Effect on Earnings from adding \$15,790,000 sales in Commercial and Institutional Building Construction (236220)

INITIAL	DIRECT	INDIRECT	INDUCED
\$7,537,581	\$647,335	\$72,198	\$1,234,163
1.00 Multiplier	0.09 Multiplier	0.01 Multiplier	0.16 Multiplier



Effect on Sales from adding \$15,790,000 sales in Commercial and Institutional Building Construction (236220)



Attachment 1

ECONOMIC ANALYSIS PROGRAM
CONSTRUCTION

Effect on Jobs from adding \$15,790,000 sales in Commercial and Institutional Building Construction (236220)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	102	0	0	1
31-33	Manufacturing	7,475	0	2	0	0
42	Wholesale Trade	3,509	0	0	0	1
44-45	Retail Trade	16,701	0	4	0	7
48-49	Transportation and Warehousing	2,156	0	0	0	0
51	Information	1,776	0	0	0	0
52	Finance and Insurance	5,879	0	0	0	1
53	Real Estate and Rental and Leasing	9,577	0	1	0	2
54	Professional, Scientific, and Technical Services	10,888	0	4	0	1
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support and Waste Management and Remediation	8,417	0	1	0	1
61	Educational Services (Private)	3,992	0	0	0	2
62	Health Care and Social Assistance	13,490	0	0	0	7
71	Arts, Entertainment, and Recreation	3,712	0	0	0	1
72	Accommodation and Food Services	14,675	0	0	0	5
81	Other Services (except Public Administration)	11,011	0	1	0	3
90	Government	21,002	0	0	0	2
		154,503	102	13	0	34
						149

Scenario Results - Occupation

SOC	Occupation	Change in Jobs
11-0000	Management Occupations	19
13-0000	Business and Financial Operations Occupations	6
15-0000	Computer and Mathematical Occupations	1
17-0000	Architecture and Engineering Occupations	6
19-0000	Life, Physical, and Social Science Occupations	0
21-0000	Community and Social Service Occupations	1
23-0000	Legal Occupations	0
25-0000	Education, Training, and Library Occupations	2
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	2
29-0000	Healthcare Practitioners and Technical Occupations	3
31-0000	Healthcare Support Occupations	1
33-0000	Protective Service Occupations	1
35-0000	Food Preparation and Serving Related Occupations	5
37-0000	Building and Grounds Cleaning and Maintenance Occupations	4
39-0000	Personal Care and Service Occupations	3
41-0000	Sales and Related Occupations	12
43-0000	Office and Administrative Support Occupations	17
45-0000	Farming, Fishing, and Forestry Occupations	0
47-0000	Construction and Extraction Occupations	62
49-0000	Installation, Maintenance, and Repair Occupations	4
51-0000	Production Occupations	3
53-0000	Transportation and Material Moving Occupations	3
55-0000	Military occupations	0
99-0000	Unclassified Occupation	0
		155

Scenario Results - Demographic

Demographic	Change in Jobs
Male 14-18	1
Female 14-18	3
Male 19-21	4
Female 19-21	3
Male 22-24	6
Female 22-24	3
Male 25-34	25
Female 25-34	10
Male 35-44	24
Female 35-44	8
Male 45-54	25
Female 45-54	10
Male 55-64	18
Female 55-64	7
Male 65-99	4
Female 65-99	5
	156

Attachment 1

ECONOMIC ANALYSIS PROGRAM

CONSTRUCTION

Effect on Earnings from adding \$15,790,000 sales in Commercial and Institutional Building Construction (236220)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$747	\$224	\$3,642
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$21,072	\$5,937	\$465
22	Utilities	\$374,828,846	\$0	\$2,199	\$910	\$11,038
23	Construction	\$444,351,885	\$7,537,581	\$2,697	\$1,722	\$58,701
31-33	Manufacturing	\$450,101,296	\$0	\$110,706	\$2,939	\$15,995
42	Wholesale Trade	\$193,194,090	\$0	\$23,480	\$2,753	\$26,787
44-45	Retail Trade	\$518,210,923	\$0	\$127,607	\$1,574	\$203,759
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$10,786	\$3,984	\$12,016
51	Information	\$85,868,093	\$0	\$6,508	\$1,261	\$14,798
52	Finance and Insurance	\$272,855,315	\$0	\$19,790	\$7,084	\$49,315
53	Real Estate and Rental and Leasing	\$221,417,306	\$0	\$29,190	\$5,049	\$48,800
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$210,101	\$17,992	\$57,022
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$1,342	\$1,212	\$1,615
56	Administrative and Support and Waste Management and Remec	\$213,790,952	\$0	\$34,972	\$11,127	\$24,866
61	Educational Services (Private)	\$61,206,576	\$0	\$406	\$241	\$37,987
62	Health Care and Social Assistance	\$711,600,367	\$0	\$2,351	\$125	\$359,213
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$2,493	\$820	\$14,735
72	Accommodation and Food Services	\$301,579,107	\$0	\$6,665	\$3,491	\$100,163
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$33,660	\$2,543	\$74,282
90	Government	\$1,337,614,755	\$0	\$561	\$1,208	\$118,963
		\$6,363,149,840	\$7,537,581	\$647,333	\$72,196	\$1,234,162
						\$9,491,272

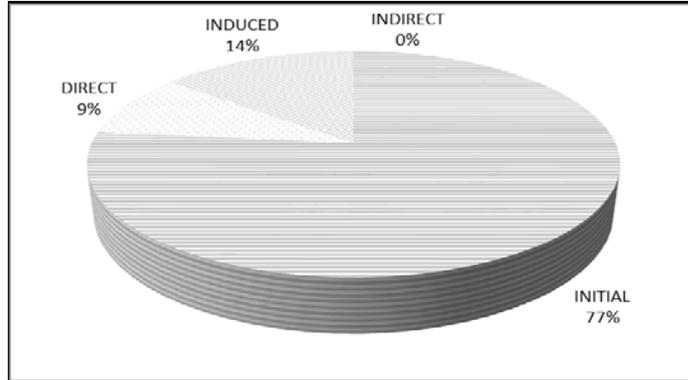
Effect on Sales from adding \$15,790,000 sales in Commercial and Institutional Building Construction (236220)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$3,301	\$508	\$11,546
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$92,951	\$24,809	\$2,066
22	Utilities	\$2,170,513,281	\$0	\$12,431	\$5,385	\$62,321
23	Construction	\$930,844,524	\$15,790,000	\$5,651	\$3,607	\$122,969
31-33	Manufacturing	\$3,701,988,530	\$0	\$714,438	\$41,919	\$186,749
42	Wholesale Trade	\$525,878,843	\$0	\$63,907	\$7,493	\$72,909
44-45	Retail Trade	\$1,277,934,202	\$0	\$314,690	\$3,882	\$502,496
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$31,958	\$10,509	\$31,972
51	Information	\$391,560,074	\$0	\$32,893	\$5,702	\$70,676
52	Finance and Insurance	\$897,796,334	\$0	\$86,735	\$25,899	\$179,375
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$0	\$143,995	\$28,522	\$262,035
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$378,391	\$31,801	\$103,304
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$2,462	\$2,224	\$2,963
56	Administrative and Support and Waste Management and Remec	\$423,093,708	\$0	\$66,852	\$19,965	\$48,410
61	Educational Services (Private)	\$100,954,777	\$0	\$692	\$420	\$62,480
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$4,060	\$232	\$640,853
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$4,584	\$1,541	\$34,554
72	Accommodation and Food Services	\$953,146,303	\$0	\$21,580	\$10,985	\$308,312
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$68,102	\$5,045	\$142,264
90	Government	\$5,162,216,341	\$0	\$931	\$2,005	\$354,232
		\$21,588,950,216	\$15,790,000	\$2,050,604	\$232,453	\$3,202,486
						\$21,275,543

Attachment 1
ECONOMIC ANALYSIS PROGRAM
CONSTRUCTION

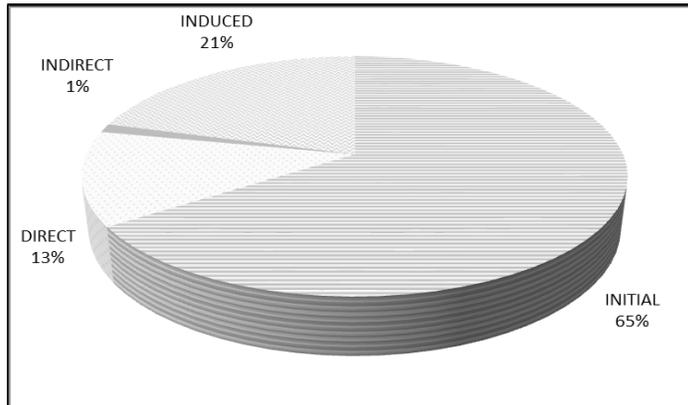
Effect on Jobs from adding \$5,374,000 sales in Hotels (except Casino Hotels) and Motels (721110)

Initial	Direct	Indirect	Induced
59	9	1	11
1.00 Multiplier	0.15 Multiplier	0.02 Multiplier	0.19 Multiplier

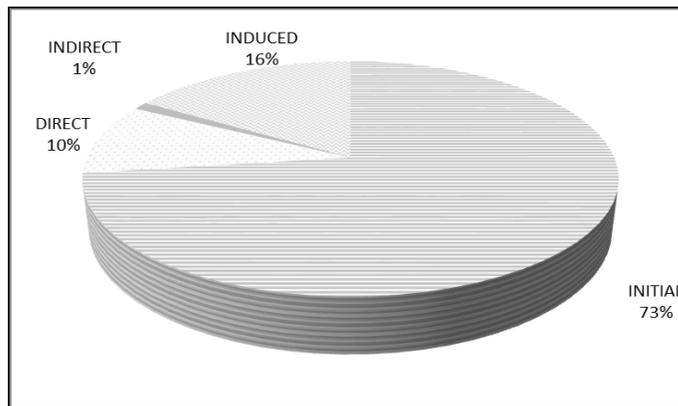


Effect on Earnings from adding \$5,374,000 sales in Hotels (except Casino Hotels) and Motels (721110)

Initial	Direct	Indirect	Induced
\$1,428,284	\$277,335	\$25,178	\$449,898
1.00 Multiplier	0.15 Multiplier	0.02 Multiplier	0.19 Multiplier



Effect on Sales from adding \$5,374,000 sales in Hotels (except Casino Hotels) and Motels (721110)



Attachment 1

ECONOMIC ANALYSIS PROGRAM
OPERATIONS

Effect on Jobs from adding \$5,374,000 sales in Hotels (except Casino Hotels) and Motels (721110)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	0	0	0	1
31-33	Manufacturing	7,475	0	0	0	0
42	Wholesale Trade	3,509	0	0	0	0
44-45	Retail Trade	16,701	0	0	0	2
48-49	Transportation and Warehousing	2,156	0	0	0	0
51	Information	1,776	0	0	0	0
52	Finance and Insurance	5,879	0	0	0	0
53	Real Estate and Rental and Leasing	9,577	0	1	0	1
54	Professional, Scientific, and Technical Services	10,888	0	2	0	0
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support and Waste Management a	8,417	0	2	0	0
61	Educational Services (Private)	3,992	0	0	0	1
62	Health Care and Social Assistance	13,490	0	0	0	2
71	Arts, Entertainment, and Recreation	3,712	0	0	0	0
72	Accommodation and Food Services	14,675	59	1	0	1
81	Other Services (except Public Administration)	11,011	0	1	0	1
90	Government	21,002	0	0	0	2
		154,503	59	7	0	11
						77

Scenario Results - Occupation

SOC	Occupation	Change in Jobs
11-0000	Management Occupations	7
13-0000	Business and Financial Operations Occupations	2
15-0000	Computer and Mathematical Occupations	0
17-0000	Architecture and Engineering Occupations	0
19-0000	Life, Physical, and Social Science Occupations	0
21-0000	Community and Social Service Occupations	0
23-0000	Legal Occupations	0
25-0000	Education, Training, and Library Occupations	1
27-0000	Arts, Design, Entertainment, Sports, and Media Occup.	2
29-0000	Healthcare Practitioners and Technical Occupations	1
31-0000	Healthcare Support Occupations	0
33-0000	Protective Service Occupations	2
35-0000	Food Preparation and Serving Related Occupations	13
37-0000	Building and Grounds Cleaning and Maintenance Occu	25
39-0000	Personal Care and Service Occupations	2
41-0000	Sales and Related Occupations	4
43-0000	Office and Administrative Support Occupations	15
45-0000	Farming, Fishing, and Forestry Occupations	0
47-0000	Construction and Extraction Occupations	1
49-0000	Installation, Maintenance, and Repair Occupations	2
51-0000	Production Occupations	1
53-0000	Transportation and Material Moving Occupations	1
55-0000	Military occupations	0
99-0000	Unclassified Occupation	0
		79

Scenario Results - Demographic

Demographic	Change in Jobs
Male 14-18	2
Female 14-18	2
Male 19-21	4
Female 19-21	7
Male 22-24	5
Female 22-24	5
Male 25-34	7
Female 25-34	9
Male 35-44	5
Female 35-44	7
Male 45-54	6
Female 45-54	8
Male 55-64	4
Female 55-64	5
Male 65-99	3
Female 65-99	3
	82

Attachment 1

ECONOMIC ANALYSIS PROGRAM

OPERATIONS

Effect on Earnings from adding \$5,374,000 sales in Hotels (except Casino Hotels) and Motels (721110)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$2,152	\$180	\$870
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$12	\$99	\$231
22	Utilities	\$374,828,846	\$0	\$7,389	\$271	\$2,616
23	Construction	\$444,351,885	\$0	\$14,345	\$766	\$37,756
31-33	Manufacturing	\$450,101,296	\$0	\$4,160	\$870	\$5,172
42	Wholesale Trade	\$193,194,090	\$0	\$2,814	\$546	\$7,613
44-45	Retail Trade	\$518,210,923	\$0	\$5,420	\$848	\$49,540
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$2,579	\$710	\$3,201
51	Information	\$85,868,093	\$0	\$7,991	\$858	\$3,714
52	Finance and Insurance	\$272,855,315	\$0	\$6,508	\$2,858	\$13,834
53	Real Estate and Rental and Leasing	\$221,417,306	\$0	\$17,813	\$2,278	\$13,559
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$82,504	\$6,347	\$18,328
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$10,959	\$333	\$429
56	Administrative and Support and Waste Management a	\$213,790,952	\$0	\$51,164	\$4,440	\$7,120
61	Educational Services (Private)	\$61,206,576	\$0	\$446	\$102	\$10,870
62	Health Care and Social Assistance	\$711,600,367	\$0	\$374	\$44	\$82,354
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$6,446	\$732	\$3,509
72	Accommodation and Food Services	\$301,579,107	\$1,428,284	\$24,957	\$1,373	\$24,483
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$14,517	\$1,108	\$17,942
90	Government	\$1,337,614,755	\$0	\$14,787	\$415	\$146,757
		\$6,363,149,840	\$1,428,284	\$277,337	\$25,178	\$449,898
						\$2,180,697

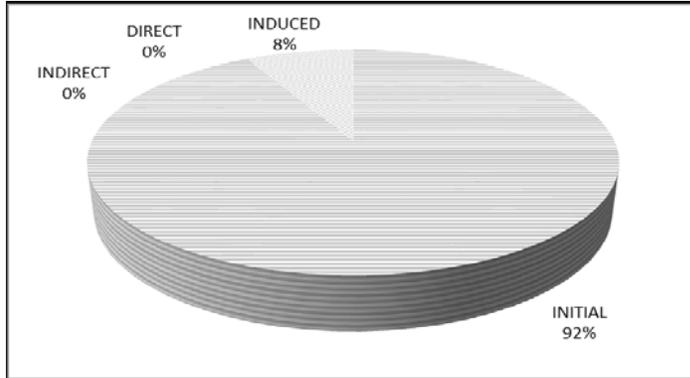
Effect on Sales from adding \$5,374,000 sales in Hotels (except Casino Hotels) and Motels (721110)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$4,144	\$463	\$2,732
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$56	\$446	\$1,019
22	Utilities	\$2,170,513,281	\$0	\$40,522	\$1,505	\$14,738
23	Construction	\$930,844,524	\$0	\$30,050	\$1,606	\$79,092
31-33	Manufacturing	\$3,701,988,530	\$0	\$50,337	\$12,716	\$51,970
42	Wholesale Trade	\$525,878,843	\$0	\$7,658	\$1,485	\$20,720
44-45	Retail Trade	\$1,277,934,202	\$0	\$13,366	\$2,091	\$122,172
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$6,404	\$1,771	\$8,618
51	Information	\$391,560,074	\$0	\$32,965	\$3,720	\$17,709
52	Finance and Insurance	\$897,796,334	\$0	\$25,775	\$9,989	\$50,199
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$0	\$103,206	\$12,997	\$73,548
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$147,040	\$11,237	\$32,548
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$20,105	\$610	\$788
56	Administrative and Support and Waste Management a	\$423,093,708	\$0	\$103,234	\$8,333	\$13,889
61	Educational Services (Private)	\$100,954,777	\$0	\$732	\$180	\$17,915
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$703	\$81	\$146,704
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$11,534	\$1,380	\$8,204
72	Accommodation and Food Services	\$953,146,303	\$5,374,000	\$75,337	\$4,311	\$75,503
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$27,297	\$2,150	\$34,344
90	Government	\$5,162,216,341	\$0	\$24,535	\$689	\$422,793
		\$21,588,950,216	\$5,374,000	\$725,000	\$77,760	\$1,195,205
						\$7,371,965

Attachment 1
ECONOMIC ANALYSIS PROGRAM
CONSTRUCTION

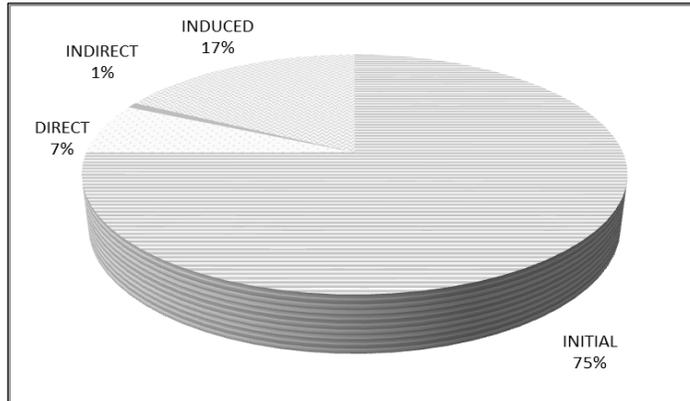
Effect on Jobs from adding \$2,750,000 sales in Full-Service Restaurants (722110)

Initial	Direct	Indirect	Induced
47	3	0	6
1.00 Multiplier	0.06 Multiplier	0.00 Multiplier	0.13 Multiplier

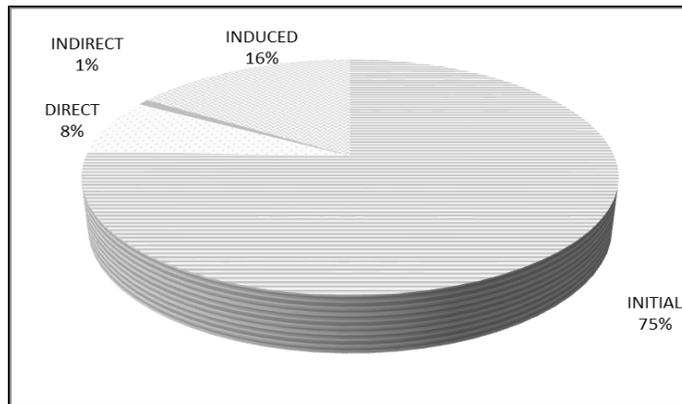


Effect on Earnings from adding \$2,750,000 sales in Full-Service Restaurants (722110)

Initial	Direct	Indirect	Induced
\$950,124	\$87,937	\$9,142	\$220,341
1.00 Multiplier	0.09 Multiplier	0.01 Multiplier	0.23 Multiplier



Effect on Sales from adding \$2,750,000 sales in Full-Service Restaurants (722110)



Attachment 1

**ECONOMIC ANALYSIS PROGRAM
OPERATIONS**

Effect on Jobs from adding \$2,750,000 sales in Full-Service Restaurants (722110)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	0	0	0	0
31-33	Manufacturing	7,475	0	0	0	0
42	Wholesale Trade	3,509	0	0	0	0
44-45	Retail Trade	16,701	0	0	0	1
48-49	Transportation and Warehousing	2,156	0	0	0	0
51	Information	1,776	0	0	0	0
52	Finance and Insurance	5,879	0	0	0	0
53	Real Estate and Rental and Leasing	9,577	0	0	0	0
54	Professional, Scientific, and Technical Services	10,888	0	0	0	0
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support, Waste Mgmt & Remediat	8,417	0	0	0	0
61	Educational Services (Private)	3,992	0	0	0	0
62	Health Care and Social Assistance	13,490	0	0	0	1
71	Arts, Entertainment, and Recreation	3,712	0	0	0	0
72	Accommodation and Food Services	14,675	47	0	0	1
81	Other Services (except Public Administration)	11,011	0	0	0	0
90	Government	21,002	0	0	0	1
		<u>154,503</u>	<u>47</u>	<u>0</u>	<u>0</u>	<u>4</u>
						51

Scenario Results - Occupation

SOC	Occupation	Change in Jobs
11-0000	Management Occupations	2
13-0000	Business and Financial Operations Occupations	0
15-0000	Computer and Mathematical Occupations	0
17-0000	Architecture and Engineering Occupations	0
19-0000	Life, Physical, and Social Science Occupations	0
21-0000	Community and Social Service Occupations	0
23-0000	Legal Occupations	0
25-0000	Education, Training, and Library Occupations	0
27-0000	Arts, Design, Entertainment, Sports, and Media Occup	0
29-0000	Healthcare Practitioners and Technical Occupations	0
31-0000	Healthcare Support Occupations	0
33-0000	Protective Service Occupations	0
35-0000	Food Preparation and Serving Related Occupations	44
37-0000	Building and Grounds Cleaning and Maintenance Occu	1
39-0000	Personal Care and Service Occupations	0
41-0000	Sales and Related Occupations	2
43-0000	Office and Administrative Support Occupations	1
45-0000	Farming, Fishing, and Forestry Occupations	0
47-0000	Construction and Extraction Occupations	0
49-0000	Installation, Maintenance, and Repair Occupations	0
51-0000	Production Occupations	0
53-0000	Transportation and Material Moving Occupations	0
55-0000	Military occupations	0
99-0000	Unclassified Occupation	0
		<u>50</u>

Scenario Results - Demographic

Demographic	Change in Jobs
Male 14-18	2
Female 14-18	3
Male 19-21	4
Female 19-21	6
Male 22-24	3
Female 22-24	5
Male 25-34	6
Female 25-34	7
Male 35-44	4
Female 35-44	4
Male 45-54	3
Female 45-54	4
Male 55-64	2
Female 55-64	2
Male 65-99	1
Female 65-99	1
	<u>57</u>

Attachment 1

ECONOMIC ANALYSIS PROGRAM

OPERATIONS

Effect on Earnings from adding \$2,750,000 sales in Full-Service Restaurants (722110)

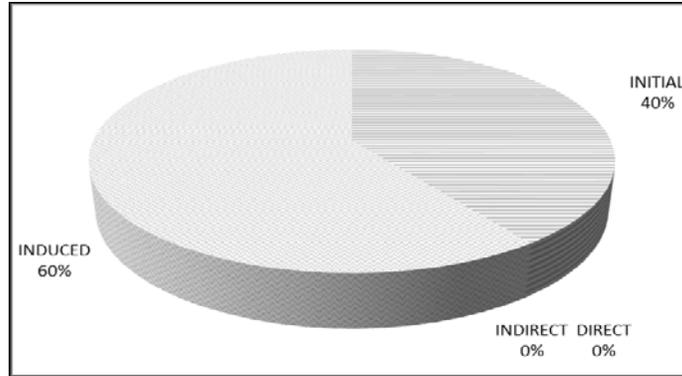
NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$4,413	\$170	\$462
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$19	\$60	\$138
22	Utilities	\$374,828,846	\$0	\$1,834	\$117	\$1,337
23	Construction	\$444,351,885	\$0	\$2,182	\$321	\$23,047
31-33	Manufacturing	\$450,101,296	\$0	\$5,911	\$507	\$3,008
42	Wholesale Trade	\$193,194,090	\$0	\$5,624	\$327	\$4,294
44-45	Retail Trade	\$518,210,923	\$0	\$5,218	\$236	\$26,121
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$1,750	\$335	\$1,734
51	Information	\$85,868,093	\$0	\$2,402	\$244	\$2,001
52	Finance and Insurance	\$272,855,315	\$0	\$2,235	\$1,105	\$6,802
53	Real Estate and Rental and Leasing	\$221,417,306	\$0	\$10,939	\$869	\$7,815
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$19,264	\$2,004	\$10,248
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$2,758	\$149	\$231
56	Administrative and Support and Waste Management ;	\$213,790,952	\$0	\$8,109	\$1,522	\$3,676
61	Educational Services (Private)	\$61,206,576	\$0	\$134	\$37	\$7,187
62	Health Care and Social Assistance	\$711,600,367	\$0	\$159	\$13	\$41,563
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$2,022	\$238	\$1,802
72	Accommodation and Food Services	\$301,579,107	\$950,124	\$4,554	\$421	\$13,275
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$4,185	\$316	\$9,347
90	Government	\$1,337,614,755	\$0	\$4,224	\$148	\$56,254
		\$6,363,149,840	\$950,124	\$87,936	\$9,139	\$220,342
						\$1,267,541

Effect on Sales from adding \$2,750,000 sales in Full-Service Restaurants (722110)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$8,952	\$528	\$1,450
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$88	\$259	\$608
22	Utilities	\$2,170,513,281	\$0	\$10,028	\$652	\$7,507
23	Construction	\$930,844,524	\$0	\$4,570	\$672	\$48,279
31-33	Manufacturing	\$3,701,988,530	\$0	\$48,522	\$5,693	\$28,768
42	Wholesale Trade	\$525,878,843	\$0	\$15,306	\$890	\$11,688
44-45	Retail Trade	\$1,277,934,202	\$0	\$12,869	\$582	\$64,417
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$4,829	\$842	\$4,692
51	Information	\$391,560,074	\$0	\$10,054	\$1,055	\$9,547
52	Finance and Insurance	\$897,796,334	\$0	\$9,182	\$3,864	\$24,479
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$0	\$64,670	\$4,992	\$42,756
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$33,836	\$3,549	\$18,065
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$5,059	\$274	\$424
56	Administrative and Support, Waste Mgmt & Remedial	\$423,093,708	\$0	\$15,774	\$2,909	\$7,150
61	Educational Services (Private)	\$100,954,777	\$0	\$221	\$65	\$11,854
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$286	\$24	\$73,710
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$4,211	\$437	\$4,213
72	Accommodation and Food Services	\$953,146,303	\$2,750,000	\$14,312	\$1,319	\$40,760
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$7,943	\$618	\$17,906
90	Government	\$5,162,216,341	\$0	\$7,009	\$246	\$162,260
		\$21,588,950,216	\$2,750,000	\$277,721	\$29,470	\$580,533
						\$3,637,724

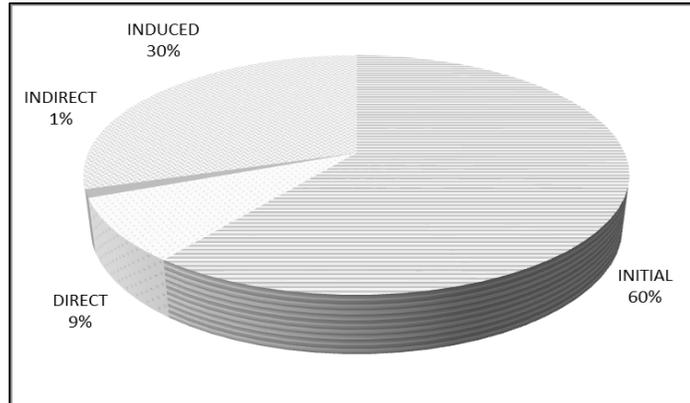
Effect on Jobs from adding \$557,000 sales in Lessors of Nonresidential Buildings (except Miniwarehouses) (531120)

Initial	Direct	Indirect	Induced
2	0	0	1
1.00 Multiplier	0.00 Multiplier	0.00 Multiplier	0.50 Multiplier

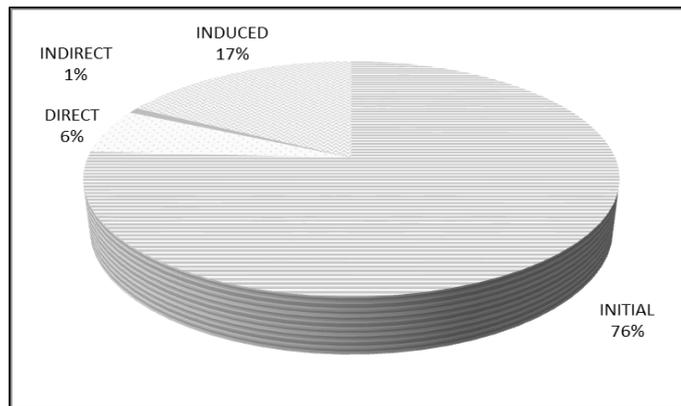


Effect on Earnings from adding \$557,000 sales in Lessors of Nonresidential Buildings (except Miniwarehouses) (531120)

Initial	Direct	Indirect	Induced
\$96,665	\$13,700	\$1,788	\$47,578
1.00 Multiplier	0.14 Multiplier	0.02 Multiplier	0.49 Multiplier



Effect on Sales from adding \$557,000 sales in Lessors of Nonresidential Buildings (except Miniwarehouses) (531120)



Attachment 1

ECONOMIC ANALYSIS PROGRAM
OPERATIONS

Effect on Jobs from adding \$557,000 sales in Lessors of Nonresidential Buildings (except Miniwarehouses) (531120)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	0	0	0	0
31-33	Manufacturing	7,475	0	0	0	0
42	Wholesale Trade	3,509	0	0	0	0
44-45	Retail Trade	16,701	0	0	0	0
48-49	Transportation and Warehousing	2,156	0	0	0	0
52	Finance and Insurance	5,879	0	0	0	0
53	Real Estate and Rental and Leasing	9,577	2	0	0	0
54	Professional, Scientific, and Technical Services	10,888	0	0	0	0
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support, Waste Mgmt & Remediat	8,417	0	0	0	0
61	Educational Services (Private)	3,992	0	0	0	0
62	Health Care and Social Assistance	13,490	0	0	0	0
71	Arts, Entertainment, and Recreation	3,712	0	0	0	0
72	Accommodation and Food Services	14,675	0	0	0	0
81	Other Services (except Public Administration)	11,011	0	0	0	0
90	Government	21,002	0	0	0	0
90	Government	21,002	0	0	0	3
		173,729	2	0	0	3
						5

Scenario Results - Occupation

SOC	Occupation	Change in Jobs
11-0000	Management Occupations	0
13-0000	Business and Financial Operations Occupations	0
15-0000	Computer and Mathematical Occupations	0
17-0000	Architecture and Engineering Occupations	0
19-0000	Life, Physical, and Social Science Occupations	0
21-0000	Community and Social Service Occupations	0
23-0000	Legal Occupations	0
25-0000	Education, Training, and Library Occupations	0
27-0000	Arts, Design, Entertainment, Sports, and Media Occup	0
29-0000	Healthcare Practitioners and Technical Occupations	0
31-0000	Healthcare Support Occupations	0
33-0000	Protective Service Occupations	0
35-0000	Food Preparation and Serving Related Occupations	0
37-0000	Building and Grounds Cleaning and Maintenance Occu	0
39-0000	Personal Care and Service Occupations	0
41-0000	Sales and Related Occupations	2
43-0000	Office and Administrative Support Occupations	0
45-0000	Farming, Fishing, and Forestry Occupations	0
47-0000	Construction and Extraction Occupations	0
49-0000	Installation, Maintenance, and Repair Occupations	0
51-0000	Production Occupations	0
53-0000	Transportation and Material Moving Occupations	0
55-0000	Military occupations	0
99-0000	Unclassified Occupation	0
		2

Scenario Results - Demographic

Demographic	Change in Jobs	
Male 14-18	0	
Female 14-18	0	
Male 19-21	0	
Female 19-21	0	
Male 22-24	0	
Female 22-24	0	
Male 25-34	0	
Female 25-34	0	
Male 35-44	0	
Female 35-44	0	
Male 45-54	0	
Female 45-54	0	
Male 55-64	0	
Female 55-64	0	
Male 65-99	0	
Female 65-99	0	
		0

Attachment 1

ECONOMIC ANALYSIS PROGRAM

OPERATIONS

Effect on Earnings from adding \$557,000 sales in Lessors of Nonresidential Buildings (except Miniwarehouses) (531120)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$2	\$4	\$84
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$2	\$4	\$32
22	Utilities	\$374,828,846	\$0	\$268	\$15	\$264
23	Construction	\$444,351,885	\$0	\$822	\$63	\$5,095
31-33	Manufacturing	\$450,101,296	\$0	\$31	\$37	\$605
42	Wholesale Trade	\$193,194,090	\$0	\$21	\$17	\$834
44-45	Retail Trade	\$518,210,923	\$0	\$102	\$45	\$5,092
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$56	\$26	\$339
51	Information	\$85,868,093	\$0	\$113	\$34	\$374
52	Finance and Insurance	\$272,855,315	\$0	\$2,766	\$412	\$1,973
53	Real Estate and Rental and Leasing	\$221,417,306	\$96,665	\$3,020	\$175	\$1,440
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$1,886	\$384	\$2,218
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$101	\$20	\$47
56	Administrative and Support, Waste Mgmt & Remediat	\$213,790,952	\$0	\$3,456	\$330	\$825
61	Educational Services (Private)	\$61,206,576	\$0	\$18	\$5	\$831
62	Health Care and Social Assistance	\$711,600,367	\$0	\$6	\$2	\$8,327
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$150	\$25	\$361
72	Accommodation and Food Services	\$301,579,107	\$0	\$652	\$103	\$2,330
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$165	\$65	\$1,865
90	Government	\$1,337,614,755	\$0	\$63	\$21	\$14,642
		\$6,363,149,840	\$96,665	\$13,700	\$1,787	\$47,578
						\$159,730

Effect on Sales from adding \$557,000 sales in Lessors of Nonresidential Buildings (except Miniwarehouses) (531120)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$10	\$9	\$265
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$8	\$19	\$139
22	Utilities	\$2,170,513,281	\$0	\$1,377	\$82	\$1,488
23	Construction	\$930,844,524	\$0	\$1,722	\$132	\$10,674
31-33	Manufacturing	\$3,701,988,530	\$0	\$183	\$554	\$5,478
42	Wholesale Trade	\$525,878,843	\$0	\$56	\$47	\$2,269
44-45	Retail Trade	\$1,277,934,202	\$0	\$251	\$111	\$12,557
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$141	\$65	\$919
51	Information	\$391,560,074	\$0	\$572	\$156	\$1,778
52	Finance and Insurance	\$897,796,334	\$0	\$10,081	\$1,324	\$7,208
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$557,000	\$17,381	\$1,000	\$7,823
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$3,395	\$678	\$3,911
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$185	\$36	\$86
56	Administrative and Support and Waste Management	\$423,093,708	\$0	\$7,361	\$659	\$1,602
61	Educational Services (Private)	\$100,954,777	\$0	\$30	\$10	\$1,369
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$12	\$4	\$14,887
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$263	\$48	\$844
72	Accommodation and Food Services	\$953,146,303	\$0	\$2,050	\$327	\$7,219
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$323	\$129	\$3,565
90	Government	\$5,162,216,341	\$0	\$104	\$35	\$42,457
		\$21,588,950,216	\$557,000	\$45,505	\$5,425	\$126,538
						\$734,468

ECONOMIC ANALYSIS PROGRAM**Project Description**

Applicant: Teddy Bear Homes, Inc. **Permit Number:** DRC 2008-0147

Project Description: Hillside Terrace - Multifamily Residential

This multi-family housing project, located in Nipomo within the urban reserve line, consists of 20 units (12 two bedrooms and 8 three bedrooms) with washer/dryer hookups, private 2-car garages and private fenced year yards.

Summary:

This project features a varied and articulated building layout to provide significantly more open space than required (both public and private), leaning heavily toward common area open space. The active park area is centrally located within the community and accessible through pedestrian pathways. This project is challenged with securing water entitlements such that it may not be implemented.

Construction Cost Estimate

	Phase I	Phase II	Overall
CostWorks Conceptual Estimate¹:	\$1,164,500	\$1,148,000	\$2,312,500
Permit Estimate:			\$1,787,896
Applicant Estimate:			\$2,000,000

Jobs Estimate²

EMSI Model Output	Year 1	Year 2	Ongoing
Construction:	19	19	-
Operation:	2	1	3
Subtotal:	21	20	3
Total Job Growth		41	3

Sales Tax Revenue Estimate³

Jurisdiction:	Nipomo	EMSI Model Output	Phase I	Phase II	Overall
Tax Rate:	0.75%	Construction:	\$1,567,492	\$1,544,618	\$3,112,110
		Operation:	\$146,374	\$292,756	\$439,130
Annual Sales³	\$ 332,640	Tax Revenue	\$12,854	\$13,780	\$26,634
TOTAL IMPACT			\$1,726,720	\$1,851,154	\$3,577,874

Methodology: Rental Income - 12 Two Bedrooms @ \$1,200, 8 Three Bedrooms @\$1,500, less 30% operating costs.

Property Tax Valuation

Existing Value (County Assessor):	\$510,000		
Construction Cost - Applicant Estimate:	\$2,000,000		
Construction Cost - CostWorks:	\$2,312,500		
Estimated Value:	\$2,510,000 - \$2,712,500	Property Tax Increase:	\$14,900 - \$18,025

1. Conceptual construction cost estimate based upon regional construction costs, building type, location, square footage, wall frame type, number of stories, height of stories.

2. Based upon Full Time Equivalent.

3. Annual sales revenue based upon applicant estimate with explanation of methodology. Sales Tax Estimate based upon economic modeling outcome relative to Initial, Direct, Indirect and Induced impacts to sales.

Attachment 1

ECONOMIC ANALYSIS PROGRAM

CLUSTER IMPACTS

Building Design & Construction

PRIMARY IMPACTS

Job Creation and Sales Revenue impacts.
Supports strategic growth principles.

SECONDARY IMPACTS

None

Green Energy

PRIMARY IMPACTS

None

SECONDARY IMPACTS

Opportunities for residential rooftop solar.

Health Services

PRIMARY IMPACTS

None

SECONDARY IMPACTS

None

Knowledge Innovation

PRIMARY IMPACTS

None

SECONDARY IMPACTS

None

Specialized Manufacturing

PRIMARY IMPACTS

None

SECONDARY IMPACTS

None

Uniquely SLO

PRIMARY IMPACTS

None

SECONDARY IMPACTS

None

All Clusters

Indirect and induced economic benefit through job creation, increased earnings and sales revenue.

ECONOMIC ANALYSIS PROGRAM

Impact Summary

**Changes to New Multifamily Housing Construction (236116)
Development**

Change in Earnings	Change in Jobs	Average Earnings Per Job (2011)
\$1,388,820	38	\$36,785
1.26 Multiplier	1.26 multiplier	

**Changes to Lessors of Residential Buildings and Dwellings (531110)
Operation**

Change in Earnings	Change in Jobs	Average Earnings Per Job (2011)
\$95,500	3	\$31,350
1.65 Multiplier	1.49 Multiplier	

“INITIAL” - Actual impact - One job added, additional sales or earnings to

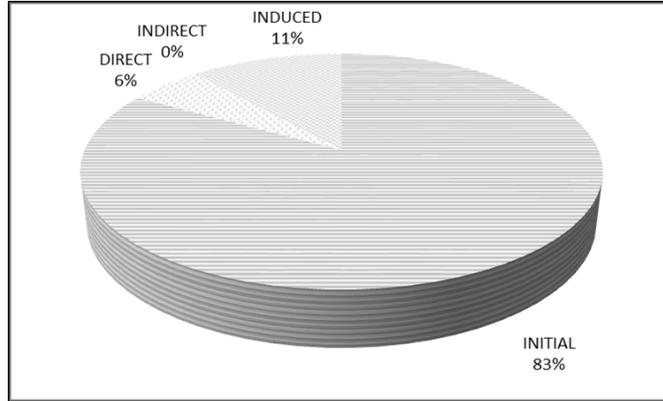
“DIRECT” - Industry transactions - Direct impacts take place only in the industry immediately impacted and consist of permanent jobs, wages and output of the event itself.

“INDIRECT” - Inter-Industry transactions - Indirect impacts are the jobs, wages and output created by businesses, which provide goods and services essential to the construction of the project, the special event, tourist activity, or to the new company.

“INDUCED” - Impacts to household income - Induced impacts are the result of spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation and medical services.

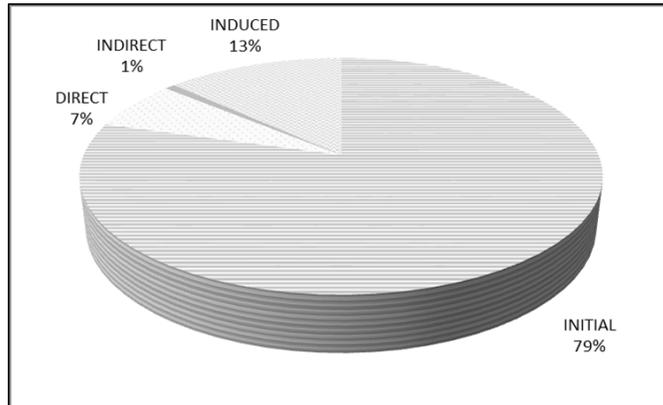
Effect on Jobs from adding \$2,313,000 sales in New Multifamily Housing Construction (236116)

Initial	Direct	Indirect	Induced
30	2	0	5
1.00 Multiplier	0.07 Multiplier	0.00 Multiplier	0.17 Multiplier

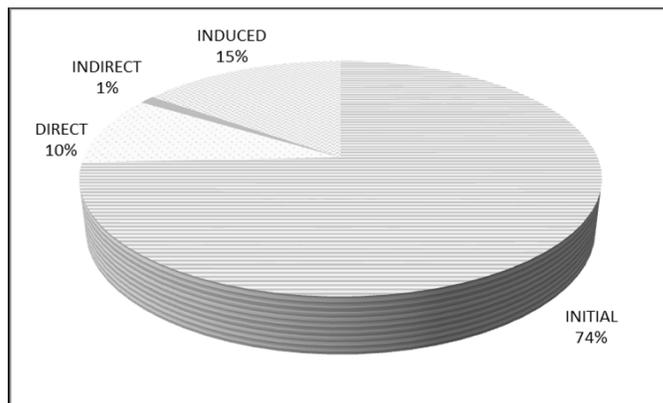


Effect on Earnings from adding \$2,313,000 sales in New Multifamily Housing Construction (236116)

Initial	Direct	Indirect	Induced
\$4,701,560	\$403,775	\$45,033	\$769,808
1.0 Multiplier	0.09 Multiplier	0.01 Multiplier	0.16 Multiplier



Effect on Sales from adding \$2,313,000 sales in New Multifamily Housing Construction (236116)



Attachment 1

ECONOMIC ANALYSIS PROGRAM

CONSTRUCTION

Effect on Jobs from adding \$2,313,000 sales in New Multifamily Housing Construction (236116)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	30	0	0	0
31-33	Manufacturing	7,475	0	0	0	0
42	Wholesale Trade	3,509	0	0	0	0
44-45	Retail Trade	16,701	0	1	0	1
48-49	Transportation and Warehousing	2,156	0	0	0	0
51	Information	1,776	0	0	0	0
52	Finance and Insurance	5,879	0	0	0	0
53	Real Estate and Rental and Leasing	9,577	0	0	0	0
54	Professional, Scientific, and Technical Services	10,888	0	1	0	0
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support, Waste Mgmt and Remediation	8,417	0	0	0	0
61	Educational Services (Private)	3,992	0	0	0	0
62	Health Care and Social Assistance	13,490	0	0	0	1
71	Arts, Entertainment, and Recreation	3,712	0	0	0	0
72	Accommodation and Food Services	14,675	0	0	0	1
81	Other Services (except Public Administration)	11,011	0	0	0	1
90	Government	21,002	0	0	0	0
		154,503	30	2	0	4
						36

Scenario Results - Occupation

SOC	Occupation	Change in Jobs
11-0000	Management Occupations	4
13-0000	Business and Financial Operations Occupations	1
15-0000	Computer and Mathematical Occupations	0
17-0000	Architecture and Engineering Occupations	0
19-0000	Life, Physical, and Social Science Occupations	0
21-0000	Community and Social Service Occupations	0
23-0000	Legal Occupations	0
25-0000	Education, Training, and Library Occupations	0
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	0
29-0000	Healthcare Practitioners and Technical Occupations	0
31-0000	Healthcare Support Occupations	0
33-0000	Protective Service Occupations	0
35-0000	Food Preparation and Serving Related Occupations	1
37-0000	Building and Grounds Cleaning and Maintenance Occupations	1
39-0000	Personal Care and Service Occupations	0
41-0000	Sales and Related Occupations	2
43-0000	Office and Administrative Support Occupations	3
45-0000	Farming, Fishing, and Forestry Occupations	0
47-0000	Construction and Extraction Occupations	22
49-0000	Installation, Maintenance, and Repair Occupations	1
51-0000	Production Occupations	0
53-0000	Transportation and Material Moving Occupations	0
55-0000	Military occupations	0
99-0000	Unclassified Occupation	0
		35

Scenario Results - Demographic

Demographic	Change in Jobs
Male 14-18	0
Female 14-18	0
Male 19-21	0
Female 19-21	0
Male 22-24	1
Female 22-24	0
Male 25-34	8
Female 25-34	1
Male 35-44	8
Female 35-44	1
Male 45-54	8
Female 45-54	2
Male 55-64	5
Female 55-64	1
Male 65-99	1
Female 65-99	0
	36

Attachment 1

ECONOMIC ANALYSIS PROGRAM

CONSTRUCTION

Effect on Earnings from adding \$2,313,000 sales in New Multifamily Housing Construction (236116)

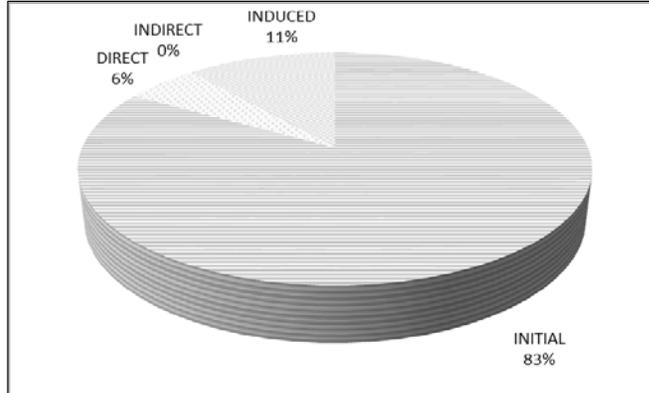
NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$108	\$33	\$532
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$3,056	\$861	\$69
22	Utilities	\$374,828,846	\$0	\$319	\$132	\$1,608
23	Construction	\$444,351,885	\$1,104,143	\$391	\$250	\$8,798
31-33	Manufacturing	\$450,101,296	\$0	\$16,057	\$426	\$2,351
42	Wholesale Trade	\$193,194,090	\$0	\$3,406	\$399	\$3,924
44-45	Retail Trade	\$518,210,923	\$0	\$18,508	\$228	\$29,716
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$1,564	\$578	\$1,758
51	Information	\$85,868,093	\$0	\$944	\$183	\$2,163
52	Finance and Insurance	\$272,855,315	\$0	\$2,871	\$1,028	\$7,181
53	Real Estate and Rental and Leasing	\$221,417,306	\$0	\$4,234	\$732	\$7,174
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$30,473	\$2,610	\$8,354
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$195	\$176	\$236
56	Administrative and Support, Waste Mgmt & Remediation	\$213,790,952	\$0	\$5,072	\$1,614	\$3,630
61	Educational Services (Private)	\$61,206,576	\$0	\$59	\$35	\$5,616
62	Health Care and Social Assistance	\$711,600,367	\$0	\$341	\$18	\$52,268
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$362	\$119	\$2,148
72	Accommodation and Food Services	\$301,579,107	\$0	\$967	\$506	\$14,621
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$4,882	\$369	\$10,833
90	Government	\$1,337,614,755	\$0	\$81	\$175	\$17,336
		\$6,363,149,840	\$1,104,143	\$93,890	\$10,472	\$180,316
						\$1,388,821

Effect on Sales from adding \$2,313,000 sales in New Multifamily Housing Construction (236116)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$479	\$74	\$1,686
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$13,482	\$3,598	\$307
22	Utilities	\$2,170,513,281	\$0	\$1,803	\$781	\$9,076
23	Construction	\$930,844,524	\$2,313,000	\$820	\$523	\$18,430
31-33	Manufacturing	\$3,701,988,530	\$0	\$103,621	\$6,080	\$27,362
42	Wholesale Trade	\$525,878,843	\$0	\$9,269	\$1,087	\$10,681
44-45	Retail Trade	\$1,277,934,202	\$0	\$45,642	\$563	\$73,283
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$4,635	\$1,524	\$4,677
51	Information	\$391,560,074	\$0	\$4,771	\$827	\$10,334
52	Finance and Insurance	\$897,796,334	\$0	\$12,581	\$3,757	\$26,105
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$0	\$20,885	\$4,137	\$38,554
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$54,881	\$4,612	\$15,126
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$357	\$323	\$432
56	Administrative and Support, Waste Mgmt & Remediation	\$423,093,708	\$0	\$9,696	\$2,896	\$7,066
61	Educational Services (Private)	\$100,954,777	\$0	\$100	\$61	\$9,236
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$589	\$34	\$93,217
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$665	\$224	\$5,038
72	Accommodation and Food Services	\$953,146,303	\$0	\$3,130	\$1,593	\$44,982
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$9,877	\$732	\$20,747
90	Government	\$5,162,216,341	\$0	\$135	\$291	\$51,639
		\$21,588,950,216	\$2,313,000	\$297,418	\$33,717	\$467,978
						\$3,112,113

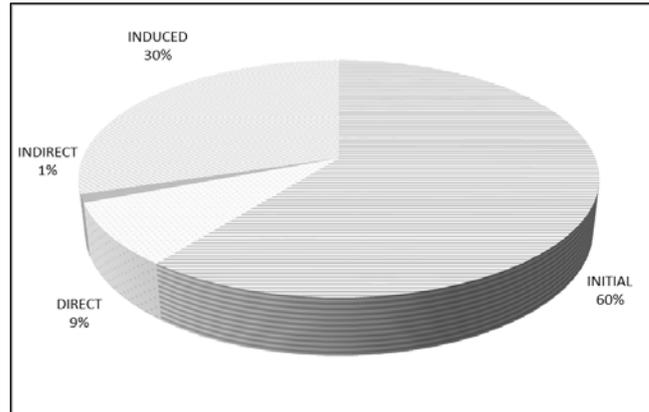
Effect on Jobs from adding \$333,000 sales in Lessors of Residential Buildings and Dwellings (531110)

Initial	Direct	Indirect	Induced
2	0	0	1
1.00 Multiplier	0.00 Multiplier	0.00 Multiplier	0.50 Multiplier

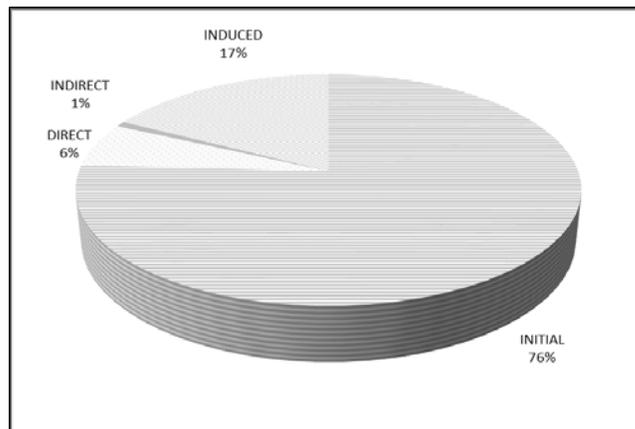


Effect on Earnings from adding \$333,000 sales in Lessors of Residential Buildings and Dwellings (531110)

Initial	Direct	Indirect	Induced
\$57,788	\$8,195	\$1,068	\$28,448
1.00 Multiplier	0.14 Multiplier	0.02 Multiplier	0.49 Multiplier



Effect on Sales from adding \$333,000 sales in Lessors of Residential Buildings and Dwellings (531110)



Attachment 1

ECONOMIC ANALYSIS PROGRAM

OPERATION

Effect on Jobs from adding \$333,000 sales in Lessors of Residential Buildings and Dwellings (531110)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	0	0	0	0
31-33	Manufacturing	7,475	0	0	0	0
42	Wholesale Trade	3,509	0	0	0	0
44-45	Retail Trade	16,701	0	0	0	0
48-49	Transportation and Warehousing	2,156	0	0	0	0
51	Information	1,776	0	0	0	0
52	Finance and Insurance	5,879	0	0	0	0
53	Real Estate and Rental and Leasing	9,577	2	0	0	0
54	Professional, Scientific, and Technical Services	10,888	0	0	0	0
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support, Waste Mgmt and Remedi	8,417	0	0	0	0
61	Educational Services (Private)	3,992	0	0	0	0
62	Health Care and Social Assistance	13,490	0	0	0	0
71	Arts, Entertainment, and Recreation	3,712	0	0	0	0
72	Accommodation and Food Services	14,675	0	0	0	0
81	Other Services (except Public Administration)	11,011	0	0	0	0
90	Government	21,002	0	0	0	0
		154,503	2	0	0	0
						154,505

Scenario Results - Occupation

Scenario Results - Demographic

SOC	Occupation	Change in Jobs	Demographic	Change in Jobs
11-0000	Management Occupations	0	Male 14-18	0
13-0000	Business and Financial Operations Occupations	0	Female 14-18	0
15-0000	Computer and Mathematical Occupations	0	Male 19-21	0
17-0000	Architecture and Engineering Occupations	0	Female 19-21	0
19-0000	Life, Physical, and Social Science Occupations	0	Male 22-24	0
21-0000	Community and Social Service Occupations	0	Female 22-24	0
23-0000	Legal Occupations	0	Male 25-34	0
25-0000	Education, Training, and Library Occupations	0	Female 25-34	0
27-0000	Arts, Design, Entertainment, Sports, and Media Occup	0	Male 35-44	0
29-0000	Healthcare Practitioners and Technical Occupations	0	Female 35-44	0
31-0000	Healthcare Support Occupations	0	Male 45-54	0
33-0000	Protective Service Occupations	0	Female 45-54	0
35-0000	Food Preparation and Serving Related Occupations	0	Male 55-64	0
37-0000	Building and Grounds Cleaning and Maintenance Occu	0	Female 55-64	0
39-0000	Personal Care and Service Occupations	0	Male 65-99	0
41-0000	Sales and Related Occupations	2	Female 65-99	0
43-0000	Office and Administrative Support Occupations	0		0
45-0000	Farming, Fishing, and Forestry Occupations	0		
47-0000	Construction and Extraction Occupations	0		
49-0000	Installation, Maintenance, and Repair Occupations	0		
51-0000	Production Occupations	0		
53-0000	Transportation and Material Moving Occupations	0		
55-0000	Military occupations	0		
99-0000	Unclassified Occupation	0		
		2		0

Attachment 1

ECONOMIC ANALYSIS PROGRAM

OPERATION

Effect on Earnings from adding \$333,000 sales in Lessors of Residential Buildings and Dwellings (531110)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$1	\$2	\$50
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$1	\$3	\$19
22	Utilities	\$374,828,846	\$0	\$161	\$9	\$158
23	Construction	\$444,351,885	\$0	\$492	\$38	\$3,047
31-33	Manufacturing	\$450,101,296	\$0	\$19	\$22	\$362
42	Wholesale Trade	\$193,194,090	\$0	\$12	\$10	\$499
44-45	Retail Trade	\$518,210,923	\$0	\$61	\$27	\$3,043
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$33	\$15	\$202
51	Information	\$85,868,093	\$0	\$68	\$20	\$224
52	Finance and Insurance	\$272,855,315	\$0	\$1,655	\$246	\$1,179
53	Real Estate and Rental and Leasing	\$221,417,306	\$57,788	\$1,807	\$105	\$863
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$1,128	\$229	\$1,326
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$60	\$12	\$28
56	Administrative and Support, Waste Mgmt & Remediat	\$213,790,952	\$0	\$2,067	\$197	\$493
61	Educational Services (Private)	\$61,206,576	\$0	\$11	\$3	\$500
62	Health Care and Social Assistance	\$711,600,367	\$0	\$4	\$1	\$4,972
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$90	\$15	\$216
72	Accommodation and Food Services	\$301,579,107	\$0	\$390	\$62	\$1,393
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$99	\$39	\$1,115
90	Government	\$1,337,614,755	\$0	\$38	\$13	\$8,759
		\$6,363,149,840	\$57,788	\$8,197	\$1,068	\$28,448
						\$95,501

Effect on Sales from adding \$333,000 sales in Lessors of Residential Buildings and Dwellings (531110)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$6	\$6	\$159
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$5	\$11	\$83
22	Utilities	\$2,170,513,281	\$0	\$823	\$49	\$889
23	Construction	\$930,844,524	\$0	\$1,030	\$79	\$6,384
31-33	Manufacturing	\$3,701,988,530	\$0	\$110	\$331	\$3,278
42	Wholesale Trade	\$525,878,843	\$0	\$34	\$28	\$1,357
44-45	Retail Trade	\$1,277,934,202	\$0	\$150	\$66	\$7,504
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$85	\$39	\$550
51	Information	\$391,560,074	\$0	\$342	\$93	\$1,064
52	Finance and Insurance	\$897,796,334	\$0	\$6,030	\$790	\$4,308
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$333,000	\$10,397	\$598	\$4,686
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$2,031	\$405	\$2,337
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$110	\$22	\$52
56	Administrative and Support, Waste Mgmt & Remediat	\$423,093,708	\$0	\$4,403	\$394	\$958
61	Educational Services (Private)	\$100,954,777	\$0	\$18	\$6	\$824
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$7	\$2	\$8,889
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$157	\$28	\$504
72	Accommodation and Food Services	\$953,146,303	\$0	\$1,226	\$196	\$4,315
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$193	\$77	\$2,132
90	Government	\$5,162,216,341	\$0	\$62	\$21	\$25,397
		\$21,588,950,216	\$333,000	\$27,219	\$3,241	\$75,670
						\$439,130

ECONOMIC ANALYSIS PROGRAM

Project Description

Applicant: Estrellas Associates, Inc. **Permit Number:** Tract Map 2701

Project Description: Vintage Homes (6709, 6725, 6735 Atascadero Avenue, Atascadero, CA 93422)

This multi-family housing project, located in Atascadero within the urban reserve line, consists of six new buildings, each with 2 residential for sale units. (2 two bedroom, 10 three bedroom)

Summary:

The project is located along Atascadero Avenue in the City of Atascadero and is surrounded by multi-family and single-family residential development. Six new buildings are proposed, each with two residential units. The City has developed standard conditions of approval for new developments requiring the cost of maintenance and emergency services to be funded through a combination of road assessment districts, landscaping and lighting districts and community facilities districts. This is proposed to be addressed through a privately administered maintenance agreement established by the developer, funding these costs into perpetuity. All units will be sold at below moderate income housing prices. The project will be developed to meet the standards of the Green Point Rating System (minimum of 75 points).

Construction Cost Estimate

	Phase I	Phase II	Overall
CostWorks Conceptual Estimate¹:	\$810,500	\$810,500	\$1,621,000
Permit Estimate:			
Applicant Estimate:	\$709,800	\$709,800	\$1,419,600

Jobs Estimate²

EMSI Model Output	Year 1	Year 2	Ongoing
Construction:	13	13	-
Sale of Units:	8	9	-
SubTotal	21	22	-
TOTAL JOB GROWTH		43	-

Sales Tax Revenue Estimate

Jurisdiction:	Atascadero	EMSI Model Output	Phase I	Phase II	Overall
Tax Rate:	0.75%	Construction:	\$1,090,519	\$1,090,519	\$2,181,038
	Overall	Sale of Units:	\$712,435	\$712,435	\$1,424,870
Annual Sales³	\$ 1,058,614	Tax Revenue:	\$13,522	\$13,522	\$27,044
TOTAL IMPACT			\$1,816,476	\$1,816,476	\$3,632,952

Methodology: Market value less improvement costs.

Property Tax Valuation

Existing Value (County Assessor):	\$402,000	Actual Purchase Price:	\$298,000
Construction Cost - Applicant Estimate:	\$1,419,000		
Construction Cost - CostWorks:	\$1,621,000		
Estimated Value:	\$1,919,000 - \$2,023,000	Property Tax Increase @ 1%:	\$10,170 - \$13,230

1. Conceptual construction cost estimate based upon historical costs, building type, location, square footage, wall frame type, number of stories, height of stories.

2. Based upon Full Time Equivalent.

3. Annual sales revenue based upon applicant estimate with explanation of methodology. Sales Tax Estimate based upon economic modeling outcome relative to Initial, Direct, Indirect and Induced impacts to sales.

Attachment 1

ECONOMIC ANALYSIS PROGRAM

CLUSTER IMPACTS

Building Design & Construction

PRIMARY IMPACTS

Job creation, increased earnings and sales revenue.
 Supports strategic growth principles.
 BD&C #2 - Permitting process balances economic vitality and environmental well-being, and results in more approvals of high-quality projects.
 BD&C #3 - Land use ordinances allow flexibility for high-quality projects (e.g., through a County Planned Development Ordinance).
 BD&C #4 - Rezoning of land and construction of workforce housing, particularly for the five clusters critical to the County's economic vitality.
 BD&C #8 - Increasing resource savings and efficiency in County due to innovative design and building.

SECONDARY IMPACTS

The project is consistent with the City's Land Use Policies:
Land Use Policy 1.1 - "Preserve the rural atmosphere of the community and assure "elbow room" in areas designed for lower density development by guiding new development into the Urban Core to conform to the historic Colony land use patterns of the City and to respect the natural environment, hillside area and existing neighborhoods".
Land Use Program 1.1.7: "Within the Urban Core encourage infill development or revitalization or reuse of land already committed to urban development where utilities and public services exist."
Land Use Policy 2.1: "Ensure that new development is compatible with existing and surrounding neighborhoods".
Housing Element Policy 4.3: "Encourage attractive architecture and site landscaping that respect terrain and native trees".

Green Energy

PRIMARY IMPACTS

Adherence to Green Point Rated design (Committed to a minimum of 75 Points) will result in a more energy efficient and sustainable project.

SECONDARY IMPACTS

Opportunities for residential rooftop solar.

Health Services

PRIMARY IMPACTS

None

SECONDARY IMPACTS

None

Knowledge Innovation

PRIMARY IMPACTS

None

SECONDARY IMPACTS

None

Specialized Manufacturing

PRIMARY IMPACTS

None

SECONDARY IMPACTS

SMA #6 - Improving competitiveness on affordability compared to similar regions.

Uniquely SLO

PRIMARY IMPACTS

None

SECONDARY IMPACTS

None

All Clusters

Indirect and induced economic benefit through job creation, increased earnings and sales revenue.
 Provides workforce housing.

ECONOMIC ANALYSIS PROGRAM

Impact Summary

Changes to New Multifamily Housing Construction (236116)
Construction

Change in Earnings	Change in Jobs	Average Earnings Per Job (2011)
\$973,315	26	\$36,785
1.26 Multiplier	1.26 multiplier	

Changes to New Multifamily Housing Construction (236116)
Sale of Units

Change in Earnings	Change in Jobs	Average Earnings Per Job (2011)
\$635,867	17	\$36,785
1.26 Multiplier	1.26 Multiplier	

“INITIAL” - Actual impact - One job added, additional sales or earnings to an

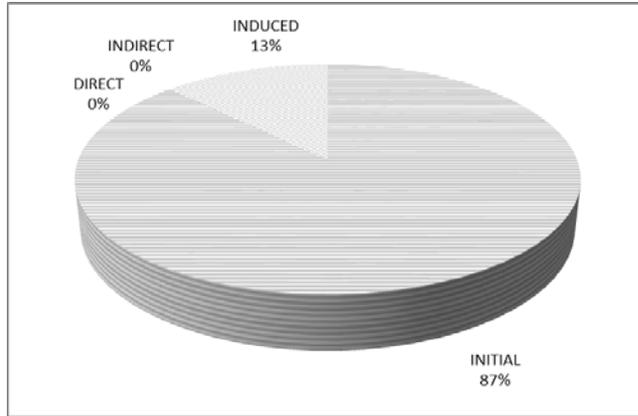
“DIRECT” - Industry transactions - Direct impacts take place only in the industry immediately impacted and consist of permanent jobs, wages and output of the event itself.

“INDIRECT” - Inter-Industry transactions - Indirect impacts are the jobs, wages and output created by businesses, which provide goods and services essential to the construction of the project, the special event, tourist activity, or to the new company.

“INDUCED” - Impacts to household income - Induced impacts are the result of spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation and medical services.

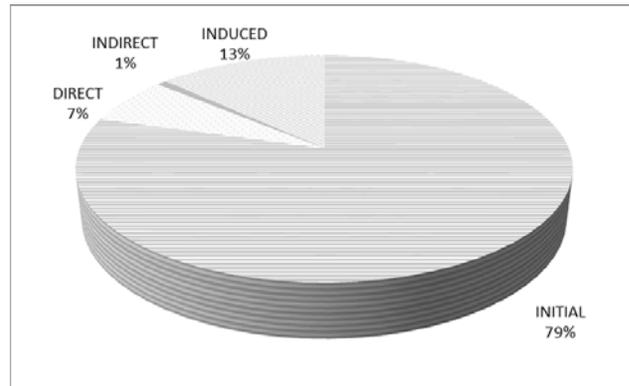
Effect on Jobs from adding \$1,621,000 sales in New Multifamily Housing Construction (236116)

Initial	Direct	Indirect	Induced
21	2	0	4
1.00 Multiplier	0.10 Multiplier	0.00 Multiplier	0.19 Multiplier

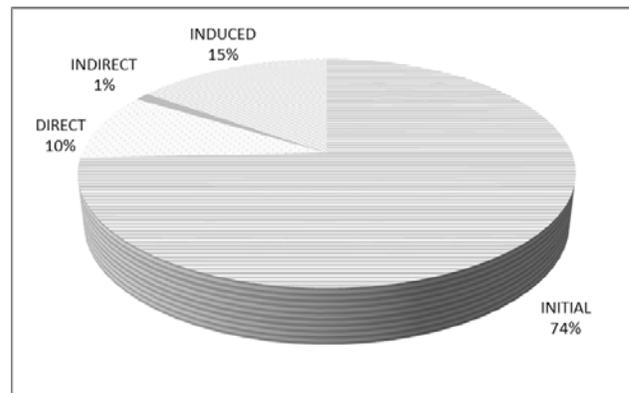


Effect on Earnings from adding \$1,621,000 sales in New Multifamily Housing Construction (236116)

Initial	Direct	Indirect	Induced
\$773,807	\$65,800	\$7,339	\$126,369
1.00 Multiplier	0.09 Multiplier	0.01 Multiplier	0.16 Multiplier



Effect on Sales from adding \$1,621,000 sales in New Multifamily Housing Construction (236116)



Attachment 1

ECONOMIC ANALYSIS PROGRAM

CONSTRUCTION

Effect on Jobs from adding \$1,621,000 sales in New Multifamily Housing Construction (236116)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	21	0	0	0
31-33	Manufacturing	7,475	0	0	0	0
42	Wholesale Trade	3,509	0	0	0	0
44-45	Retail Trade	16,701	0	0	0	1
48-49	Transportation and Warehousing	2,156	0	0	0	0
51	Information	1,776	0	0	0	0
52	Finance and Insurance	5,879	0	0	0	0
53	Real Estate and Rental and Leasing	9,577	0	0	0	0
54	Professional, Scientific, and Technical Services	10,888	0	0	0	0
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support, Waste Mgmt and Remediation	8,417	0	0	0	0
61	Educational Services (Private)	3,992	0	0	0	0
62	Health Care and Social Assistance	13,490	0	0	0	1
71	Arts, Entertainment, and Recreation	3,712	0	0	0	0
72	Accommodation and Food Services	14,675	0	0	0	1
81	Other Services (except Public Administration)	11,011	0	0	0	0
90	Government	21,002	0	0	0	0
		154,503	21	0	0	3
						24

Scenario Results - Occupation

SOC	Occupation	Change in Jobs
11-0000	Management Occupations	3
13-0000	Business and Financial Operations Occupations	1
15-0000	Computer and Mathematical Occupations	0
17-0000	Architecture and Engineering Occupations	0
19-0000	Life, Physical, and Social Science Occupations	0
21-0000	Community and Social Service Occupations	0
23-0000	Legal Occupations	0
25-0000	Education, Training, and Library Occupations	0
27-0000	Arts, Design, Entertainment, Sports, and Media Occupations	0
29-0000	Healthcare Practitioners and Technical Occupations	0
31-0000	Healthcare Support Occupations	0
33-0000	Protective Service Occupations	0
35-0000	Food Preparation and Serving Related Occupations	1
37-0000	Building and Grounds Cleaning and Maintenance Occupations	1
39-0000	Personal Care and Service Occupations	0
41-0000	Sales and Related Occupations	2
43-0000	Office and Administrative Support Occupations	2
45-0000	Farming, Fishing, and Forestry Occupations	0
47-0000	Construction and Extraction Occupations	15
49-0000	Installation, Maintenance, and Repair Occupations	0
51-0000	Production Occupations	0
53-0000	Transportation and Material Moving Occupations	0
55-0000	Military occupations	0
99-0000	Unclassified Occupation	0
		25

Scenario Results - Demographic

Demographic	Change in Jobs
Male 14-18	0
Female 14-18	0
Male 19-21	0
Female 19-21	0
Male 22-24	1
Female 22-24	0
Male 25-34	5
Female 25-34	1
Male 35-44	6
Female 35-44	1
Male 45-54	5
Female 45-54	1
Male 55-64	3
Female 55-64	1
Male 65-99	1
Female 65-99	0
	25

Attachment 1

ECONOMIC ANALYSIS PROGRAM

CONSTRUCTION

Effect on Earnings from adding \$1,621,000 sales in New Multifamily Housing Construction (236116)

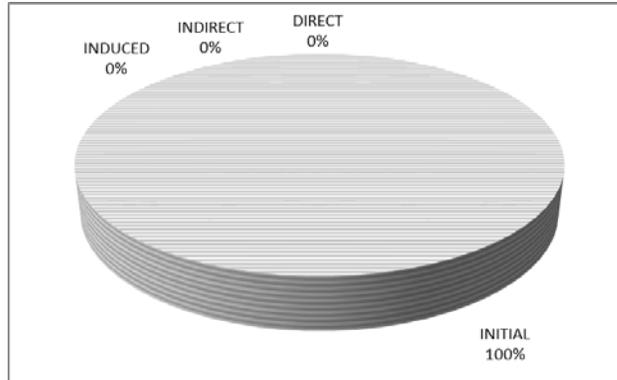
NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$76	\$23	\$373
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$2,142	\$603	\$48
22	Utilities	\$374,828,846	\$0	\$224	\$92	\$1,127
23	Construction	\$444,351,885	\$773,807	\$274	\$175	\$6,166
31-33	Manufacturing	\$450,101,296	\$0	\$11,253	\$299	\$1,648
42	Wholesale Trade	\$193,194,090	\$0	\$2,387	\$280	\$2,750
44-45	Retail Trade	\$518,210,923	\$0	\$12,971	\$160	\$20,825
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$1,096	\$405	\$1,232
51	Information	\$85,868,093	\$0	\$662	\$128	\$1,516
52	Finance and Insurance	\$272,855,315	\$0	\$2,012	\$720	\$5,033
53	Real Estate and Rental and Leasing	\$221,417,306	\$0	\$2,967	\$513	\$5,028
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$21,356	\$1,829	\$5,855
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$136	\$123	\$165
56	Administrative and Support, Waste Mgmt & Remediation	\$213,790,952	\$0	\$3,555	\$1,131	\$2,544
61	Educational Services (Private)	\$61,206,576	\$0	\$41	\$25	\$3,936
62	Health Care and Social Assistance	\$711,600,367	\$0	\$239	\$13	\$36,631
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$253	\$83	\$1,506
72	Accommodation and Food Services	\$301,579,107	\$0	\$677	\$355	\$10,247
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$3,421	\$259	\$7,592
90	Government	\$1,337,614,755	\$0	\$57	\$123	\$12,150
		\$6,363,149,840	\$773,807	\$65,799	\$7,339	\$126,372
						\$973,317

Effect on Sales from adding \$1,621,000 sales in New Multifamily Housing Construction (236116)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$336	\$52	\$1,182
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$9,448	\$2,522	\$215
22	Utilities	\$2,170,513,281	\$0	\$1,264	\$547	\$6,361
23	Construction	\$930,844,524	\$1,621,000	\$574	\$367	\$12,916
31-33	Manufacturing	\$3,701,988,530	\$0	\$72,620	\$4,261	\$19,176
42	Wholesale Trade	\$525,878,843	\$0	\$6,496	\$762	\$7,485
44-45	Retail Trade	\$1,277,934,202	\$0	\$31,987	\$395	\$51,358
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$3,248	\$1,068	\$3,278
51	Information	\$391,560,074	\$0	\$3,343	\$580	\$7,242
52	Finance and Insurance	\$897,796,334	\$0	\$8,817	\$2,633	\$18,295
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$0	\$14,637	\$2,899	\$27,020
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$38,462	\$3,232	\$10,601
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$250	\$226	\$303
56	Administrative and Support, Waste Mgmt & Remediation	\$423,093,708	\$0	\$6,795	\$2,029	\$4,952
61	Educational Services (Private)	\$100,954,777	\$0	\$70	\$43	\$6,473
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$413	\$24	\$65,328
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$466	\$157	\$3,531
72	Accommodation and Food Services	\$953,146,303	\$0	\$2,194	\$1,117	\$31,524
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$6,922	\$513	\$14,540
90	Government	\$5,162,216,341	\$0	\$95	\$204	\$36,190
		\$21,588,950,216	\$1,621,000	\$208,437	\$23,631	\$327,970
						\$2,181,038

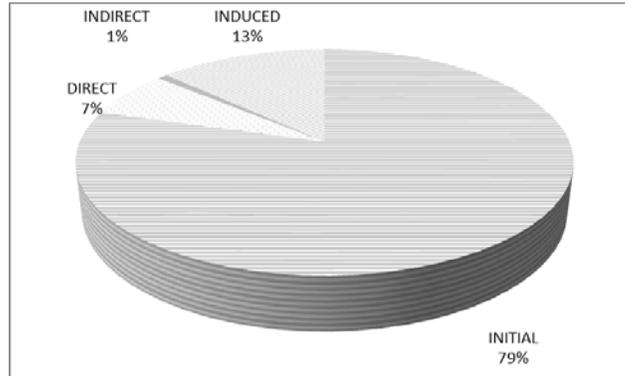
Effect on Jobs from adding \$1,059,000 sales in New Multifamily Housing Construction (236116)

Initial	Direct	Indirect	Induced
14	1	0	2
1.00 Multiplier	0.07 Multiplier	0.00 Multiplier	0.14 Multiplier

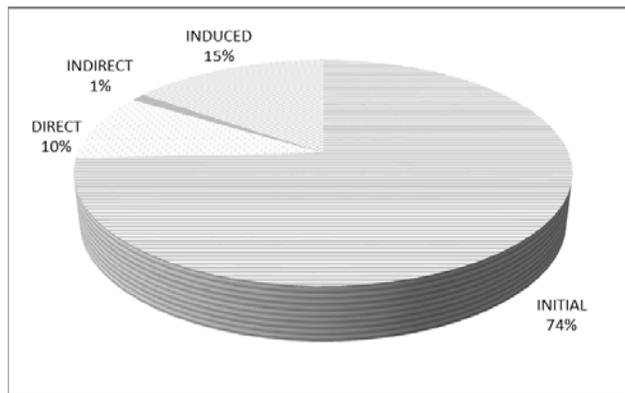


Effect on Earnings from adding \$1,059,000 sales in New Multifamily Housing Construction (236116)

Initial	Direct	Indirect	Induced
\$505,529	\$42,987	\$4,794	\$82,557
1.00 Multiplier	0.09 Multiplier	0.01 Multiplier	0.16 Multiplier



Effect on Sales from adding \$1,059,000 sales in New Multifamily Housing Construction (236116)



Attachment 1

ECONOMIC ANALYSIS PROGRAM

SALE OF UNITS

Effect on Jobs from adding \$1,059,000 sales in New Multifamily Housing Construction (236116)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,876	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	615	0	0	0	0
22	Utilities	2,007	0	0	0	0
23	Construction	9,136	14	0	0	0
31-33	Manufacturing	7,475	0	0	0	0
42	Wholesale Trade	3,509	0	0	0	0
44-45	Retail Trade	16,701	0	0	0	0
48-49	Transportation and Warehousing	2,156	0	0	0	0
51	Information	1,776	0	0	0	0
52	Finance and Insurance	5,879	0	0	0	0
53	Real Estate and Rental and Leasing	9,577	0	0	0	0
54	Professional, Scientific, and Technical Services	10,888	0	0	0	0
55	Management of Companies and Enterprises	609	0	0	0	0
56	Administrative and Support, Waste Mgmt and Remed	8,417	0	0	0	0
61	Educational Services (Private)	3,992	0	0	0	0
62	Health Care and Social Assistance	13,490	0	0	0	0
71	Arts, Entertainment, and Recreation	3,712	0	0	0	0
72	Accommodation and Food Services	14,675	0	0	0	0
81	Other Services (except Public Administration)	11,011	0	0	0	0
90	Government	21,002	0	0	0	0
		154,503	14	0	0	0
						14

Scenario Results - Occupation

SOC	Occupation	Change in Jobs
11-000C	Management Occupations	2
13-000C	Business and Financial Operations Occupations	0
15-000C	Computer and Mathematical Occupations	0
17-000C	Architecture and Engineering Occupations	0
19-000C	Life, Physical, and Social Science Occupations	0
21-000C	Community and Social Service Occupations	0
23-000C	Legal Occupations	0
25-000C	Education, Training, and Library Occupations	0
27-000C	Arts, Design, Entertainment, Sports, and Media Occupations	0
29-000C	Healthcare Practitioners and Technical Occupations	0
31-000C	Healthcare Support Occupations	0
33-000C	Protective Service Occupations	0
35-000C	Food Preparation and Serving Related Occupations	0
37-000C	Building and Grounds Cleaning and Maintenance Occupations	0
39-000C	Personal Care and Service Occupations	0
41-000C	Sales and Related Occupations	1
43-000C	Office and Administrative Support Occupations	1
45-000C	Farming, Fishing, and Forestry Occupations	0
47-000C	Construction and Extraction Occupations	10
49-000C	Installation, Maintenance, and Repair Occupations	0
51-000C	Production Occupations	0
53-000C	Transportation and Material Moving Occupations	0
55-000C	Military occupations	0
99-000C	Unclassified Occupation	0
		14

Scenario Results - Demographic

Demographic	Change in Jobs
Male 14-18	0
Female 14-18	0
Male 19-21	0
Female 19-21	0
Male 22-24	1
Female 22-24	0
Male 25-34	3
Female 25-34	1
Male 35-44	4
Female 35-44	1
Male 45-54	3
Female 45-54	1
Male 55-64	2
Female 55-64	1
Male 65-99	1
Female 65-99	0
	18

Attachment 1

ECONOMIC ANALYSIS PROGRAM

SALE OF UNITS

Effect on Earnings from adding \$1,059,000 sales in New Multifamily Housing Construction (236116)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$232,140,506	\$0	\$50	\$15	\$244
21	Mining, Quarrying, and Oil and Gas Extraction	\$21,625,426	\$0	\$1,399	\$394	\$32
22	Utilities	\$374,828,846	\$0	\$146	\$60	\$736
23	Construction	\$444,351,885	\$505,529	\$179	\$114	\$4,028
31-33	Manufacturing	\$450,101,296	\$0	\$7,351	\$195	\$1,076
42	Wholesale Trade	\$193,194,090	\$0	\$1,559	\$183	\$1,797
44-45	Retail Trade	\$518,210,923	\$0	\$8,474	\$105	\$13,605
48-49	Transportation and Warehousing	\$89,088,518	\$0	\$716	\$265	\$805
51	Information	\$85,868,093	\$0	\$432	\$84	\$991
52	Finance and Insurance	\$272,855,315	\$0	\$1,314	\$470	\$3,288
53	Real Estate and Rental and Leasing	\$221,417,306	\$0	\$1,938	\$335	\$3,285
54	Professional, Scientific, and Technical Services	\$493,456,559	\$0	\$13,952	\$1,195	\$3,825
55	Management of Companies and Enterprises	\$40,211,968	\$0	\$89	\$81	\$108
56	Administrative and Support, Waste Mgmt & Remediation	\$213,790,952	\$0	\$2,322	\$739	\$1,662
61	Educational Services (Private)	\$61,206,576	\$0	\$27	\$16	\$2,571
62	Health Care and Social Assistance	\$711,600,367	\$0	\$156	\$8	\$23,931
71	Arts, Entertainment, and Recreation	\$62,484,424	\$0	\$166	\$54	\$984
72	Accommodation and Food Services	\$301,579,107	\$0	\$443	\$232	\$6,694
81	Other Services (except Public Administration)	\$237,522,928	\$0	\$2,235	\$169	\$4,960
90	Government	\$1,337,614,755	\$0	\$37	\$80	\$7,937
		\$6,363,149,840	\$505,529	\$42,985	\$4,794	\$82,559
						\$635,867

Effect on Sales from adding \$1,059,000 sales in New Multifamily Housing Construction (236116)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$746,666,277	\$0	\$219	\$34	\$772
21	Mining, Quarrying, and Oil and Gas Extraction	\$99,095,395	\$0	\$6,172	\$1,647	\$140
22	Utilities	\$2,170,513,281	\$0	\$826	\$358	\$4,155
23	Construction	\$930,844,524	\$1,059,000	\$375	\$239	\$8,438
31-33	Manufacturing	\$3,701,988,530	\$0	\$47,443	\$2,784	\$12,527
42	Wholesale Trade	\$525,878,843	\$0	\$4,244	\$498	\$4,890
44-45	Retail Trade	\$1,277,934,202	\$0	\$20,897	\$258	\$33,552
48-49	Transportation and Warehousing	\$256,494,386	\$0	\$2,122	\$698	\$2,142
51	Information	\$391,560,074	\$0	\$2,184	\$379	\$4,731
52	Finance and Insurance	\$897,796,334	\$0	\$5,760	\$1,720	\$11,952
53	Real Estate and Rental and Leasing	\$1,194,850,221	\$0	\$9,562	\$1,894	\$17,652
54	Professional, Scientific, and Technical Services	\$853,940,739	\$0	\$25,127	\$2,112	\$6,926
55	Management of Companies and Enterprises	\$73,771,820	\$0	\$164	\$148	\$198
56	Administrative and Support, Waste Mgmt & Remediation	\$423,093,708	\$0	\$4,439	\$1,326	\$3,235
61	Educational Services (Private)	\$100,954,777	\$0	\$46	\$28	\$4,229
62	Health Care and Social Assistance	\$1,254,335,819	\$0	\$270	\$15	\$42,679
71	Arts, Entertainment, and Recreation	\$126,039,623	\$0	\$304	\$102	\$2,307
72	Accommodation and Food Services	\$953,146,303	\$0	\$1,433	\$729	\$20,595
81	Other Services (except Public Administration)	\$447,829,019	\$0	\$4,522	\$335	\$9,499
90	Government	\$5,162,216,341	\$0	\$62	\$133	\$23,643
		\$21,588,950,216	\$1,059,000	\$136,171	\$15,437	\$214,262
						\$1,424,870



Memorandum . . .

Date 4/11/13
To Christine Rodgers
From Wes Willhoit
Re: Economic Analysis Report

I want to thank you for your diligence in working through this pilot program. Having a tool that provides a snapshot of the economic benefits of a subject project is of the utmost importance. This program looks behind the simple permit fees generated by a project by delving into the job creation and sales tax generation that are often under valued during the approval process.

There is one element of the analysis that I believe needs refinement. All soft costs have been withheld, including such elements as: permits & fees, overhead & supervision, design/permitting costs, finance cost and marketing expenses.

This has been done for justifiable reasons as it is the most variable element between projects, especially when comparing the cost associated with the approval/permitting process between jurisdictions.

The issue arises with the program when the soft costs are withheld and yet the total sales revenue is analyzed for economic impacts. The program is assuming that sales revenue equals:

Gross Sales
- Land
- Hard construction costs
= Revenue

The above scenario obviously gives an unrealistic projection of sales revenue without subtracting soft cost. The items I have generally lumped within soft costs and be approximately 25% of gross sales, so it is a significant cost.

I have tried to think of a couple of solutions. One option is to remove the analysis of sales tax revenue all together. In my opinion, the most important element of the analysis is the effect on job creation. The program would still be extremely valuable if that is all it analyzed. Another alternative is to use an industry standard for soft cost for all projects analyzed. At least then the sales tax revenue projection would be pragmatic.

Should you have any questions as you proceed with this program please let me know. I look forward to its successful launch.

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Appendix II - *Economic Analysis Report – Marsh Street Commons*

ECONOMIC ANALYSIS PROGRAM PILOT PROJECT



Prepared for:

Marsh Street Commons

577-595 Marsh Street, San Luis Obispo, CA 93401

October 1, 2013

Prepared by:

Christine Rogers, Program Manager

Economic Vitality Corporation

735 Tank Farm Road, Suite 264, San Luis Obispo, CA 93401

T: 805-788-2013 DD: 805-788-2015 E: crogers@sloevc.org

Executive Summary

The Marsh Street Commons project is a mixed-use project in the downtown area of San Luis Obispo located at the southwest corner of Marsh and Nipomo Streets.

The site is currently developed with single-story commercial of approximately 9,400 square feet along Marsh Street. Lots to the rear of the development along Nipomo Street are vacant and have already been rough graded (previously two single-family residences.)

The project will provide a decidedly improved design aesthetic for this downtown corner and add some needed housing in the downtown core. As designed, the project will help frame the intersection, provide for an attractive downtown streetscape, and transition to the residential neighborhood to the east.

Project Description

Marsh Street Commons is a mixed used project with 8,000 square feet of ground floor commercial space, and a total of 12 residential units. Four 2-bedroom upper level lofts are proposed above the commercial space (range in size between 1,254 and 1,425 square feet). Eight 3-bedroom single-family residential units on compact lots are proposed behind the commercial building and upper level lofts (range in size between 1,551 and 1,799 square feet).

Assumptions

NAICS Codes	236220 Commercial and Institutional Building Construction 236115 New Single-Family Housing Construction 236116 New Multi-Family Housing Construction 236117 New Housing Operative Builders
Construction Cost Estimate:	\$ 1,458,000 (Applicant submitted data for Commercial) \$ 1,643,000 (Applicant submitted data for Multifamily) <u>\$ 1,623,000</u> (Percentage of Sales price for Single Family) \$ 4,724,000 Total Construction Costs
Property Sales Revenue Estimate:	\$ 937,000 (Applicant submitted data for Commercial) \$ 573,000 (Applicant submitted data for Multifamily) <u>\$ 2,884,000</u> (Applicant submitted data for Single-Family) \$ 4,394,000 Total Construction Costs
Sales Tax Rate	0.75% (City of San Luis Obispo – Local fund) <u>0.50%</u> (Additional district fund) 1.25% Total Sales Tax
Property Tax Rate	1.1%

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Community Benefit

Housing

- Provision of workforce housing with adjacency to employment.

Sustainable Design

- Site Location
 - Infill development centrally sited within the vicinity of services (banks, grocery stores, restaurants) to reduce employee and resident vehicle miles traveled.
- Energy Efficiency
 - Green Building checklist indicates project will achieve building performance 20% in excess of Title 24 Energy Code requirements.
 - Project has been designed for maximum use of passive solar.
 - All single family units and lofts will have exposure to winter sun.
 - Horizontal shades and canopies screen summer sun; clerestory windows increase solar access.
- Transportation
 - Bicycle lockers or interior space within each dwelling or accessory structure for the storage of at least two bicycles per residential unit to be provided, and storage for 2 bicycles related to the commercial uses.

Economic Strategy

The project serves to contribute to or support the following economic initiatives being pursued as part of the countywide Economic Strategy:

- **Building Design & Construction**

- BD&C 2 - Permitting process balances economic vitality and environmental well-being, and results in more approvals of high-quality projects.
- BD&C 5 - Priority is given to commercial building modifications that enable companies in the five key clusters to remain competitive and contribute to the economic vitality and quality of life of the County
- BD&C 8 - Increasing resource savings and efficiency in County due to innovative design and building.
- BD&C 7 - Innovative local design and building becomes a growing share of total design and building in the County

- **Uniquely SLO County**

- US 10 - Increase in sales of local products in local restaurants, retail outlets, schools, hospitals, etc.

Definitions

1. **Cost Works Estimate** – Conceptual construction cost estimate generated by the RS Means “Cost Works” online modeling tool. Data inputs include location, building type, square footage, wall frame construction type, etc.
2. **Economic Benefit**
 - a. Initial – Actual impact – One job added, additional sales or earnings to an industry.
 - b. Direct – Industry transactions – Direct impacts take place only in the industry immediately impacted and consist of permanent jobs, wages and output of the event itself.
 - c. Indirect – Inter-Industry transactions – Indirect impacts are the jobs, wages and output created by businesses, which provide goods and services essential to the construction of the project, event, tourist activity, or to the new company.
 - d. Induced – Impacts to household income – Induced impacts are the result of spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation and medical services.
3. **Earnings** – Total value of earnings or wages added to the region.
4. **EMSI Analyst 3.0** - Economic Modeling Specialists, Inc. online economic modeling tool.
5. **Jobs** – The total number of new full and/or part time jobs added to the region.
6. **Methodology** – Narrative description of the method by which the estimate was calculated.

Summary of Sales - Construction

Construction Cost Estimate		ASSUMPTIONS
Cost Works Estimate:		
Commercial	\$1,458,000	<ul style="list-style-type: none"> ● 236220 COMMERCIAL AND INSTITUTIONAL BUILDING CONSTRUCTION <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER: 1.54 ▪ EARNINGS MULTIPLIER: 1.26 ▪ SALES MULTIPLIER: 1.36 ● 236115 NEW SINGLE-FAMILY HOUSING CONSTRUCTION <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER: 1.31 ▪ EARNINGS MULTIPLIER: 1.26 ▪ SALES MULTIPLIER: 1.36 ● 236116 NEW MULTI-FAMILY HOUSING CONSTRUCTION <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER: 1.26 ▪ EARNINGS MULTIPLIER: 1.26 ▪ SALES MULTIPLIER: 1.36 <p>▲ BUILDING TYPE:</p> <ul style="list-style-type: none"> ● APARTMENT 1-3 STORIES ● STORE RETAIL <p>▲ SQUARE FOOTAGE:</p> <ul style="list-style-type: none"> ● COMMERCIAL 8,013 SQ. FT. ● MULTI-FAMILY 5,773 SQ. FT. ● SINGLE-FAMILY 13,556 SQ. FT. <p>▲ WALL FRAME CONSTRUCTION:</p> <ul style="list-style-type: none"> ● PAINTED REINFORCED CONCRETE/STEEL JOIST ● STUCCO ON CONCRETE BLOCK/WOOD JOIST
Residential Multi-Family	\$1,643,000	
Residential Single-Family	<u>\$1,624,000</u>	
Total Construction Cost Estimate	\$4,724,000	
Construction Sales Revenue (EMSI Analyst 3.0)		
Commercial		
Initial:	\$1,458,000	
Direct:	\$180,193	
Indirect:	\$19,586	
Induced:	<u>\$302,776</u>	
	\$1,960,555	
Multi-Family		
Initial:	\$1,643,000	
Direct:	\$201,116	
Indirect:	\$21,860	
Induced:	<u>\$340,659</u>	
	\$2,206,635	
Single-Family		
Initial:	\$1,623,000	
Direct:	\$200,709	
Indirect:	\$21,816	
Induced:	<u>\$336,995</u>	
	\$2,183,520	
Total Annual Sales Revenue Estimate:	\$4,724,000	

Summary of Sales – Property Sales

Property Sales Revenue Estimate		ASSUMPTIONS
Commercial		<p>▲ INDUSTRY:</p> <ul style="list-style-type: none"> ● 236117 NEW HOUSING OPERATIVE BUILDER <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER: 1.29 ▪ EARNINGS MULTIPLIER: 1.26 ▪ SALES MULTIPLIER: 1.36 <p>▲ PROPERTY SALES REVENUE ESTIMATION METHOD</p> <ul style="list-style-type: none"> ● UNITS SALES PRICE LESS LAND COST AND CONSTRUCTION COST.
Initial:	\$937,000	
Direct:	\$115,184	
Indirect:	\$12,520	
Induced:	<u>\$194,634</u>	
	\$1,259,338	
Multi-Family		
Initial:	\$1,643,000	
Direct:	\$201,116	
Indirect:	\$21,860	
Induced:	<u>\$340,659</u>	
	\$2,206,635	
Single-Family		
Initial:	\$2,884,000	
Direct:	\$354,536	
Indirect:	\$38,534	
Induced:	<u>\$599,077</u>	
	\$3,876,147	
Total Annual Sales Revenue Estimate:	\$7,342,120	

Dataset Version: QCEW Employees - EMSI 2013.3

Summary of Jobs/Earnings - Construction

COMMERCIAL		ASSUMPTIONS
Initial:	9	▲ INDUSTRY: <ul style="list-style-type: none"> • 236220 COMMERCIAL AND INSTITUTIONAL BUILDING CONSTRUCTION <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER: 1.54 ▪ EARNINGS MULTIPLIER: 1.26 ▪ SALES MULTIPLIER: 1.36 • 236115 NEW SINGLE-FAMILY HOUSING CONSTRUCTION <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER: 1.31 ▪ EARNINGS MULTIPLIER: 1.26 ▪ SALES MULTIPLIER: 1.36 • 236116 NEW MULTI-FAMILY HOUSING CONSTRUCTION <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER: 1.26 ▪ EARNINGS MULTIPLIER: 1.26 ▪ SALES MULTIPLIER: 1.36
Direct:	1	
Indirect:	0	
Induced:	<u>3</u>	
Total Jobs Estimate:	13	
Initial:	\$694,854	
Direct:	\$56,906	
Indirect:	\$6,100	
Induced:	<u>\$17,165</u>	
Total Earnings Estimate:	\$875,025	
Average Earnings per Job	\$63,647	
MULTIFAMILY		
Initial:	21	
Direct:	0	
Indirect:	0	
Induced:	<u>3</u>	
Total Jobs Estimate:	27	
Initial:	\$783,022	
Direct:	\$63,518	
Indirect:	\$6,810	
Induced:	<u>\$131,763</u>	
Total Earnings Estimate:	\$985,113	
Average Earnings per Job	\$37,732	
SINGLE FAMILY		
Initial:	17	
Direct:	2	
Indirect:	0	
Induced:	<u>4</u>	
Total Jobs Estimate:	23	
Initial:	\$773,967	
Direct:	\$63,387	
Indirect:	\$6,792	
Induced:	<u>\$130,378</u>	
Total Earnings Estimate:	\$974,524	
Average Earnings per Job	\$43,201	
Total Earnings Estimate	\$2,834,662	

Summary of Jobs/Earnings – Property Sales

COMMERCIAL		ASSUMPTIONS
Initial:	11	<p>▲ INDUSTRY:</p> <ul style="list-style-type: none"> • 236117 NEW HOUSING OPERATIVE BUILDER <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER: 1.29 ▪ EARNINGS MULTIPLIER: 1.26 ▪ SALES MULTIPLIER: 1.36 <p>▲ PROPERTY SALES REVENUE ESTIMATION METHOD</p> <ul style="list-style-type: none"> ▪ UNITS SALES PRICE LESS LAND COST AND CONSTRUCTION COST.
Direct:	1	
Indirect:	0	
Induced:	<u>2</u>	
Total Jobs Estimate:	14	
Initial:	\$446,556	
Direct:	\$36,378	
Indirect:	\$3,899	
Induced:	<u>\$75,231</u>	
Total Earnings Estimate:	\$562,064	
Average Earnings per Job	\$40,669	
MULTIFAMILY		
Initial:	33	
Direct:	2	
Indirect:	0	
Induced:	<u>4</u>	
Total Jobs Estimate:	39	
Initial:	\$1,374,458	
Direct:	\$111,959	
Indirect:	\$12,002	
Induced:	<u>\$231,560</u>	
Total Earnings Estimate:	\$1,729,989	
Average Earnings per Job	\$40,699	
SINGLE FAMILY		
Initial:	33	
Direct:	3	
Indirect:	0	
Induced:	<u>6</u>	
Total Jobs Estimate:	42	
Initial:	\$1,374,458	
Direct:	\$111,969	
Indirect:	\$12,002	
Induced:	<u>\$231,560</u>	
Total Earnings Estimate:	\$1,729,989	
Average Earnings per Job	\$40,699	
Total Earnings	\$2,635,773	

Dataset Version: QCEW Employees - EMSI 2013.3

Industry Breakdown

Commercial – Construction Sales

Detailed Effect on Industry Sales from adding \$1,458,000 sales in Commercial and Institutional Building Construction (236220)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$760,514,252	\$0	\$512	\$64	\$1,578
21	Mining, Quarrying, and Oil and Gas Extraction	\$97,629,884	\$0	\$6,794	\$945	\$182
22	Utilities	\$1,883,718,874	\$0	\$1,037	\$366	\$5,059
23	Construction	\$1,025,789,276	\$1,458,000	\$504	\$306	\$12,918
31	Manufacturing	\$3,962,257,180	\$0	\$61,257	\$4,016	\$17,555
42	Wholesale Trade	\$497,691,459	\$0	\$5,402	\$584	\$6,297
44	Retail Trade	\$1,330,302,840	\$0	\$26,965	\$313	\$42,977
48	Transportation and Warehousing	\$288,132,804	\$0	\$3,244	\$847	\$3,242
51	Information	\$399,440,112	\$0	\$3,125	\$489	\$6,481
52	Finance and Insurance	\$1,019,134,811	\$0	\$8,467	\$2,600	\$19,021
53	Real Estate and Rental and Leasing	\$1,252,736,366	\$0	\$12,293	\$2,479	\$25,343
54	Professional, Scientific, and Technical Services	\$848,244,769	\$0	\$34,874	\$2,748	\$9,234
55	Management of Companies and Enterprises	\$77,845,055	\$0	\$228	\$183	\$294
56	Administrative and Support and Waste Management and Remediation Services	\$467,244,661	\$0	\$6,541	\$1,872	\$4,849
61	Educational Services (Private)	\$96,488,413	\$0	\$52	\$31	\$5,003
62	Health Care and Social Assistance	\$1,281,760,057	\$0	\$412	\$23	\$65,966
71	Arts, Entertainment, and Recreation	\$116,095,006	\$0	\$373	\$115	\$3,178
72	Accommodation and Food Services	\$1,013,250,370	\$0	\$2,083	\$1,014	\$29,636
81	Other Services (except Public Administration)	\$446,931,604	\$0	\$5,948	\$422	\$12,940
90	Government	\$5,336,816,772	\$0	\$82	\$169	\$31,023
		\$22,202,024,565	\$1,458,000	\$180,193	\$19,586	\$302,776
						\$1,960,555

Commercial – Property Sales

Detailed Effect on Industry Sales from adding \$937,000 sales in New Housing Operative Builders (236117)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$760,514,252	\$0	\$327	\$41	\$1,020
21	Mining, Quarrying, and Oil and Gas Extraction	\$97,629,884	\$0	\$4,343	\$604	\$115
22	Utilities	\$1,883,718,874	\$0	\$663	\$234	\$3,252
23	Construction	\$1,025,789,276	\$937,000	\$322	\$195	\$8,138
31	Manufacturing	\$3,962,257,180	\$0	\$39,158	\$2,567	\$11,337
42	Wholesale Trade	\$497,691,459	\$0	\$3,453	\$373	\$4,043
44	Retail Trade	\$1,330,302,840	\$0	\$17,237	\$200	\$27,605
48	Transportation and Warehousing	\$288,132,804	\$0	\$2,074	\$541	\$2,086
51	Information	\$399,440,112	\$0	\$1,997	\$313	\$4,192
52	Finance and Insurance	\$1,019,134,811	\$0	\$5,413	\$1,662	\$12,190
53	Real Estate and Rental and Leasing	\$1,252,736,366	\$0	\$7,858	\$1,585	\$16,513
54	Professional, Scientific, and Technical Services	\$848,244,769	\$0	\$22,293	\$1,757	\$5,895
55	Management of Companies and Enterprises	\$77,845,055	\$0	\$146	\$117	\$188
56	Administrative and Support and Waste Management and Remediation Services	\$467,244,661	\$0	\$4,181	\$1,197	\$3,114
61	Educational Services (Private)	\$96,488,413	\$0	\$33	\$20	\$3,302
62	Health Care and Social Assistance	\$1,281,760,057	\$0	\$263	\$15	\$42,209
71	Arts, Entertainment, and Recreation	\$116,095,006	\$0	\$238	\$73	\$2,045
72	Accommodation and Food Services	\$1,013,250,370	\$0	\$1,331	\$648	\$19,050
81	Other Services (except Public Administration)	\$446,931,604	\$0	\$3,802	\$270	\$8,332
90	Government	\$5,336,816,772	\$0	\$52	\$108	\$20,008
		\$22,202,024,565	\$937,000	\$115,184	\$12,520	\$194,634
						\$1,259,338

Attachment 1

Multifamily - Construction Sales

Detailed Effect on Industry Sales from adding \$1,643,000 sales in New Multifamily Housing Construction (236116)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$760,514,252	\$0	\$571	\$71	\$1,778
21	Mining, Quarrying, and Oil and Gas Extraction	\$97,629,884	\$0	\$7,582	\$1,054	\$206
22	Utilities	\$1,883,718,874	\$0	\$1,158	\$408	\$5,682
23	Construction	\$1,025,789,276	\$1,643,000	\$562	\$341	\$14,646
31	Manufacturing	\$3,962,257,180	\$0	\$68,371	\$4,483	\$19,816
42	Wholesale Trade	\$497,691,459	\$0	\$6,029	\$652	\$7,095
44	Retail Trade	\$1,330,302,840	\$0	\$30,096	\$350	\$48,305
48	Transportation and Warehousing	\$288,132,804	\$0	\$3,621	\$945	\$3,652
51	Information	\$399,440,112	\$0	\$3,487	\$546	\$7,311
52	Finance and Insurance	\$1,019,134,811	\$0	\$9,453	\$2,902	\$21,331
53	Real Estate and Rental and Leasing	\$1,252,736,366	\$0	\$13,720	\$2,767	\$28,752
54	Professional, Scientific, and Technical Services	\$848,244,769	\$0	\$38,923	\$3,067	\$10,381
55	Management of Companies and Enterprises	\$77,845,055	\$0	\$255	\$204	\$330
56	Administrative and Support and Waste Management and Remediation Services	\$467,244,661	\$0	\$7,301	\$2,089	\$5,451
61	Educational Services (Private)	\$96,488,413	\$0	\$58	\$35	\$5,722
62	Health Care and Social Assistance	\$1,281,760,057	\$0	\$459	\$26	\$73,898
71	Arts, Entertainment, and Recreation	\$116,095,006	\$0	\$416	\$128	\$3,572
72	Accommodation and Food Services	\$1,013,250,370	\$0	\$2,324	\$1,132	\$33,330
81	Other Services (except Public Administration)	\$446,931,604	\$0	\$6,639	\$471	\$14,553
90	Government	\$5,336,816,772	\$0	\$91	\$189	\$34,848
		\$22,202,024,565	\$1,643,000	\$201,116	\$21,860	\$340,659
						\$2,206,635

Multifamily – Property Sales

Detailed Effect on Industry Sales from adding \$573,000 sales in New Housing Operative Builders (236117)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$760,514,252	\$0	\$200	\$25	\$624
21	Mining, Quarrying, and Oil and Gas Extraction	\$97,629,884	\$0	\$2,656	\$369	\$71
22	Utilities	\$1,883,718,874	\$0	\$406	\$143	\$1,989
23	Construction	\$1,025,789,276	\$573,000	\$197	\$120	\$4,977
31	Manufacturing	\$3,962,257,180	\$0	\$23,946	\$1,570	\$6,933
42	Wholesale Trade	\$497,691,459	\$0	\$2,112	\$228	\$2,473
44	Retail Trade	\$1,330,302,840	\$0	\$10,541	\$122	\$16,881
48	Transportation and Warehousing	\$288,132,804	\$0	\$1,268	\$331	\$1,276
51	Information	\$399,440,112	\$0	\$1,221	\$191	\$2,564
52	Finance and Insurance	\$1,019,134,811	\$0	\$3,310	\$1,016	\$7,455
53	Real Estate and Rental and Leasing	\$1,252,736,366	\$0	\$4,805	\$969	\$10,098
54	Professional, Scientific, and Technical Services	\$848,244,769	\$0	\$13,633	\$1,074	\$3,605
55	Management of Companies and Enterprises	\$77,845,055	\$0	\$89	\$71	\$115
56	Administrative and Support and Waste Management and Remediation Services	\$467,244,661	\$0	\$2,557	\$732	\$1,904
61	Educational Services (Private)	\$96,488,413	\$0	\$20	\$12	\$2,020
62	Health Care and Social Assistance	\$1,281,760,057	\$0	\$161	\$9	\$25,812
71	Arts, Entertainment, and Recreation	\$116,095,006	\$0	\$146	\$45	\$1,251
72	Accommodation and Food Services	\$1,013,250,370	\$0	\$814	\$396	\$11,649
81	Other Services (except Public Administration)	\$446,931,604	\$0	\$2,325	\$165	\$5,095
90	Government	\$5,336,816,772	\$0	\$32	\$66	\$12,235
		\$22,202,024,565	\$573,000	\$70,439	\$7,654	\$119,027
						\$770,120

Attachment 1

Single Family Residential – Construction Sales

Detailed Effect on Industry Sales from adding \$1,624,000 sales in New Single-Family Housing Construction (236115)

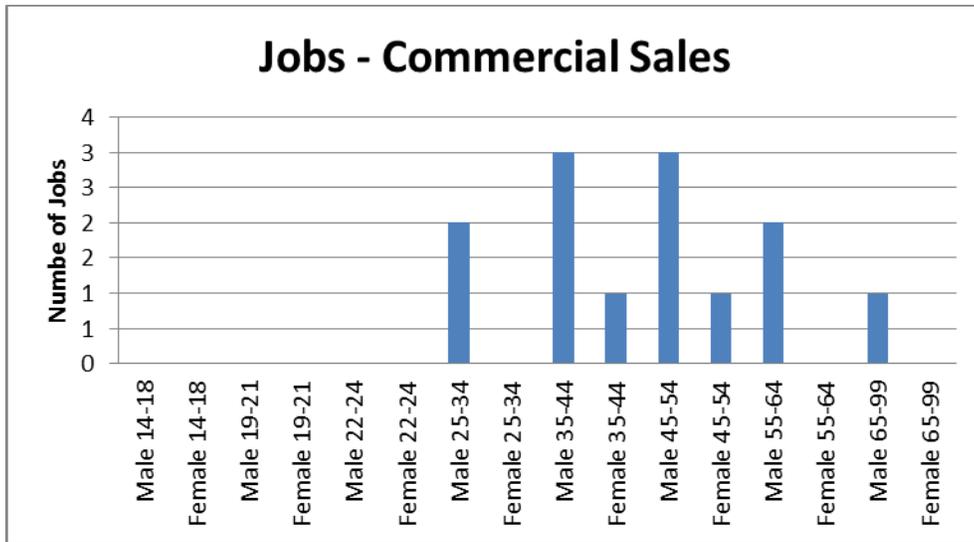
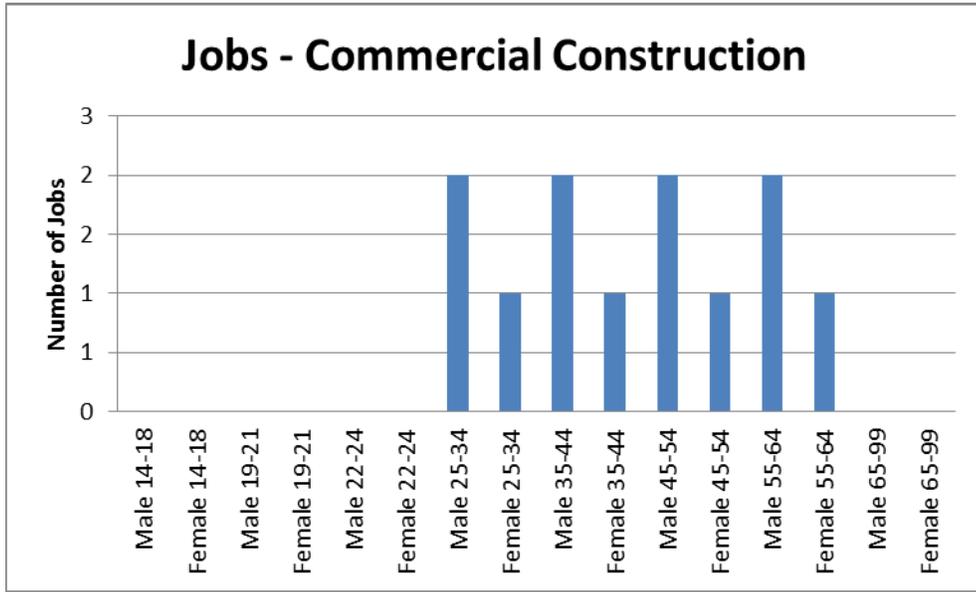
NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$760,514,252	\$0	\$570	\$71	\$1,754
21	Mining, Quarrying, and Oil and Gas Extraction	\$97,629,884	\$0	\$7,567	\$1,052	\$205
22	Utilities	\$1,883,718,874	\$0	\$1,156	\$407	\$5,613
23	Construction	\$1,025,789,276	\$1,624,000	\$561	\$341	\$14,666
31	Manufacturing	\$3,962,257,180	\$0	\$68,233	\$4,474	\$19,581
42	Wholesale Trade	\$497,691,459	\$0	\$6,017	\$651	\$7,024
44	Retail Trade	\$1,330,302,840	\$0	\$30,036	\$349	\$47,757
48	Transportation and Warehousing	\$288,132,804	\$0	\$3,613	\$943	\$3,611
51	Information	\$399,440,112	\$0	\$3,480	\$545	\$7,217
52	Finance and Insurance	\$1,019,134,811	\$0	\$9,431	\$2,896	\$21,098
53	Real Estate and Rental and Leasing	\$1,252,736,366	\$0	\$13,693	\$2,762	\$28,363
54	Professional, Scientific, and Technical Services	\$848,244,769	\$0	\$38,845	\$3,061	\$10,293
55	Management of Companies and Enterprises	\$77,845,055	\$0	\$254	\$203	\$327
56	Administrative and Support and Waste Management and Remediation Services	\$467,244,661	\$0	\$7,286	\$2,085	\$5,391
61	Educational Services (Private)	\$96,488,413	\$0	\$58	\$35	\$5,633
62	Health Care and Social Assistance	\$1,281,760,057	\$0	\$458	\$26	\$73,076
71	Arts, Entertainment, and Recreation	\$116,095,006	\$0	\$415	\$128	\$3,529
72	Accommodation and Food Services	\$1,013,250,370	\$0	\$2,320	\$1,129	\$32,951
81	Other Services (except Public Administration)	\$446,931,604	\$0	\$6,625	\$470	\$14,377
90	Government	\$5,336,816,772	\$0	\$91	\$188	\$34,529
		\$22,202,024,565	\$1,624,000	\$200,709	\$21,816	\$336,995
						\$2,183,520

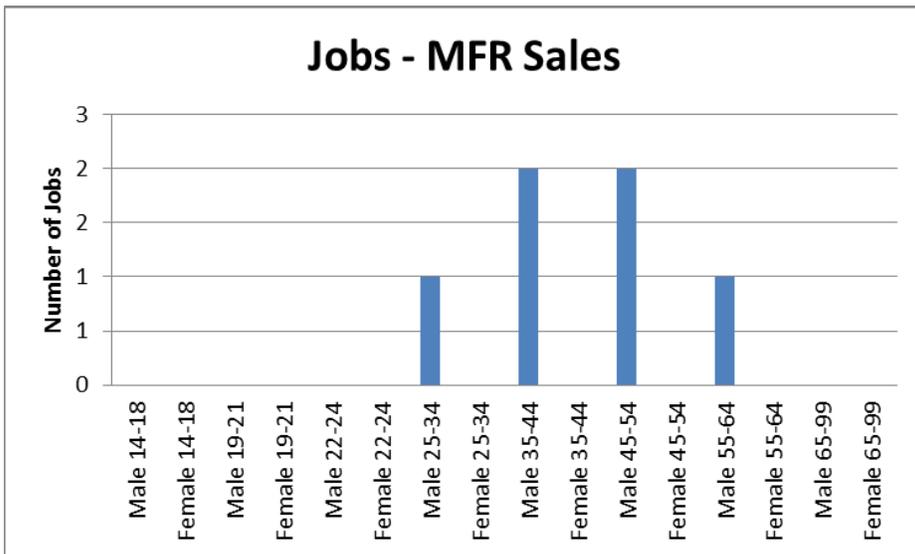
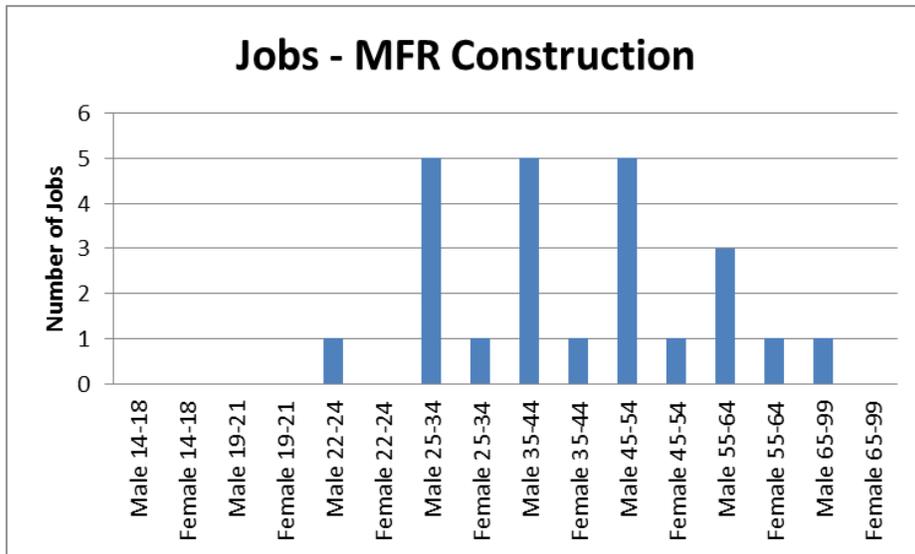
Single Family Residential – Property Sales

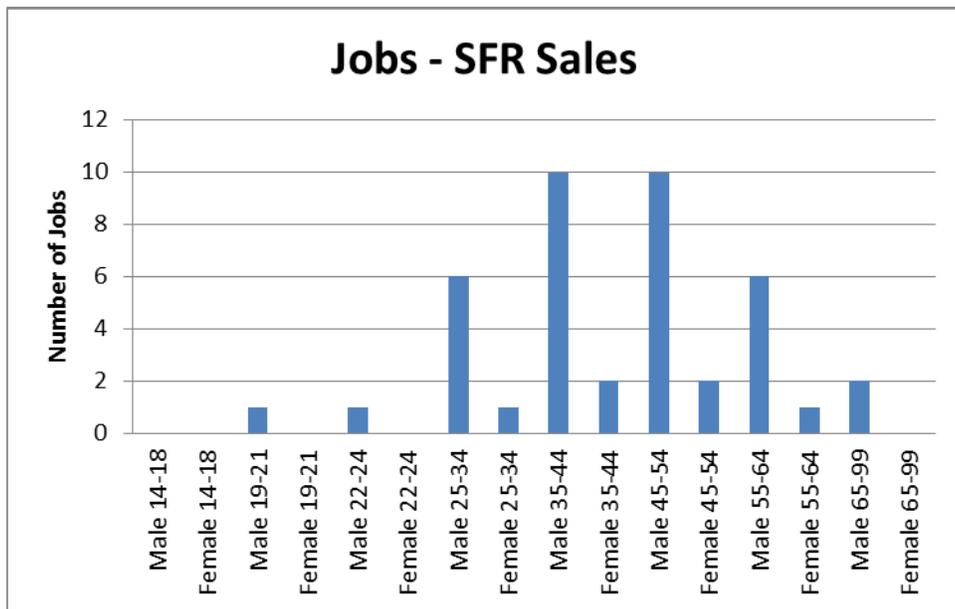
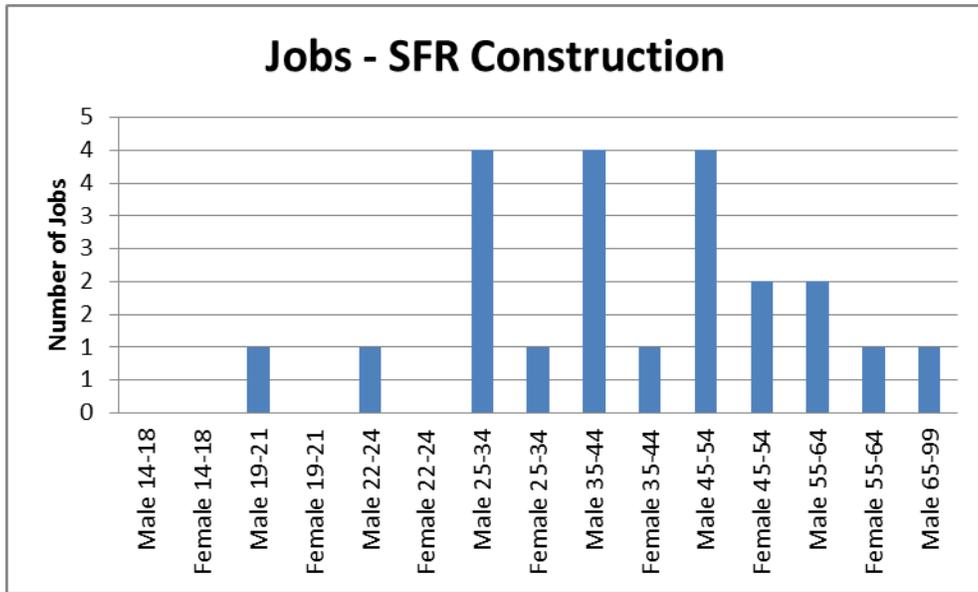
Detailed Effect on Industry Sales from adding \$2,884,000 sales in New Housing Operative Builders (236117)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	\$760,514,252	\$0	\$1,007	\$126	\$3,140
21	Mining, Quarrying, and Oil and Gas Extraction	\$97,629,884	\$0	\$13,367	\$1,858	\$355
22	Utilities	\$1,883,718,874	\$0	\$2,041	\$720	\$10,011
23	Construction	\$1,025,789,276	\$2,884,000	\$991	\$601	\$25,048
31	Manufacturing	\$3,962,257,180	\$0	\$120,526	\$7,902	\$34,894
42	Wholesale Trade	\$497,691,459	\$0	\$10,629	\$1,149	\$12,445
44	Retail Trade	\$1,330,302,840	\$0	\$53,055	\$617	\$84,965
48	Transportation and Warehousing	\$288,132,804	\$0	\$6,382	\$1,666	\$6,422
51	Information	\$399,440,112	\$0	\$6,148	\$963	\$12,903
52	Finance and Insurance	\$1,019,134,811	\$0	\$16,662	\$5,116	\$37,520
53	Real Estate and Rental and Leasing	\$1,252,736,366	\$0	\$24,187	\$4,878	\$50,826
54	Professional, Scientific, and Technical Services	\$848,244,769	\$0	\$68,615	\$5,407	\$18,144
55	Management of Companies and Enterprises	\$77,845,055	\$0	\$449	\$359	\$579
56	Administrative and Support and Waste Management and Remediation Services	\$467,244,661	\$0	\$12,870	\$3,683	\$9,585
61	Educational Services (Private)	\$96,488,413	\$0	\$102	\$61	\$10,165
62	Health Care and Social Assistance	\$1,281,760,057	\$0	\$810	\$45	\$129,917
71	Arts, Entertainment, and Recreation	\$116,095,006	\$0	\$734	\$225	\$6,295
72	Accommodation and Food Services	\$1,013,250,370	\$0	\$4,097	\$1,995	\$58,634
81	Other Services (except Public Administration)	\$446,931,604	\$0	\$11,703	\$831	\$25,646
90	Government	\$5,336,816,772	\$0	\$161	\$332	\$61,583
		\$22,202,024,565	\$2,884,000	\$354,536	\$38,534	\$599,077
						\$3,876,147

Demographics







Dataset Version: QCEW Employees - EMSI 2013.3

Appendix III – *Economic Analysis Report - Mindbody Expansion*



ECONOMIC ANALYSIS PROGRAM PILOT PROJECT



Prepared for:

Mindbody

651 Tank Farm Road, San Luis Obispo, CA 93401

October 1, 2013

Prepared by:

Christine Rogers, Program Manager

Economic Vitality Corporation

735 Tank Farm Road, Suite 264, San Luis Obispo, CA 93401

(805) 788-2015 crogers@sloevc.org

Executive Summary

Mindbody is a software company that specializes in software programs for the health, wellness and beauty marketings. The company already occupies much of the space within the existing buildings to the east of the proposed project which is the topic of this report. This new building has been sited and oriented to have a symbiotic relationship and to create a business campus.

In modeling the Mindbody Expansion project, at the project owner's request, the direct data input was based upon earnings rather than sales revenues. In estimated annual wages, only those positions related to the expansion site were included.

The jobs that will be created and preserved with this expansion meet the definition of the household jobs as set forth in the City of San Luis Obispo's Economic Development Strategic plan by offering benefits, career advancement opportunities and requiring a college education or specialized knowledge. Approximately 72% of all jobs added will meet the head of household job characteristics, including salary.

In addition, the project owner did note that approximately 20% of the existing six hundred (600) employees would also be supported by the expansion project through the child care center, meeting facilities, etc. This additional benefit is not included in the operational economic impacts for that project.

Expansion is projected annually through 2018, well beyond the expansion of the facility.

Project Description

This new two-story commercial office building is located with the City of San Luis Obispo's Airport Area Specific Plan and proposes 59,248 square feet of commercial office space with a potential to increase the total floor area to 64,022 square feet at some point in the future. Site amenities include parking, landscaping and an outdoor plaza. The separate parking structure spaces are based upon the final buildout square footage. This steel-frame building with infill wall framing will have exterior finishes of vertical and horizontal steel siding and stucco.

Assumptions

NAICS Codes	236220 Commercial and Institutional Building Construction 511210 Software publishers	
Construction Cost Estimate:	\$ 8,265,000 (Cost Works Estimate for Office Building) <u>\$ 6,370,000</u> (Cost Works Estimate for Parking Structure) \$14,635,000 Total Construction Costs	
Earnings Estimates:	\$ 8,760,000 (Annual Earnings- 40 Supervisor \$78K, 120 Employee \$47K)	
Sales Tax Rate	0.75% (City of San Luis Obispo – Local fund) 0.50% (Additional district fund) 1.25% Total Sales Tax	
Existing Property Tax Value	Land	\$ 53,864
	Improvements	<u>\$519,465</u>
		\$573,329
Property Tax Rate	1.1%	

Cumulative Economic Impact

ECONOMIC BENEFITS – CONSTRUCTION

These outputs include the cumulative total of the initial, direct, indirect and induced effects, resulting from sales revenues of \$14,635,000 in the Commercial and Industrial Construction industry (NAICS 236220), as well as the associated job growth and earnings.

<u>Total Construction Cost</u>	<u>\$14,635,000</u>
• Jobs	145
• Earnings	\$ 8,808,843
• Average Earnings per Job	\$ 60,818
• Aggregate Sales Revenue	\$ 19,716,791
• Sales Tax Revenue	\$ 246,459
• Property Tax Increase (\$14,688,864)	\$ 161,577

ECONOMIC BENEFITS – OPERATION

These outputs include the cumulative total of the initial, direct, indirect and induced effects, resulting from earnings of \$8,760,000 in the Software Publishers industry (NAICS 511210), as well as the associated job growth and industry sales.

Total Estimated Annual Sales Revenue \$32,668,504

- Jobs 275
- Earnings \$13,195,611
- Average Earnings per Job \$ 47,918
- Aggregate Sales Revenue \$43,599,551
- Sales Tax Revenue (1.25%) \$ 540,634

ECONOMIC BENEFITS – CUMULATIVE (Construction and Operations)

Total Estimated Annual Sales Revenue \$47,303,504

- Jobs 420
- Earnings \$22,004,454
- Average Earnings per Job \$ 54,368
- Aggregate Sales Revenue \$63,316,342
- Sales Tax Revenue (1.25%) \$ 672,211

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Community Benefit

Parking - A four level parking structure is also incorporated into the project and addresses a shortfall of parking in the area.

Public Art – The project proposes to provide a public art component.

Sustainable Design – The project will pursue LEED for Commercial Interiors certification at a minimum of “Certified” level, with a goal of achieving “Silver” or “Gold” levels. Sustainable design components will include:

- Site location – Centrally sited within the vicinity of services (banks, grocery stores, restaurants) to reduce employee vehicle miles traveled.
- Water efficiency – High efficiency (ultra-low flow) fixtures to be utilized (toilets, urinals).
- Energy Efficiency – High efficiency lighting to include LED fixtures (light emitting diodes), interior/exterior lighting controls to reduce off peak usage and maximize daylighting, exterior and clerestory glazing (lobby and raised-monitor at center of building).
- Solar energy – Photovoltaic panels will be utilized to the maximum extent possible on the buildings’ roof and above the top floor of the parking garage.

Economic Strategy

The project serves to contribute to or support the following economic initiatives being pursued as part of the countywide Economic Strategy:

- **Building Design & Construction**
 - BD&C 1 - Shorter and more certain time frame to get from permit application to decision.
 - BD&C 2 - Permitting process balances economic vitality and environmental well-being, and results in more approvals of high-quality projects.
 - BD&C 8 - Increasing resource savings and efficiency in County due to innovative design and building.
- **Green Energy**
 - GET 4 – New and expanded green energy production facilities in County.
 - GET 5 – Increases in production, use and exports of green energy.
 - GET 10 - Increasing use of local incentives for energy efficiency improvements (e.g., utility, PACE programs, loans, energy efficient mortgages).
- **Health Services**
 - HS 3 - Increase in the volume and diversity of wellness services in the County.
 - HS 4 - Increase in the connectivity across different levels and elements of the local health care system, as well as related social support, active senior housing, and other elements supporting the vision of the County as a leading wellness destination.
 - HS 4 - Growing recognition outside the County that the area is a prime wellness destination, especially among active baby boomer retirees.
 - HS 5 - Improving health outcomes among local population due to County's commitment to be a wellness destination.
- **Knowledge & Innovation**
 - K&I 1 - Increase in awareness of cluster employment opportunities among local residents, Cal Poly students and graduates, "trailing spouses", and outside talent.
 - K&I 2 - Increase in brand awareness of the knowledge and innovation cluster, including the range of expertise, companies, products and services located in San Luis Obispo County.
 - K&I 3 - Creation of a convener of cluster companies, enabling greater collaboration among companies to pursue business opportunities, address shared challenges, and collaborate

with community partners to address challenges (e.g., workforce, access to global markets, access to capital, awareness-building).

- K&I 6 - Increase in the number of wired buildings (100 mbps or greater) that house cluster companies.
- K&I 7 - Increase in global exports of knowledge and innovation services due to improved connectivity to outside markets.
- **Specialized Manufacturing**
 - SMA 7 - Increase speed for making facility changes to meet shifting market conditions (e.g., decrease number of days from application to approval of permits).

Definitions

1. **Cost Works Estimate** – Conceptual construction cost estimate generated by the RS Means “Cost Works” online modeling tool. Data inputs include location, building type, square footage, wall frame construction type, etc.
2. **Economic Benefit**
 - a. Initial – Actual impact – One job added, additional sales or earnings to an industry.
 - b. Direct – Industry transactions – Direct impacts take place only in the industry immediately impacted and consist of permanent jobs, wages and output of the event itself.
 - c. Indirect – Inter-Industry transactions – Indirect impacts are the jobs, wages and output created by businesses, which provide goods and services essential to the construction of the project, event, tourist activity, or to the new company.
 - d. Induced – Impacts to household income – Induced impacts are the result of spending of the wages and salaries of the direct and indirect employees on items such as food, housing, transportation and medical services.
3. **Earnings** – Total value of annual earnings or wages added to the region.
4. **EMSI Analyst 3.0** - Economic Modeling Specialists, Inc. online economic modeling tool.
5. **Jobs** – The total number of new full and/or part time jobs added to the region.
6. **Methodology** – Narrative description of the method by which the estimate was calculated.

Summary of Sales - Construction

Construction Cost Estimate		ASSUMPTIONS
Methodology: CostWorks Conceptual Estimate		<p>▲ INDUSTRY:</p> <ul style="list-style-type: none"> 236220 COMMERCIAL AND INSTITUTIONAL BUILDING CONSTRUCTION <ul style="list-style-type: none"> JOBS MULTIPLIER: 1.52 EARNINGS MULTIPLIER: 1.26 SALES MULTIPLIER: 1.36 <p>▲ BUILDING TYPE:</p> <ul style="list-style-type: none"> OFFICE 2-4 STORIES PARKING – 4 STORIES <p>▲ SQUARE FOOTAGE:</p> <ul style="list-style-type: none"> BUILDING 64,022 SQ. FT. PARKING 123,600 SQ. FT. <p>▲ WALL FRAME CONSTRUCTION:</p> <ul style="list-style-type: none"> GLASS AND METAL CURTAIN WALL/STEEL FRAME FACE BRICK WITH CONCRETE BLOCK BACK-UP / R/CONCRETE FRAME
Cost Works Estimate:		
Office Building	\$8,265,000	
Parking Structure	<u>\$6,370,000</u>	
Total Construction Cost Estimate	\$14,635,000	
Soft Costs		
City and School Fees:	Unknown	
Water and Sewer Fees:	Unknown	
Land Cost:	Unknown	
Construction Sales Revenue (EMSI Analyst 3.0)		
Initial:	\$14,635,000	
Direct:	\$1,814,705	
Indirect:	\$196,863	
Induced:	<u>\$3,070,223</u>	
Total Sales Revenue Estimate ¹ :	\$19,716,791	

Summary of Sales - Operations

Operations Earnings Estimate		ASSUMPTIONS
Annual Earnings Estimate:	\$8,760,000	<p>▲ INDUSTRY:</p> <ul style="list-style-type: none"> 511210 SOFTWARE PUBLISHERS <ul style="list-style-type: none"> JOBS MULTIPLIER – 1.97 EARNINGS MULTIPLIER – 1.51 SALES MULTIPLIER - 1.38 <p>▲ ANNUAL EARNINGS</p> <ul style="list-style-type: none"> 40 SUPERVISORS \$78K 120 EMPLOYEES \$47K TOTAL ANNUAL EARNINGS \$8,760,000
Occupations Sales Revenue (EMSI Analyst 3.0)		
Initial:	\$32,668,504	
Direct:	\$5,000,490	
Indirect:	\$569,239	
Induced:	<u>\$5,361,318</u>	
Total Annual Occupation Sales Revenue Estimate:	\$43,599,551	

Dataset Version: QCEW Employees - EMSI 2013.3

Summary of Jobs/Earnings - Construction

Construction Jobs Estimate		ASSUMPTIONS
Initial:	95	▲ INDUSTRY: <ul style="list-style-type: none"> • 236220 COMMERCIAL AND INSTITUTIONAL BUILDING CONSTRUCTION <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER: 1.52 ▪ EARNINGS MULTIPLIER: 1.26 ▪ SALES MULTIPLIER: 1.36
Direct:	14	
Indirect:	2	
Induced:	<u>34</u>	
Total Jobs Estimate:	145	
Construction Earnings Estimate		
Initial:	\$6,974,756	
Direct:	\$577,374	
Indirect:	\$61,785	
Induced:	<u>\$1,194,928</u>	
Total Earnings Estimate:	\$8,808,843	
Average Earnings per Job	\$60,818	

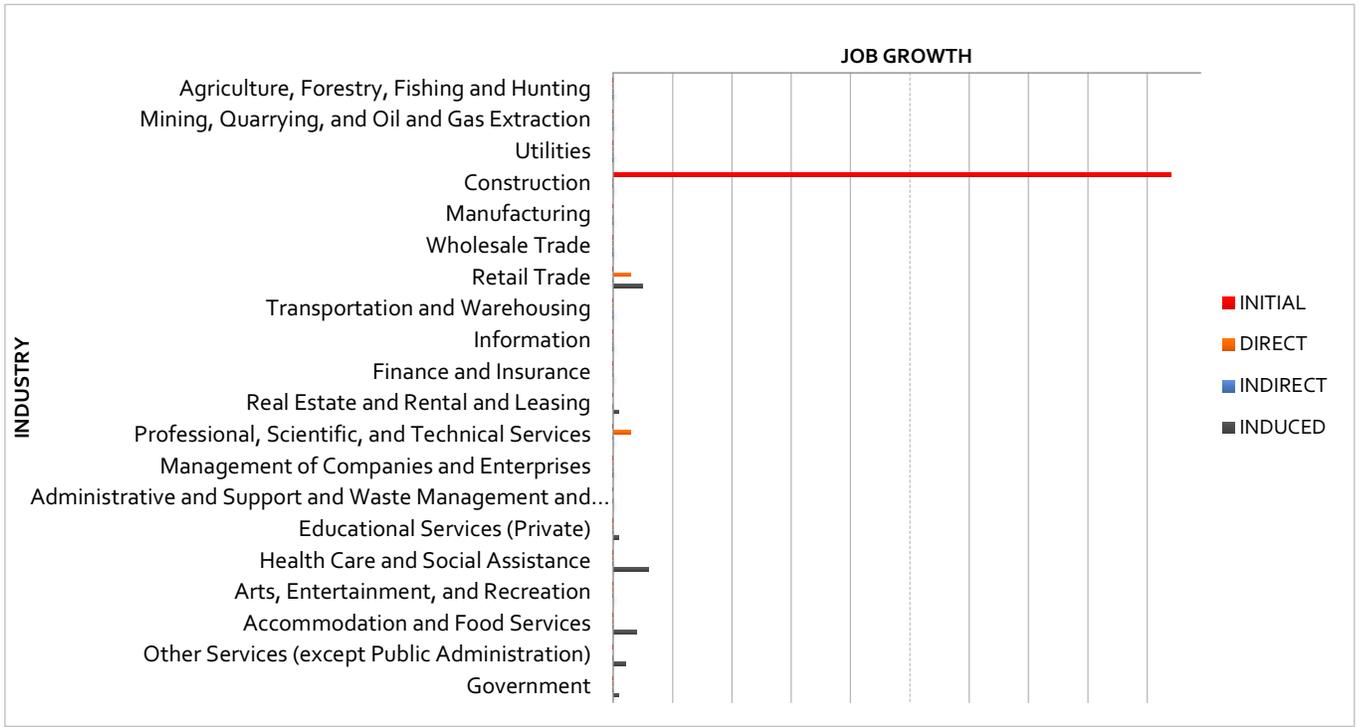
Summary of Jobs/Earnings - Operations

Operations Jobs Estimate		ASSUMPTIONS
Initial:	136	▲ INDUSTRY: <ul style="list-style-type: none"> • 511210 SOFTWARE PUBLISHERS <ul style="list-style-type: none"> ▪ JOBS MULTIPLIER – 1.97 ▪ EARNINGS MULTIPLIER – 1.51 ▪ SALES MULTIPLIER - 1.38
Direct:	76	
Indirect:	6	
Induced:	<u>54</u>	
Total Jobs Estimate:	272	
Operations Earnings Estimate		
Initial:	\$8,760,000	
Direct:	\$2,168,873	
Indirect:	\$201,667	
Induced:	<u>\$2,065,071</u>	
Total Earnings Estimate:	\$13,195,611	
Average Earnings per Job	\$47,918	

Dataset Version: QCEW Employees - EMSI 2013.3

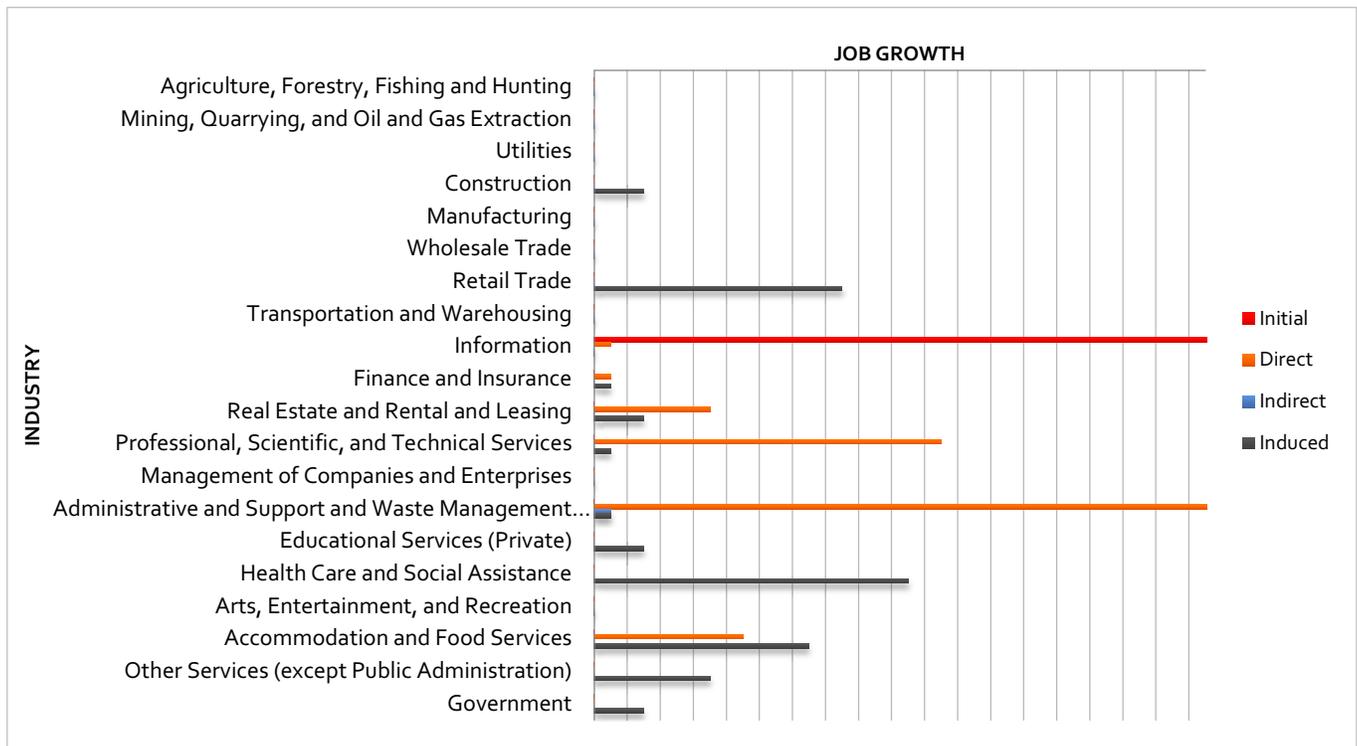
Industry Breakdown

Construction Job Growth



Detailed Effect on Industry Jobs from adding \$14,635,000 sales in Commercial and Institutional Building Construction (236220)						
NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	7,800	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	641	0	0	0	0
22	Utilities	2,005	0	0	0	0
23	Construction	9,102	95	0	0	1
31	Manufacturing	7,481	0	1	0	0
42	Wholesale Trade	3,503	0	0	0	0
44	Retail Trade	16,747	0	4	0	6
48	Transportation and Warehousing	2,157	0	0	0	0
51	Information	1,737	0	0	0	0
52	Finance and Insurance	5,868	0	0	0	1
53	Real Estate and Rental and Leasing	9,517	0	1	0	2
54	Professional, Scientific, and Technical Services	10,868	0	4	0	1
55	Management of Companies and Enterprises	603	0	0	0	0
56	Administrative and Support, Waste Mgmt & Remediation Svcs	8,497	0	1	0	1
61	Educational Services (Private)	3,934	0	0	0	2
62	Health Care and Social Assistance	13,549	0	0	0	7
71	Arts, Entertainment, and Recreation	3,724	0	0	0	1
72	Accommodation and Food Services	14,712	0	0	0	5
81	Other Services (except Public Administration)	10,988	0	1	0	3
90	Government	21,045	0	0	0	2
		154,478	95	12	0	32
Dataset Version: QCEW Employees - EMSI 2013.3						139

Operations Job Growth

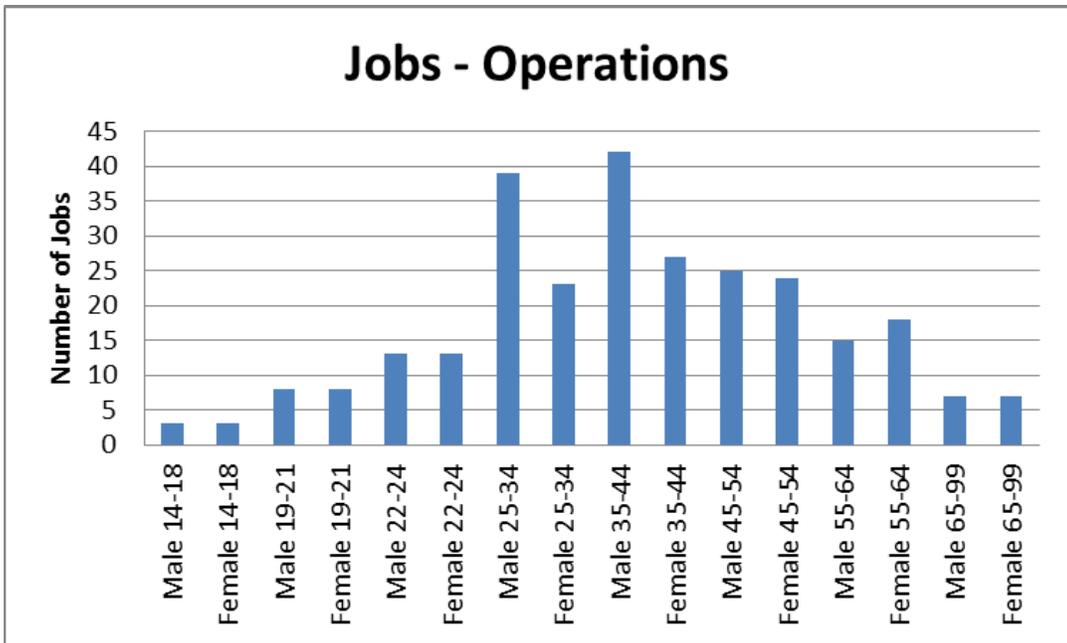
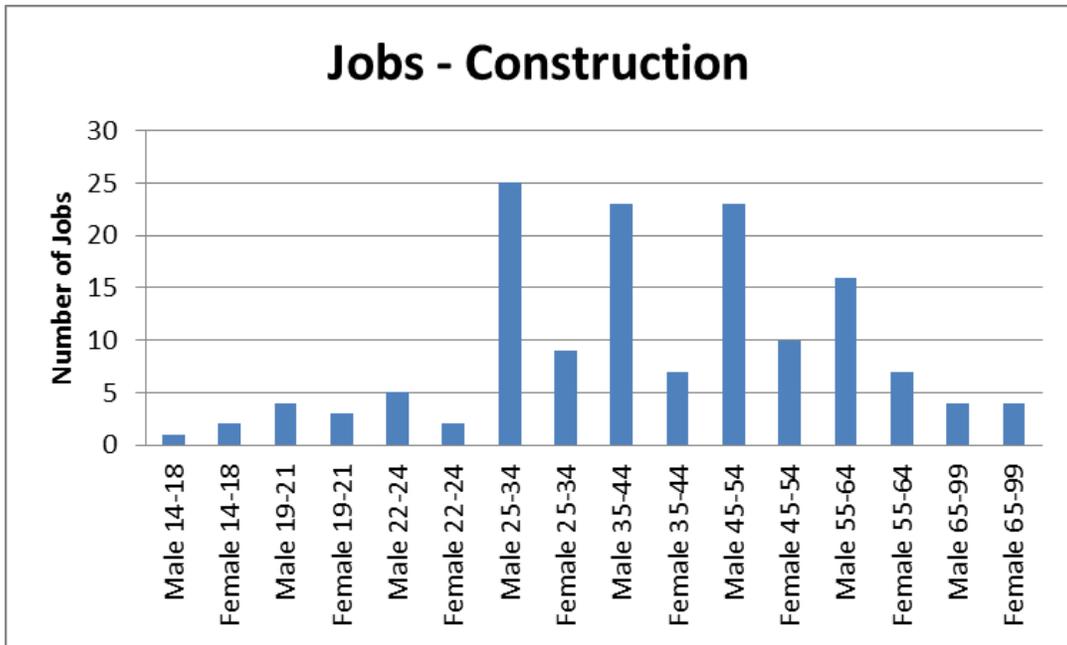


Detailed Effect on Industry Jobs from adding \$8,760,000 earnings in Software Publishers (511210)

NAICS	Name	Original	Initial	Direct	Indirect	Induced
11	Agriculture, Forestry, Fishing and Hunting	8,020	0	0	0	0
21	Mining, Quarrying, and Oil and Gas Extraction	693	0	0	0	0
22	Utilities	2,114	0	0	0	0
23	Construction	9,349	0	0	0	3
31	Manufacturing	7,879	0	0	0	0
42	Wholesale Trade	3,487	0	1	0	1
44	Retail Trade	16,963	0	0	0	9
48	Transportation and Warehousing	2,279	0	1	0	1
51	Information	1,762	137	2	0	0
52	Finance and Insurance	6,015	0	2	1	2
53	Real Estate and Rental and Leasing	9,895	0	5	1	3
54	Professional, Scientific, and Technical Services	10,937	0	12	1	2
55	Management of Companies and Enterprises	623	0	1	0	0
56	Administrative and Support , Waste Mgmt & Remediation Svcs	9,587	0	44	2	2
61	Educational Services (Private)	4,010	0	0	0	3
62	Health Care and Social Assistance	13,713	0	0	0	11
71	Arts, Entertainment, and Recreation	3,731	0	1	0	1
72	Accommodation and Food Services	15,407	0	6	1	8
81	Other Services (except Public Administration)	11,235	0	1	0	5
90	Government	21,048	0	0	0	3
		158,747	137	76	6	54
						273

Dataset Version: QCEW Employees - EMSI 2013.3

Demographics



Dataset Version: QCEW Employees - EMSI 2013.3

Industry Sales

Construction Sales

Occupation Sales

¹ Based upon the aggregate total of sales revenue (initial, direct, indirect and induced) outputs generated by EMSI Analyst 3.0.