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March 4, 2016

VIA E-MAIL AND OVERNIGHT MAIL

Mr. Jensen Uchida
Project Manager
Energy Division, CEQA Unit
State of California
Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102-3298

Re: Response to October 27, 2015 Information Request; CPUC Application No. A.15-04-013

Dear Mr. Uchida:

I am writing in response to your correspondence of October 27, 2015, asking for additional information in connection with the California Public Utilities Commission's ("CPUC") Energy Division's investigations for the preparation of the Subsequent Environmental Impact Report ("SEIR") for Southern California Edison's ("SCE") Riverside Transmission and Reliability Project ("RTRP"), being pursued on behalf of Riverside Public Utilities ("RPU"). For your convenience, a copy of that letter is attached as **Exhibit A**. This letter concerns the property you have referred to as the Sky County East Property ("SKE Site"). Our office previously corresponded with you regarding the Vernola Marketplace Apartments Community site, the "Phase B" site, and the PA-13 Site. We are pleased to submit additional information to you now with respect to the SKE Site.

The SKE Site is composed of some 64.5 acres and consists of Assessor Parcel Nos. 160-050-005, -021, -023, and -031. It is located at the northeast portion of the intersection of Limonite and the I-15 Freeway. Formal vesting is: SKY COUNTRY INVESTMENT CO./EAST LLC (collectively "Sky Country").

Like other properties affected by the RTRP project, the SKE Site is located within City of Jurupa Valley's ("City") I-15 Corridor Specific Plan 266 ("SP 266"). SP 266 represents the approved land use vision of the County of Riverside and the City of Jurupa Valley for the critical stretch of land along the 1-15 freeway, which now serves as the City of Jurupa's signature visual entryway corridor. The City of Jurupa Valley is looking to this prominent area as a key catalyst for housing diversification, and for economic development. SP 266 has since its inception been designed to foster a vibrant area of combined single family and multi-family residences, with regional and community-based commercial and industrial uses.

Much of the City's planning successes and development energies have been focused in the SP 266 area. In a letter from the City Planning Director Thomas G. Merrill dated August 20, 2015, SP 266 was described as "fully entitled and nearly complete." Applicable excerpts from this letter are attached. (See, **Exhibit B** hereto, "Projects Within Edison's 230KV Transmission Line Path Table, project No. 4.) SP 266 has been the subject of a long series of "substantial conformance" determinations implementing its long-term vision for the area since originally being adopted by the Riverside County Board of Supervisors in November 1993. A summary of the progress of development within SP 266 is attached hereto as **Exhibit C**. An aerial photograph depicting the boundaries of SP 266, and giving perspective to the path and progress of implementation of its land use objectives, is attached as **Exhibit D**. As the aerial shows, the SKE Site is in the heart of this development progress.

The status of the SKE Site, and all the SP 266 lands, was fully described to SCE by the City in a July 20, 2015, email from Mr. Merrill to Ray Hicks, then with SCE's Community Relations Department. Mr. Merrill's email included a link to an engineering website containing a history of SP 266, and its implementation measures.[1] A copy of this e-mail, with appended title pages of the documents referenced in the embedded link, is attached as **Exhibit E**.

Given this, Sky Country was disappointed when in SCE's July 24, 2015, response to the California Public Utilities Commission's Deficiency Letter, SCE offered no acknowledgment of any of the SP 266 zoning entitlements, nor any description of the development progress on any of the properties impacted by the RTRP, including the SKE Site. Indeed, it was the City that corrected this disregard by SCE, when Mr. Merrill provided a response to your Unit's request for additional information on August 20, 2015. (See, **Exhibit B**.)

Zoning is not the only basis upon which the SKE Site is being readied for development. In conjunction with the owners of the adjacent PA-13 Site, Sky Country is processing a lot line adjustment with the City. That lot line adjustment will consolidate existing ownerships, eliminating shape irregularities to facilitate more efficient utilization of developable area. A diagram of the proposed lot line adjustment, depicting the upgrades it will provide for the developability and market appeal of both properties, is attached as **Exhibit F**. After this lot line adjustment, the acreages of the SKE site, broken down by Planning Area, will be as follows:

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[1] That link remains active, and can be reviewed at https://file.ac/84T5UN0BXVQ/.

PA 11 = 15.11 Ac.(Commercial)
PA 12 = 11.05 Ac. (Commercial)
PA 10 = 20.08 Ac. (Residential)
PA 20 = 18.26 Ac. (Industrial)
Total = 64.5 Av.

This reconfiguration of lot lines will consolidate ownerships, resulting in larger contiguous developable areas for both owners. This will make easier any potential changes in zoning, land use designations, or density that may be appropriate under prevailing market forces and the City of Jurupa Valley's vision for the I-15 corridor, maximizing opportunities for commercial or high density residential uses. The application for this lot line adjustment was filed with the City in December 2015. Completion is ministerial, and is expected shortly.

The relationship of the adjusted site to zoning designations, and SP 266 Planning Areas, is depicted in the map attached hereto as **Exhibit G**, entitled "RTRP Conflict with Sky County Investment Co./East, LLC, a California Limited Liability Company-After Recordation of Lot Line Adjustment." That map shows the reconfigured site outlined in red. The pink-colored area is zoned C-P-S "Scenic Highway Commercial," and includes SP 266 Planning Areas 11 and 12. The orange middle area is zoned I-P Industrial Park, Planning Area 20. The yellow northerly portion is zoned R-1 single family residential, and is in Planning Area 10.

With this background in mind, we provide the following responses to your October 27, 2015, request:

1. **A description and conceptual site development layout, if available, depicting how the Sky County East Property is intended to be developed.**

There are negotiations Sky Country has had with prospective developers of the SKE Site, but these discussions have yet to yield any active development proposals. Sky Country has fielded inquiries from representatives of a number of different prospective commercial, industrial, and residential developers, but has not been able to engage in any serious exploration of development, due to the RTRP impacts on the property which are pending, but not yet defined sufficiently to allow for prospective planning. The pendency of the RTRP alone is enough to create this burden. Of equal concern, however, is the prospect that any development approvals that might be secured for this site would likely be subject to litigation by SCE and Riverside Public Utilities, in the same manner as both such entities sued under CEQA to challenge the approvals on the Vernola Marketplace Apartment Community. As you may be aware, there are two cases, one filed by each project proponent, attacking the CEQA processing of the Vernola Apartment Community property's entitlements.[2] Under the guise of protecting the environment for Jurupa Valley citizens (the very ones who oppose the RTRP and have fought to keep it out of their city), SCE and RPU have invoked CEQA to attack Jurupa Valley's permitting of the Vernola Apartment Community site, because such permits are inconsistent with their plan to bottle up the proposed RTRP right of way until the CPUC permitting processes are cleared. The prospect of similarly-motivated litigation further chills any reasonable opportunity for Sky Country to take advantage of current favorable markets. While Sky Country has pursued the lot line adjustment to clear the way for economically productive use of the SKE Site, at this point, development of the site sits in limbo pending resolution of the RTRP alignment and the many issues it raises.

2. **Description and conceptual site development layout, if available, depicting how the Sky Country East property would be configured if the RTRP project was built as shown in Figure 1, including the types and square footage of development uses that would be lost as a result of the proposed ROW, if applicable.**

At this juncture, it is neither feasible nor realistic for Sky Country to proceed with any type of conceptual development layout, beyond the lot line adjustment work referenced above. The spectre of the RTRP casts too many complications over the site.

Sky Country has, however, commissioned an engineering analysis of the impacts and development constraints the proposed RTRP imposes upon their property, by Webb Engineering. A copy of this analysis also attached as **Exhibit H**[3]. Webb has identified a number of negative impacts to the Site, starting with the loss of some 4.2 acres of C-P-S zoned land, 2.9 acres of which are directly in the described right of way, and 1.3 acres of which comes from a stranded "sliver" the right of way leaves separated from the larger parcel. Webb estimates this loss will translate to some 50,000 square feet of commercial development lost. Webb also identifies 1.8 acres of industrial land lost, which it estimates reduces potential yield by 32,500 square feet. The

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2 These are: *City of Riverside v. City of Jurupa Valley, et al.*, SBCSC Case No. CIVDS1512381; and *Southern California Edison Company v. City of Jurupa Valley, et al.*, SBCSC Case No. CIVDS1513522.

3 Please note that Webb has analyzed the impacts to the SKE Site in its present configuration, before completion of the lot line adjustment referenced above, and therefore the memo is limited to the portions of the SKE Site consisting of Assessor Parcel Nos. 160-050-023 & 031. After the lot line adjustment, the RTRP will affect the consolidated portions consisting of Assessor Parcel Nos. 160-050-005 & 021 as well.

residential portion at the northerly end of the site also suffers a 1.8 acre loss, which Webb calculates translates to a loss of 6 units.

More troubling, Webb notes that SCE's preliminary designs show nothing about how SCE plans to take access to its RTRP alignment. This leaves the Sky Country guessing as to whether, or more likely where, SCE plans to take additional vehicular access across their property. Such uncertainty impairs planning, and creates potential disclosure obligations that reduce marketability, complicate financing, and ultimately drive off buyers.

Further, Webb has analyzed SCE's "Transmission Line Right of Way Constraints and Guidelines" (a copy of which is attached as **Exhibit I**). That analysis reveals how SCE's stated width of 100 feet for the RTRP right-of-way is inconsistent with its own policies regarding configurations and reserved rights attending transmission line rights of way. SCE is therefore misstating and underestimating both the scope of its property needs, and their resulting impacts. Sky Country requests the CPUC's CEQA Unit to insist upon full reporting and analysis under CEQA on such access issues.

The location of the proposed right-of-way is just the beginning of the challenges, however. SCE's "Transmission Line Right of Way Constraints and Guidelines" contain other published policies for how it deals with the interface between the rights of way rights it acquires with its transmission easements, and the residual rights of the owners from whose properties such easements are taken. Under them, SCE reserves the right to review and approve any use of any of its right of way area, and many of the uses of adjoining property, on an individual "case by case basis." (See, **Exhibit I**, No. 1.) SCE requires 24/7 access to its transmission facilities (apparently including access rights over areas of the servient tenement needed to reach the right of way), prohibits any permanent, non-moveable structures or pipelines, and reserves the right to impose safety requirements or mitigation measures over third party users of both the right of way and the remaining property. (*Id.* at Nos. 2,3,5,11,13.) These policies pose cumbersome additional burdens, both procedural and substantive, on users of the remaining property, particularly residential users, for whom privacy and repose in their home is paramount.

The requirement of a 50 foot minimum centerline radius on all access road curves also betrays the insufficiency of SCE's proposed 100 foot right of way. SCE dictates that roadways must be no less than 14 feet wide, with an additional two feet of swale or berm on either side. (*Id.* at No. 17.). The effect of these requirements taken together means that on curves in access roads, the minimum required distance will be **114 feet**. (See, **Exhibit H** hereto.) SCE is therefore understating its right of way needs.

The overall result from the perspective of the Sky Country is an increase in risks associated with the development hurdles to bring market-appropriate uses to bear on the site, and elevated costs associated with engineering, financing, permitting, and construction required to make them a reality.

Your letter also makes reference to a lattice steel structure for the RTRP development on the SKE Site. You refer to it as number JD4 as shown on your Figure 1 to Exhibit A, but the towers indicated on that Figure are numbered JD8 through JD14. We would appreciate identification of which of the towers will be lattice steel, and which ones, if any, will be tubular steel poles. Sky Country had been given to believe a tubular steel pole configuration was planned.

3. An overall timeline for construction and buildout of the Sky Country East property.

This question has recently become more poignant, with representations both SCE and RPU have made to the San Bernardino courts in briefing that attends their Vernola Apartment Community lawsuits. In those cases, both SCE and RPU are arguing that the RTRP project is essentially a *fait accompli,* such that as early as mid-2015 when the Vernola Apartment Community property's entitlements were considered, the RTRP had to be presumed to be part of the "baseline" existing environment for CEQA analysis.

Specifically, SCE denies that its project remains in the planning stages despite still needing final approval from the CPUC, and characterizes the RTRP as 'slated for construction." (See, SCE Reply Brief dated February 16, 2016, **Exhibit J** hereto, pp. 6-7.) RPU goes even further, stating: "Riverside *fully completed* environmental review and granted all of its discretionary approvals for the RTRP on February 5, 2013." (See, RPU Reply Brief dated February 16, 2016, **Exhibit K** hereto, p. 1; emphasis added.) RPU further characterizes the RTRP as "an *approved* project that has completed full environmental review." (*Id.* at p. 8; emphasis original.) The project proponents are thus "gaming" with CEQA-they treat the development permitting on the properties they would convert to RTRP right of way as a legal nullity, while urging the courts to consider their own still-unpermitted RTRP project as an environmental certainty. CEQA neither bears nor condones such inconsistency.

The Energy Division's CEQA unit has every justification to take offense to this high-handed dismissal of its determination that CEQA analysis of this project is ***NOT*** finished. You might reasonably reject the short shrift it gives your own continuing efforts toward assuring that the important additional CEQA work RTRP requires is done, and done properly. Sky County certainly shares this sentiment.

More to the point, however, this callous disregard for the RTRP's still *unapproved* status is emblematic of the attitude Sky County, its fellow owners under the RTRP proposed alignment, the City of Jurupa Valley, and others have struggled with for years. The project proponents' public statements, and the attitudes they reflect, treat the RTRP as a predetermined certainty. They treat the CPUC process and the owners' objections alike as mere procedural "speed bumps" to clear until they convert others' properties to their own purposes. With these public statements hanging over it, as with the RTRP itself, Sky County simply cannot effectively market or develop the site. It is not unrealistic to conclude that the market will hold development of the site in abeyance until the RTRP alignment and permitting issues are resolved.

Given all of the foregoing, Sky Country cannot presently commit to a timeframe for development of the site. It will not know this until the many questions, issues, and encumbrances RTRP presents are resolved. In the absence of the RTRP project, however, it estimates that this property would develop likely by 2018-19.

This is consistent with the projections of the City of Jurupa Valley's study, entitled "Economic/Fiscal Impact Analysis – Riverside Transmission Reliability Project" by Urban Futures, Inc., dated December 2, 2015. A copy is attached as **Exhibit L**. The study offers keen insight to the City's desire and expectations for the development of the SKE Site, which informs the likelihood of permitting on the site, and its fiscal importance to the City. It examined the likely development patterns of RTRP – impacted sites, both with and without the proposed transmission line. It includes the SKE Site, which it called "I-15 Corridor: Sky Country Retail Center." Absent the RTRP, the City's analysis predicted a yield of 350,544 square feet of retail space on the SKE Site, generating 701 employees. (*Id.* at p. 7) It also predicted absorption of this revenue-raising square footage over the 2018-20 timeframe. (*Id.* at p. 9.)

That study demonstrates the huge impact RTRP will have on the SKE site, which it describes as worse than any other site: "The RTRP's most significant impact to project performance and development is its anticipated impacts to the Sky Country Retail Center Site." (*Id.* at p. 19.) (*See* excerpts from the study, attached as **Exhibit M**.) The RTRP thwarts the combination Lifestyle Center/Hotel development the City envisions for the site. The economic detriment to the City alone is estimated in the amount of $736,526 yearly. Obviously, the impacts to the property owners themselves would dwarf such amounts. In this vein, the study predicts a downgrade of some 21 acres of the commercial portion of the site to less profitable industrial uses, and a drop in the unit yield of the area it calls "Vernola Residential West" from 516 to 484 units.

In sum, the efforts Sky Country has undertaken to advance development of the SKE Site have been stymied by the RTRP. The pending RTRP project renders any realistic formulation of a specific development plan for the site presently futile, since SCE and RPU have publicly declared that they have a viable "project" that has moved beyond mere planning stages, and that will use the SKE Site, and others. Prospective users are unwilling to negotiate for a property that public utilities have effectively promised will embroil the purchaser in an eminent domain action. As such, the RTRP puts this property at a distinct competitive disadvantage in the marketplace.

This constraint is compounded by the broad nature of rights SCE reserves to itself as a matter of policy, over both the direct right-of-way acquisition and the remaining property that supports it, given the permanent impacts SCE's "Constraints and Guidelines" impose on the property for any user.

We appreciate the opportunity to explain to you the impacts of the RTRP on the SKE Site. We would welcome the opportunity to follow-up with you on any additional information you might require on any of the points discussed above, or any related matter.

Very truly yours,

RUTAN & TUCKER, LLP

David B. Cosgrove

David B. Cosgrove

DBC:mrs

Enclosures: Exhibit A – CPUC Data Request of October 27, 2015
Exhibit B – August 20, 2015 Letter from Thomas Merrill
Exhibit C – SP 266 Status Memo
Exhibit D – Aerial Photo of SP 266 Area
Exhibit E – Excerpts-Jurupa Valley 8-28-15 response to Information Request
Exhibit F – Lot Line Adjustment Diagram
Exhibit G – RTRP Conflict with SKE Site After Lot Line Adjustment.
Exhibit H – Webb Engineering SKE Site Analysis
Exhibit I – SCE's Transmission Line Rights of Way Constraints and Guidelines
Exhibit J – SCE Reply Brief dated February 16, 2016
Exhibit K – RPU Reply Brief dated February 16, 2016
Exhibit L – City Economic / Fiscal Impact Analysis
Exhibit M – City Economic / Fiscal Impact Analysis (*excerpts*)

EXHIBIT A

EXHIBIT A

STATE OF CALIFORNIA Edmund G. Brown Jr., Governor

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

October 27, 2015

Rick Bondar
McCune & Associates, Inc.
PO Box 1295
Corona, CA 92878

Re: Information Request for the Southern California Edison's Application for a Certificate of Public Convenience and Necessity for the Riverside Transmission and Reliability Project, CPUC Application No. A.15-04-013

Dear Mr. Bondar:

The California Public Utilities Commission's (CPUC) Energy Division is preparing a Subsequent Environmental Impact Report (SEIR) for Southern California Edison's (SCE) Riverside Transmission and Reliability Project (RTRP) under the California Environmental Quality Act (CEQA). This SEIR will build on the environmental analysis and findings contained in the Final EIR for this Project that was prepared by the City of Riverside and certified in October 2013, with a Notice of Determination (NOD) filed on February 6, 2013. This SEIR will also consider the administrative record documents and data since the NOD was filed, including the Protest filed by Rutan & Tucker, LLP on behalf of Sky Country to Southern California Edison's (SCE) Application for a Certificate of Public Convenience and Necessity for the RTRP (June 1, 2015).

As part of the CPUC's CEQA review, we require additional information in order to better understand the current baseline condition and to more accurately portray the potential effects on the Sky Country property located along the eastern side of Interstate 15 immediately north of Limonite Avenue in the City of Jurupa Valley. Specifically, the proposed ROW would traverse the western boundary of the site, as shown in Figure 1 below. We need to know if any of the anticipated site development components associated with this commercial development would be in conflict with the proposed 100-foot RTRP right-of-way (ROW). The proposed SCE ROW shown in the EIR Preliminary 230 kV Project Layout would contain a lattice steel structure (number JD 4, as shown in Figure 1) and associated access roads. To better understand potential land use impacts, the CPUC requests the following additional information:

1. A description and conceptual site development layout, if available, depicting how the Sky Country East property is intended to be developed.
2. A description and conceptual site development layout, if available, depicting how the Sky Country East property would be configured if the RTRP Project was built as shown in Figure 1 including the types and square footage of development uses that would be lost as a result of the proposed ROW, if applicable.
3. An overall timeline for the construction and build-out of the Sky Country East property.

We would appreciate your voluntary responses to this request for information. Please direct questions related to this application to me at (415) 703-5484 or Jensen.Uchida@cpuc.ca.gov.

Sincerely,

Jensen Uchida
Project Manager
Energy Division, CEQA Unit

cc: Mary Jo Borak, Supervisor
Jack Mulligan, CPUC Attorney
Jeff Thomas and Christine Schneider, Panorama Environmental, Inc.

Attachments:
Figure 1 - RTRP Layout, Sky Country East Vicinity

Figure 1
RTRP Layout, Sky Country East Vicinity

EXHIBIT B

EXHIBIT B

City of Jurupa Valley

August 20, 2015

Mr. Jensen Uchida
California Public Utilities Commission
Energy Division
505 Van Ness Avenue
San Francisco, CA 94102

RE: Southern California Edison's Application for a Certificate of Public Convenience and Necessity for the Riverside Transmission & Reliability Project- A.15-04-013

Mr, Uchida,

In your letter of July 23, 2015, you requested information regarding the status of any projects that have been approved or are currently under review by the City in or adjacent to the proposed path of the proposed RTRP transmission line in order to assist the CPUC in its analysis of the SCE application for a Certificate of Public Convenience and Necessity.

As shown on the attached table and attachments, there are eight projects that have been entitled within the path of the RTRP line, and of those, three have been built and occupied. One of the remaining five (Riverbend) is well under construction and the other four are expected to begin construction soon. In addition, there are also seven existing, occupied projects that will be directly affected by the proposed line due to their close proximity. We used the safety area definition for the Chino Hills project and our recently adopted Environmental Justice Element (see definition, page 5 and land use policies beginning on page 16) as a guide in determining areas affected by the line, which includes a public park and an elementary school.

You should also be aware that all of the information contained in the attached project data sheets was offered to SCE in response to their data request, including copies of entitlement documents. We were surprised to see their submittal of July 21, 2015 did not include many of the projects on our list. We are pleased to have the opportunity to clarify the full scope of the potential impacts of this project on our community.

The attached project listing includes a summary table, an overall project site aerial with the general location of all projects shown by number or by letter and a set of project detail sheets. We are also prepared to provide detailed plans or entitlement documents upon your request.

Please don't hesitate to contact me if you need anything further. In the meantime, we look forward to meeting you and providing any further assistance when you make the trip for a site visit and scoping meeting.

Sincerely,

Thomas G. Merrell

Thomas G. Merrell, AICP
Planning Director

cc: Gary Thompson, City Manager
George Wentz, Assistant City Manager
Jack M. Mulligan, CPUC Counsel

RTRP

The following is a list of planned/approved or existing development associated with the I-15 Corridor Specific Plan that is in the RTRP's planned path or affected areas:

- **<u>Within the RTRP Line Proposed Path</u>**
  - Planning Areas 10, 12, 13, and 20 north of Limonite
  - Vernola Marketplace Shopping Center
  - Vernola Marketplace Apartments*
- **<u>Affected Projects</u>**
  - Vernola Park
  - Harvest Villages residential neighborhood
  - Township residential neighborhood and public park on the east side of Pats Ranch Road south of Limonite

*The specific impacts on the approved Vernola Marketplace Apartments are discussed in a separate section under "Vernola Marketplace Apartments."

The RTRP route will be located within and in close proximity to both entitled and existing residential neighborhoods in the area of the Specific Plan in the I-15 corridor.

As part of the Specific Plan, there is a planned bike trail loop system and interconnect with Bellegrave Avenue, Hamner Avenue, and Wineville Avenue. The planned trail along the south side of Bellegrave Avenue will be impacted by RTRP.

PROJECTS IN THE CITY OF JURUPA VALLEY WITHIN OR AFFECTED BY RTRP PATH

Prepared by the City of Jurupa Valley Planning Department ***August 11, 2015***

	Bellegrave and Landon			
4	**I-15 Corridor Specific Plan No. 266** Location: South of Bellegrave Ave.; east of Hamner Ave.; west of Wineville Ave.; and north of 68th Street	**Total Area of Specific Plan:** 747.5 acres Single-Family dwelling units: 1,348 Multi-family dwelling units: 1,352 Commercial Area: 211.2 acres Industrial Area: 32.5 acres	**Case No.:** SP266 **Approval dates** original: 11/2/93 SC1: 2/3/98 SC2: 3/11/08 SC3: 03/3/09 SC4: 07/15/08 **Approving body:** County Board of Supervisors	Fully entitled and nearly complete; final phases include Vernola Marketplace Apartments approved March 2015 and Harvest Villages Phase 3; Studies in progress for design of I-15 frontage site north of Limonite
5	**Vernola Marketplace Shopping Center (within I-15 Corridor Specific Plan)** Location: Southwest corner of Limonite and Pat's Ranch	A 397,797 square foot commercial shopping center on 44.97 gross acres.	**Case Nos:** CZ07018, TPM32545, & PP19631 **Approval date:** 01/10/06 **Approving body:** County Board of Supervisor	Existing and operating Shopping Center
6	**Vernola Marketplace Apartments (within I-15 Corridor Specific Plan)** Location: Northwest corner of 68th Street and Pat's Ranch	397-unit multi-family residential apartment on 17.4 acres;	**Case Nos.** MA1485 (GPA1404, CZ1405, SP1401, & SDP31416) **Approval date:** 3/19/15 **Approving body:** City Council	Entitled. Final design and permit applications on hold due to litigation filed by SCE and RPU
7	**Lennar / Riverbend** Location: south of 68th; between I-15 and Dana	466 single-family homes on 211 gross acres	**Case Nos.:** MA1485 (GPA1404, CZ1405, SP1401, TTM36391, & SDP31416) **Approval date:** 10/17/13 **Approving body:** City Council	Final map in process, recordation pending Rough grading nearly complete Curbs and gutter, storm

4. I-15 CORRIDOR SPECIFIC PLAN NO. 266

Location: South of Bellegrave Avenue, west of Wineville Avenue, north of 68th Street, east of Hamner Avenue.

Originally approved: November 2, 1993

Amended: February 3, 1998; December 23, 2002; March 11, 2008; July 15, 2008

Project Description

On November 2, 1993, the County Board of Supervisors approved the I-15 Corridor Specific Plan for a 701.3 acre master planned community. The current Specific Plan, as a result of an amendment in 1998, now has a total area of 747.5 acres. The master planned community provides for a total of 1,348 single-family units, 1,352 multi-family units, 211.2 acres of commercial, 32.5 acres of industrial park, and 42.7 acres of public facilities such as schools and public parks. Multi-purpose trails and bike paths are a part of the master planned community as well.

The master planned community (approximately 60% in Eastvale and 40% in Jurupa Valley) is fully entitled and development is nearly complete. The Vernola Marketplace Apartments (397-unit multi-family apartments on 17.4 acres) was approved by the City Council in March of 2015, and development is stalled by litigation filed by SCE and RPU.

The 200 acres in Planning Areas 10 through 13, 15, 20 and 21 on the east side of the I-15 and north of Limonite Avenue are entitled for approximately 500 residential units (single-family and multi-family), commercial, and industrial uses. Studies are now under way for the design and development of these planning areas

EXHIBIT B. PERSPECTIVE VIEW OF I-15 SPECIFIC PLAN AND RTRP'S PATH

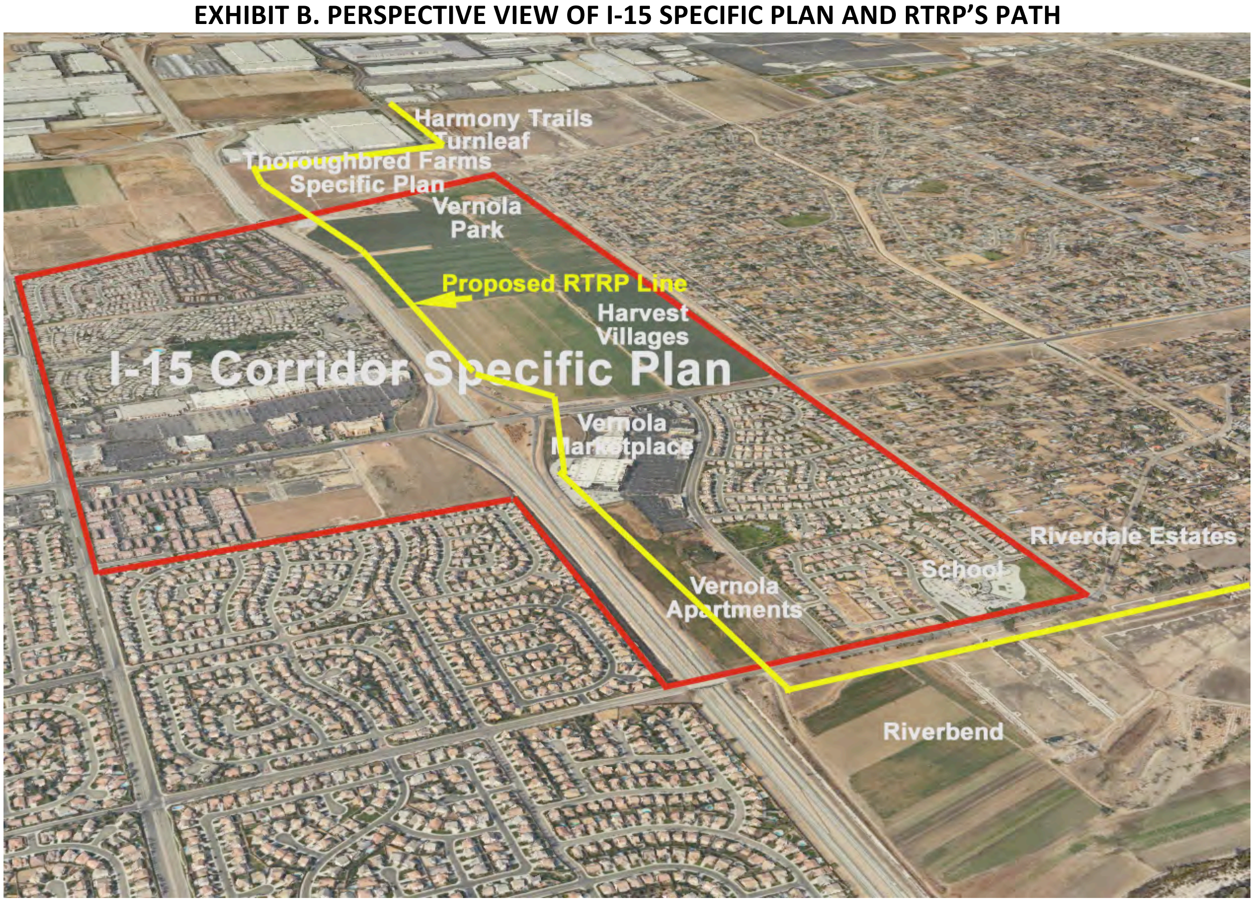


EXHIBIT C

EXHIBIT C

DEVELOPMENT OF THE I-15 CORRIDOR SPECIFIC PLAN
(SP 266-EIR 340)

Table 1 - 1992 through September 2015

1. SP 266 and EIR 340 were approved in December of 1992. Attached Table 1 summarizes the approval of the Specific Plan and EIR and the subsequent Specific Plan Amendments, Substantial Conformances and Addendums to the EIR. SP 266 included 701.3 acres consisting of 1242 single family residential units, 968 multi-family units, 196.9 acres of commercial, and 34.2 acres of Industrial Park (see Appendix 1 for reference).

2. Substantial Conformance No. 1 to SP 266 was approved in February of 1998. The area of Specific Plan 266 was increased to 757.7 acres. The Land Use Plan was modified to include 1,340 single family residential units, 1,060 multi-family units, 214.1 acres of commercial, and 88.3 aces of Industrial Park (see Appendix 2 for reference).

3. SP 266, Amendment No. 1 and Addendum to EIR 340 were adopted in December of 2002. This Amendment allowed for development of 245 multi-family units for senior housing purposes in Planning Area 23. Therefore the total allowable multi-family units were increased to 1,305 (see Appendix 3 for reference).

4. SP 266, Amendment No. 2 and Substantial Conformance No. 4 were adopted in 2008. This Amendment modified Planning Area 23 and created Planning Areas 23A and 23B. The total number of multi-family units stayed the same as SP 266 Amendment No. 1 at 1305. The total number of residential units (single family and multi-family) also stayed the same at 2,645 (see Appendix 4 for reference).

5. Substantial Conformance No. 3 was adopted in March of 2009. This Substantial Conformance did not change the total number of residential units (2,645) The allowable number of units per Planning were adjusted to match the developed and/or approved number of units for each residential Planning Area (see Appendix 5 for reference).

6. City of Eastvale I-15 Corridor Specific Plan:
   I-15 Corridor Specific Plan included areas west and east of I-15. Upon incorporation of the City of Eastvale, City of Eastvale I-15 Corridor Specific Plan was prepared to modify Planning Areas 23B and 1. The area of Planning Area 23B was reduced from 15 acres to 10 acres and the total allowable multi-family units was increased from 245 to 300. Thus, adding 55 units to the overall multi-family units (see Appendix 6 for reference).

7. City of Jurupa Valley I-15 Corridor Specific Plan Amendment (SPA 1401):
   This Specific Plan Amendment was approved in conjunction with Vernola Marketplace Apartment project (SDP31416). Vernola Marketplace Apartment project was approved in March of 2015. A portion of the project was within Planning Area 5 of SP 266 and the remainder was outside of the SP 266 boundary. The Specific Plan Amendment modified the Specific Plan boundary and reduced the area of Planning Area 5 from 22.6 acres to 12.4 acres and the area of the Specific Plan was reduced to 747.5 acres. The entire Vernola Marketplace Apartment project is now outside of the Specific Plan area (see attached Appendix 7 for reference).

Table 2 - Current Status of SP266-EIR 340

Table 2 summarizes the projects built and under construction within the Specific Plan. Approximately 477 acres of the Specific Plan area is built or under construction and more than 90% of these projects are fully developed. Approximately 64% of the total Specific Plan area is either developed or under construction. 2013 dwelling units are built or under construction with more than 80% of dwelling units completed.

Table - 3 Projects to be Completed Within SP266-EIR 340

Table 3 summarizes the remainder of the Specific Plan area that is not currently under construction. The remaining Planning Areas include residential, commercial, and industrial developments. **Table 3** summarizes the allowable dwelling units for each of the residential areas and the acreages for commercial and industrial areas. With the exception of Planning Areas 1 and 5, the rest of undeveloped Planning Areas are within "Community Center Overlay" per the Riverside County General Plan. The footnotes summarize additional dwelling units that are allowed to be developed in the remaining Planning Areas.

The Riverside Transmission Reliability Project (RTRP) proposes a 10-mile double circuit 230 KV transmission line. A portion of this transmission line is proposed along I-15 Corridor Specific Plan 266 and it impacts Planning Areas 6, 7, 9, 11, 12, 20, 10, & 13.

TABLE 1

I-15 CORRIDOR SPECIFIC PLAN (SP 266 and EIR 340) APPROVALS

	DATE APPROVED	SP AREA ACRES	COMMERCIAL ACRES	INDUSTRIAL ACRES	SINGLE FAMILY DU'S	MULTI-FAMILY DU'S	TOTAL DU
Specific Plan 266, EIR 340	12/1992	701.3	196.9	34.2	1,242	968	2,210
Substantial Conformance 1 to SP 266	2/1998	757.7	214.1	42.7	1,340	1,060	2,400
S.P. Amendment No. 1, Addendum to EIR 340	12/2002	757.7	214.1	42.7	1,340	1,305	2,645
S.P. Amendment No. 2	3/2008	757.7	214.1	42.7	1,348	1,297	2,645
Substantial Conf. 4(1)	7/2008	757.7	206.2	42.7	1,348	1,297	2,645
Substantial Conf. 3(1)	3/2009	757.7	206.2	42.7	1,348	1,297	2,645
City of Eastvale I-15 Corridor Specific Plan(2)	2/2012	757.7	211.2	42.7	1,348	1,352	2,700
City of Jurupa Valley SPA 1401(3)	3/2015	747.5	211.2	32.5	1,348	1,352	2,700

(1) Substantial Conformance No. 3 was submitted before Substantial Conformance No. 4; however Substantial Conformance No. 4 was approved prior to Substantial Conformance No. 3.

(2) Upon incorporation of City of Eastvale, City of Eastvale I-15 Corridor Specific Plan was processed through the City of Eastvale.

(3) City of Jurupa Valley SPA 1401 removed 10.2 $\pm$ acres of Industrial Park (IP) from the Specific Plan and added the area to Vernola Marketplace Apartment Community (Vernola Apartments) in March 2015

TABLE 2
SPECIFIC PLAN 266 and EIR 340
PROJECTS BUILT AND UNDER CONSTRUCTION

CASE #	APPROVED	ACRES	DWELLING UNITS	Residential Planning Area	Commercial Planning Area	Industrial Planning Area	Zoning Designation	COMMENTS
TR 29124	10/26/99	75.64	262	PA8	--	--	R-1	Construction completed in 2005
PP16676	1/22/01	82.7	738	PA4	--	--	R-3	Construction completed in 2005
TR30466-1	8/27/02	13.86	49	PA3	--	--	R-2	Construction completed in 2007
TR30466-2	8/27/02	14.04	76	PA3	--	--	R-2	Construction completed in 2007
TR30466-3	8/27/02	12.06	61	PA3	--	--	R-2	Construction completed in 2007
TR30466	8/27/12	9.06	49	PA3	--	--	R-2	Construction completed in 2007
TR31606	7/27/04	21.29	314	PA23A	--	--	R-3	Construction completed in 2008
PM30810	12/10/02	78.05	N/A		PA2 and 22	--	C	Construction completed in 2008 (840,000 SF)
PM35933	10/1/08	14.09	N/A		PA1	--	C	Construction completed in 2012 (120,000 SF)
PM36592	7/17/13	5.0	N/A		PA1	--	C	Construction completed in 2015 (43,000 SF)
TR36696	10/5/14	10.0	220	PA23B	--	--	R-3	Under construction
TR33428-1	2/4/09	42.6	138	PA19	--	--	R-1	Under construction, 90% complete
TR33428-2	2/4/15	32.14	106	PA17	--	--	R-1	Under construction
PP16937	6/10/03	20.98	N/A		--	--	R-5	Construction completed (Park, PA 14)
PM32545	1/10/06	45.12	N/A		PA 6, 7, 9	--	C	Construction completed in 2010 (397,000 SF)
TOTAL		476.63	2013					

TABLE 3
SPECIFIC PLAN 266 and EIR 340
PROJECTS TO BE COMPLETED

CASE #	APPROVED	ACRES	DWELLING UNITS	Residential Planning Area	Commercial Planning Area	Industrial Planning Area	Zoning Designation	RTRP Linear Feet	COMMENTS
TR 33428-3	2/4/2015*	29.56	93	PA16	--	--	R-1	-	Construction scheduled 2016-17
	11/92*	10.0	30	PA18**	--	--	R-1	-	
	11/92*	95.8	364	PA13*****	--	--	R-1	2550	**508 units & *****RTRP impacted
	11/92*	36.9	142	PA10*****	--	--	R-1	1200	**508 units & ***** RTRP impacted
	11/92*	32.3	--	PA11	C	--	--	-	***500,000 sq. ft. with PA 12
	11/92*	13.4	--	PA12*****	C	--	--	1250	***500,000 sq. ft. with PA 11
	11/92*	20.1	--	PA20*****	--	IP	--	650	****100,000 sq. ft. & *****RTRP impacted
	11/92*	12.4	--	PA5*****	--	IP	--	1000	****220,000 sq. ft. & *****RTRP impacted
	11/92*	15.9	--	PA1	C	--	--	-	
RTRP*****	-	-	-	-	-	-	-		See Note *****
* Planning Areas that are approved per SP 266 but not built yet.									
** County of Riverside General Plan has designated a "Community Center Overlay" over the area of SP266 north of									
Limonite Avenue, east of I-15, west of Wineville Avenue and south of Bellegrave Avenue. Total additional allowable dwelling units is 1,647.									
Planning Areas 16, 17, and 19 are within the Community Center and are approved and zoned for a total of 337 DU. Planning Areas 13, 10 and 18									
fall within the community center and have total dwelling units of 536. Total approved and zoned dwelling units									
for the residential areas within the community center overlay is 873 DU (377 DU + 536 DU = 873 DU).									
*** Planning areas 11 and 12 are within "Community Center overlay". PA 11 and PA 12 are approved and zoned as commercial and can									
build over 500,000 SF of commercial development.									
**** Planning Area 20 is within the "Community Center overlay" and is approved and zoned Industrial Park. Per "Community									
center overlay" this area is more suitable for commercial use and can accommodate an additional 220,000 sq. ft. of commercial development									
*****Proposed RTRP powerline impacts the following Planning Areas within Specific Plan 266: P.A.'s 5, 9, 12, 20, 10, & 13.									
The RTRP also impacts the approved and zoned Vernola Apartment project previously in PA 5.									

Table IV-1, I-15 Corridor Specific Plan - Land Use Summary

PLANNING AREA	DESIGNATION	ACRES (GROSS)	UNITS	D/U PER ACRE
3	MH	50.8	244	4.8
8	M	75.6	273	3.6
10	M	36.9	140	3.8
13	M	95.8	364	3.8
16	M	39.2	118	3.0
17	M	37.4	112	3.0
19	M	29.6	89	3.0
Total Single Family:		**365.3**	**1,340**	**3.7**
4	H	61.5	738	12.0
23[3]	H	34.7[3]	322[3]	9.3[3]
Total Multi-Family		**96.2**	**1,060**[3]	**11.0**[3]
1	C	40.0	--	--
2	C	50.4	--	--
6	C	16.5	--	--
7	C	18.6	--	--
9	C	9.1	--	--
11	C	32.3	--	--
12	C	13.4	--	--
22	C	25.9	--	--
Total Commercial:		**206.2**	--	--
5	IP	22.6		
20	IP	20.1		
Total Industrial Park		**42.7**		
14	P	20.0	--	--
15	S	10.0	--	--
18	S	10.0	--	--
21	P	5.0		
24	PF	2.3	--	--
Total Public Facilities		**47.3**		
TOTAL:		**757.7**	**2,400**[3]	

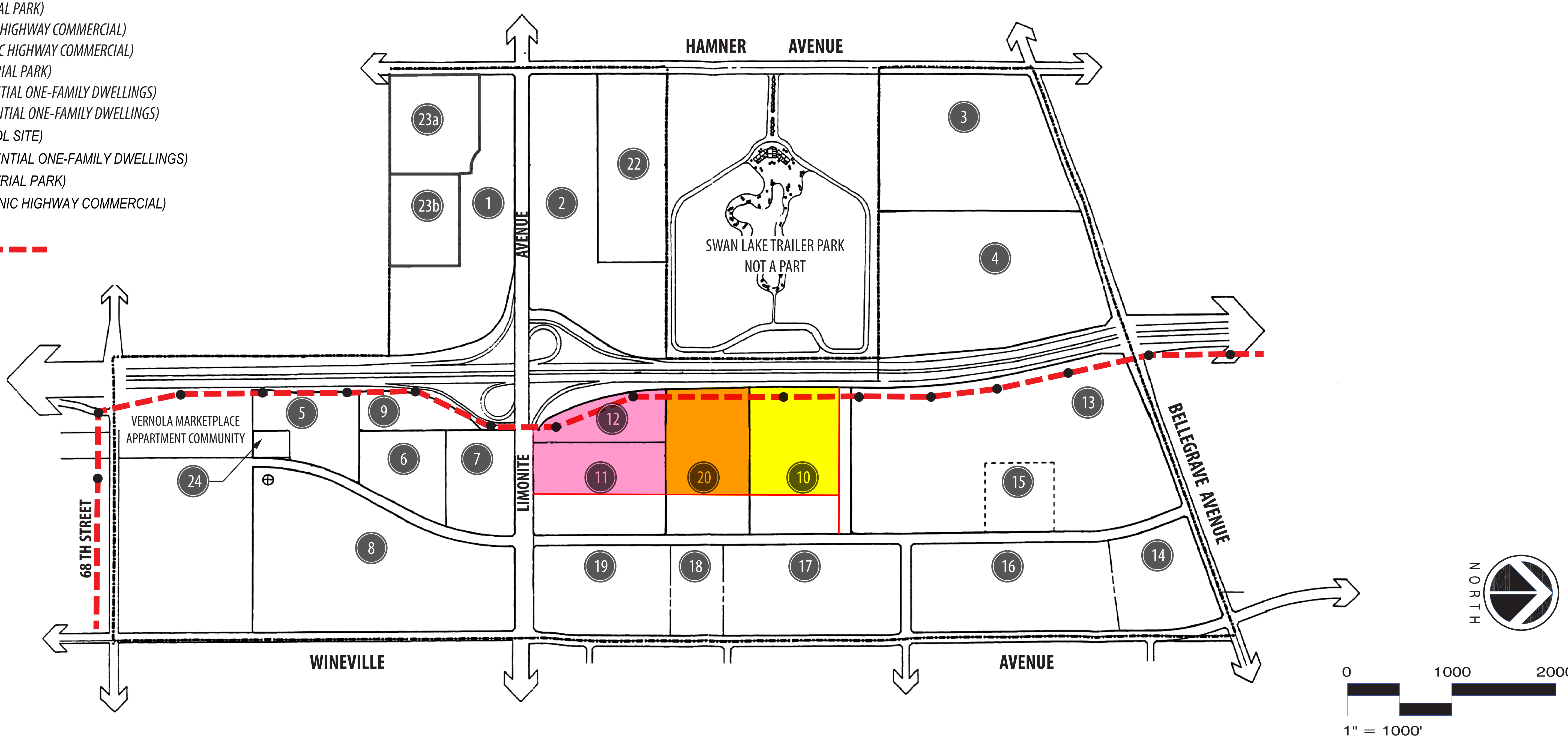
[3] Development of Planning Area 23 pursuant the senior citizen housing alternative, as described in Section IV.B.23, will result in a portion of the planning area being developed with a maximum of 322 multi-family dwelling units at a maximum density of 20.0 DU/AC and a portion of the planning area developed with 245 multi-family dwelling units for senior citizens at a maximum density of 36.0 DU/AC. Additionally, the total number of multi-family dwelling units within the I-15 Corridor Specific Plan will increase to 1,305 units at an overall density of 13.6 DU/AC and total residential units within the specific plan will increase to 2,645 units.

LEGEND

PLANNING AREA | *ZONING*

VERNOLA MARKETPLACE | *R-3 (GENERAL RESIDENTIAL)*
PA 5 | *I-P (INDUSTRIAL PARK)*
PA 9 | *C-P-S (SCENIC HIGHWAY COMMERCIAL)*
PA 12 | *C-P-S (SCENIC HIGHWAY COMMERCIAL)*
PA 20 | *I-P (INDUSTRIAL PARK)*
PA 10 | *R-1 (RESIDENTIAL ONE-FAMILY DWELLINGS)*
PA 13 | *R-1 (RESIDENTIAL ONE-FAMILY DWELLINGS)*
PA 15 | *R-1 (SCHOOL SITE)*
(yellow) | *R-1 (RESIDENTIAL ONE-FAMILY DWELLINGS)*
(orange) | *I-P (INDUSTRIAL PARK)*
(pink) | *C-P-S (SCENIC HIGHWAY COMMERCIAL)*

RTRP ALIGNMENT



ALBERT A. WEBB ASSOCIATES
Corporate Headquarters
3788 McCray Street
Riverside, CA 92506
951.686.1070

I-15 Corridor Specific Plan 266, EIR 340 | ZONING

EXHIBIT D

EXHIBIT D


Thoroughbred
Business
Park
PA 14
Vernola
Family
Park
Bellegrave Ave
PA 13
IV
PA 16
PA 15
III
Homecoming at
Eastvale Townhomes
PA 3
PA 4
V
Harvest Villages
PA 17
IV
II
PA 10
Swan Lake Mobile
Country Estates
PA 18
PA 20
The Home Depot
Target
Best Buy
PA 22
Lennar at
Harvest Villages
I
Buffalo Wild Wings
PA 12&11
PA 19
PA 2
Limonite Ave
Limonite Ave
Limonite Ave
PA 1
7
Vernola Marketplace
PA 23 a&b
6
9
PA 8
PA's
24
5
Vernola
Apartments
Louis Vandermolen
Fundamental...
Hamner Ave
Wineville Ave
Holmes Ave
Veterans Memorial Hwy
Lennar at Riverbend
Goose Creek Golf Club
Google

EXHIBIT E

EXHIBIT E

From: Tom Merrell <tmerrell@jurupavalley.org>
To: Raymond Hicks <Raymond.Hicks@sce.com>
Cc: Eduardo Guerrero <eguerrero@jurupavalley.org>; Tamara Campbell <tcampbell@jurupavalley.org>
Subject: RE: One Last Question
Date: Mon, Jul 20, 2015 3:41 pm

Ray,

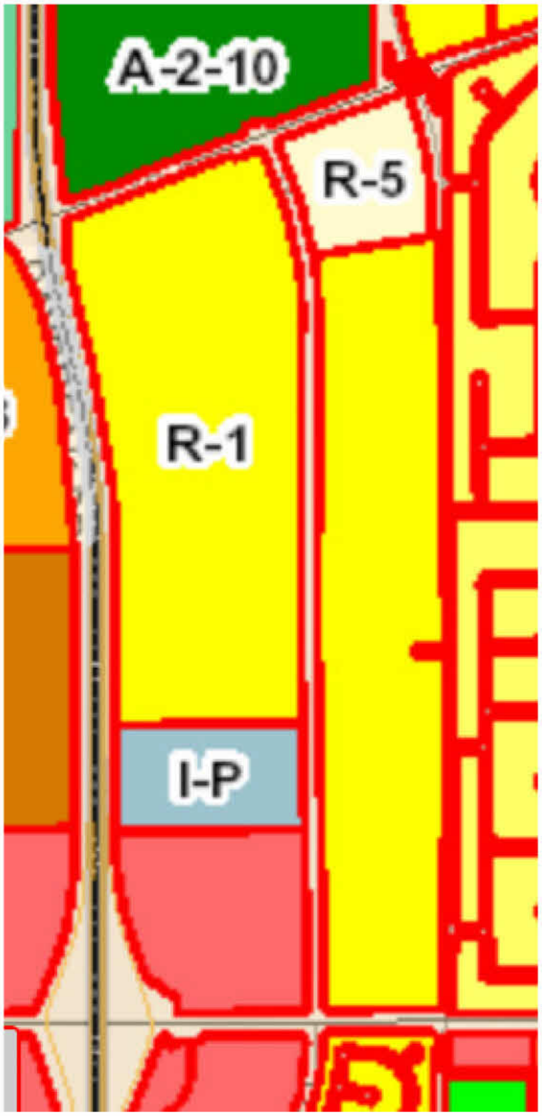
The zoning is shown on the graphic below. For the full entitlement, please download and review the I-15 Corridor Specific Plan from the following link:

https://file.ac/84T5UN0BXVQ/

Tom

Thomas G. Merrell, AICP
Planning Director

8304 Limonite Ave., Suite M
Jurupa Valley, CA 92509
951-332-6464



From: Raymond Hicks [mailto:Raymond.Hicks@sce.com]
Sent: Monday, July 20, 2015 10:36 AM
To: Tom Merrell
Cc: Eduardo Guerrero; Tamara Campbell
Subject: RE: One Last Question

Tom,

Thank you!!

Ray

From: Tom Merrell [mailto:tmerrell@jurupavalley.org]
Sent: Monday, July 20, 2015 9:57 AM
To: Raymond Hicks
Cc: Eduardo Guerrero; Tamara Campbell
Subject: Re: One Last Question

Ray,

This area is a part of the I-15 Corridor Specific Plan. I will send you the specifics this afternoon. There are several zones on the property including residential, commercial and industrial park.

Tom

On Jul 20, 2015, at 9:52 AM, Raymond Hicks <Raymond.Hicks@sce.com> wrote:

Tom & Eddie,

I was asked by the Project Manager to do the following.

Please confirm the current zoning for the all the vacant land between Pat's Ranch Road and the I-15 Freeway, between Bellegrave Ave to the north, and Limonite Ave to the south.

Would you be able to assist me with this request? I apologize for the short notice, but if needed, I can come over this morning, or after 2:30 today.

Respectfully,

Ray Hicks
951 317-5608

I-15 CORRIDOR SPECIFIC PLAN

■ ■ ■

Specific Plan No. 266
Final EIR No. 340

State Clearinghouse No. 89020199

■ ■

PREPARED FOR:

County of Riverside
and
McCune and Associates

APPROVED DECEMBER 15 1992

I-15 CORRIDOR SPECIFIC PLAN

■ ■ ■

Specific Plan No. 266
Substantial Conformance No. 2

■ ■

Project Applicant:

Rick Bondar
P.O. Box 1295
Corona, CA 92878

Contact Person: Rick Bondar
(951) 737-7251

Lead Agency:

Riverside County Planning Department
4080 Lemon Street, 9th Floor
P.O. Box 1409
Riverside, California 92502-1409

Contact Person: Brain Moore
(909) 955- 2137

Prepared by:

Albert A. Webb Associates
3788 McCray Street
Riverside, California 92506

Contact Person: Mo Faghihi, Vice President
(909) 686-1070

■ ■

Originally Approved: November 2, 1993
Substantial Conformance No. 1 Approved: February 3, 1998
Amendment No. 1 Adopted: December 23, 2002
Substantial Conformance No.2 Approved ________________

I-15 CORRIDOR SPECIFIC PLAN

Specific Plan No. 266

State Clearinghouse No. 89020193

PREPARED FOR:

County of Riverside
and
McCune and Associates

Originally Approved November 2, 1993

Substantial Conformance

Approved February 3, 1998

I-15 CORRIDOR SPECIFIC PLAN

Specific Plan No. 266, Amendment No. 2
Substantial Conformance No. 4

Project Sponsor:
Lewis Investment Company, LLC
1156 North Mountain Avenue
Upland, CA 91786

Contact Person: Gil Prestwood, Vice President
(909) 949-7587

Lead Agency:
Riverside County Planning Department
4080 Lemon Street, 9th Floor
P.O. Box 1409
Riverside, California 92502-1409

Contact Person: Andrew Gonzalez, Project Planner
(951) 955-2137

Prepared by:
Albert A. Webb Associates
3788 McCray Street
Riverside, California 92506

Contact Person: Richard J. MacHott, Principal Environmental Planner
(951) 686-1070

Originally Approved: November 2, 1993
Substantial Conformance Approved: February 3, 1998
Amendment No. 1 Adopted: December 23, 2002
Amendment No. 2 Adopted: March 11, 2008
Substantial Conformance No. 4 Approved: July 15, 2008

I-15 CORRIDOR SPECIFIC PLAN

■ ■ ■

Specific Plan No. 266, Amendment No. 1
Addendum to EIR No. 340

■ ■

Adopted by Riverside County Board of Supervisors on December 23, 2002

ALBERT A.
WEBB
ASSOCIATES
ENGINEERING CONSULTANTS

06-37

I-15 CORRIDOR SPECIFIC PLAN

■ ■ ■

Specific Plan No. 266
Substantial Conformance No. 3

■ ■

Project Sponsor:

Rick Bondar
P.O. Box 1295
Corona, CA 92878

Contact Person: Rick Bondar
(951) 737-7251

Lead Agency:

Riverside County Planning Department
4080 Lemon Street, 9th Floor
P.O. Box 1409
Riverside, California 92502-1409

Contact Person: Russell Brady, Project Planner
(951) 955-1888

Prepared by:

Albert A. Webb Associates
3788 McCray Street
Riverside, California 92506

Contact Person: Richard J. MacHott, Principal Environmental Planner
(951) 686-1070

■ ■

Originally Approved: November 2, 1993
Substantial Conformance Approved: February 3, 1998
Amendment No. 1 Adopted: December 23, 2002
Amendment No. 2 Adopted: March 11, 2008
Substantial Conformance No. 3 Approved: March 3, 2009
Substantial Conformance No. 4 Approved: July 15, 2008

I-15 CORRIDOR SPECIFIC PLAN

■ ■ ■

ADDENDUM TO EIR NO. 340

■ ■

Project Sponsor: **Lewis Retail Centers**
1156 North Mountain Avenue
Upland, CA 91786

Contact Person: Mark Wendel
(909) 949-6743

Lead Agency: **Riverside County Planning Department**
4080 Lemon Street, 9th Floor
P.O. Box 1409
Riverside, California 92502-1409

Contact Person: Jerry Guarracino, Contract Planner
(909) 955-3208

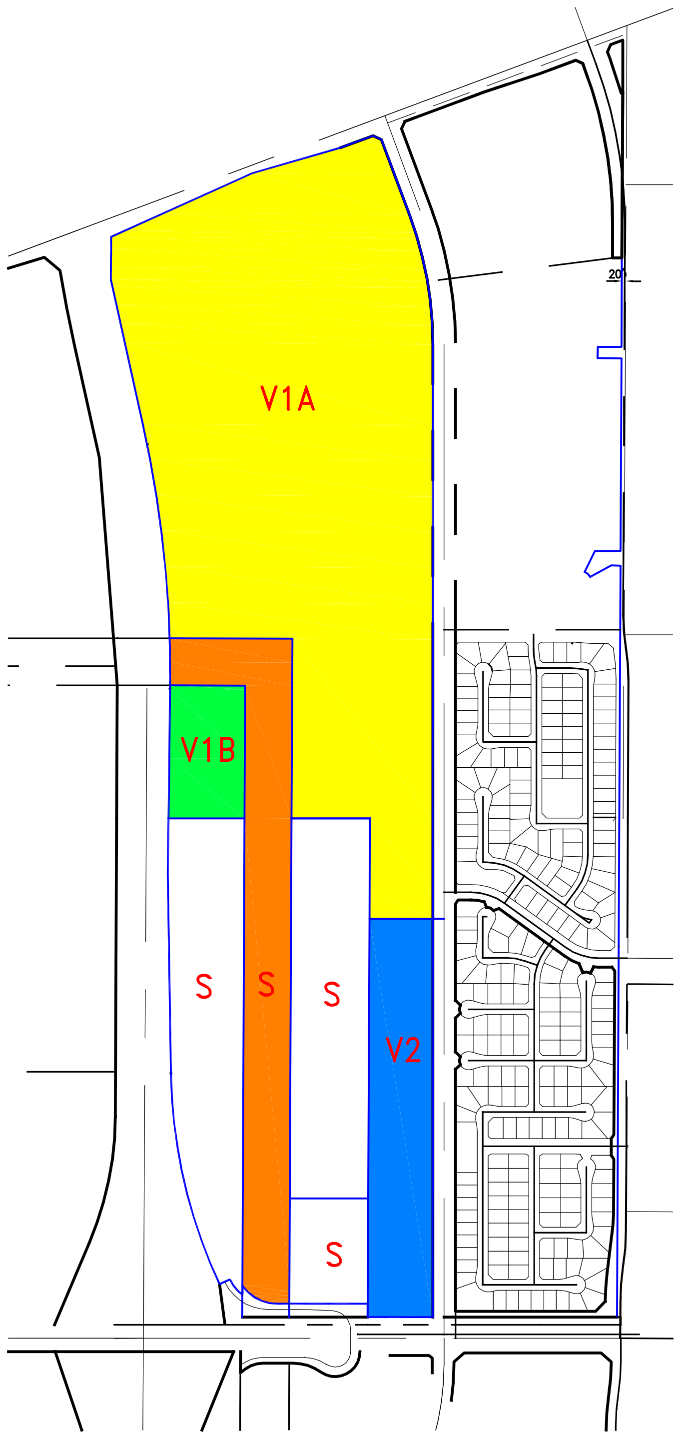
Prepared by: **Albert A. Webb Associates**
3788 McCray Street
Riverside, California 92506

Contact Person: Richard J. MacHott, Principal Environmental Planner
(909) 686-1070

■ ■

EXHIBIT F

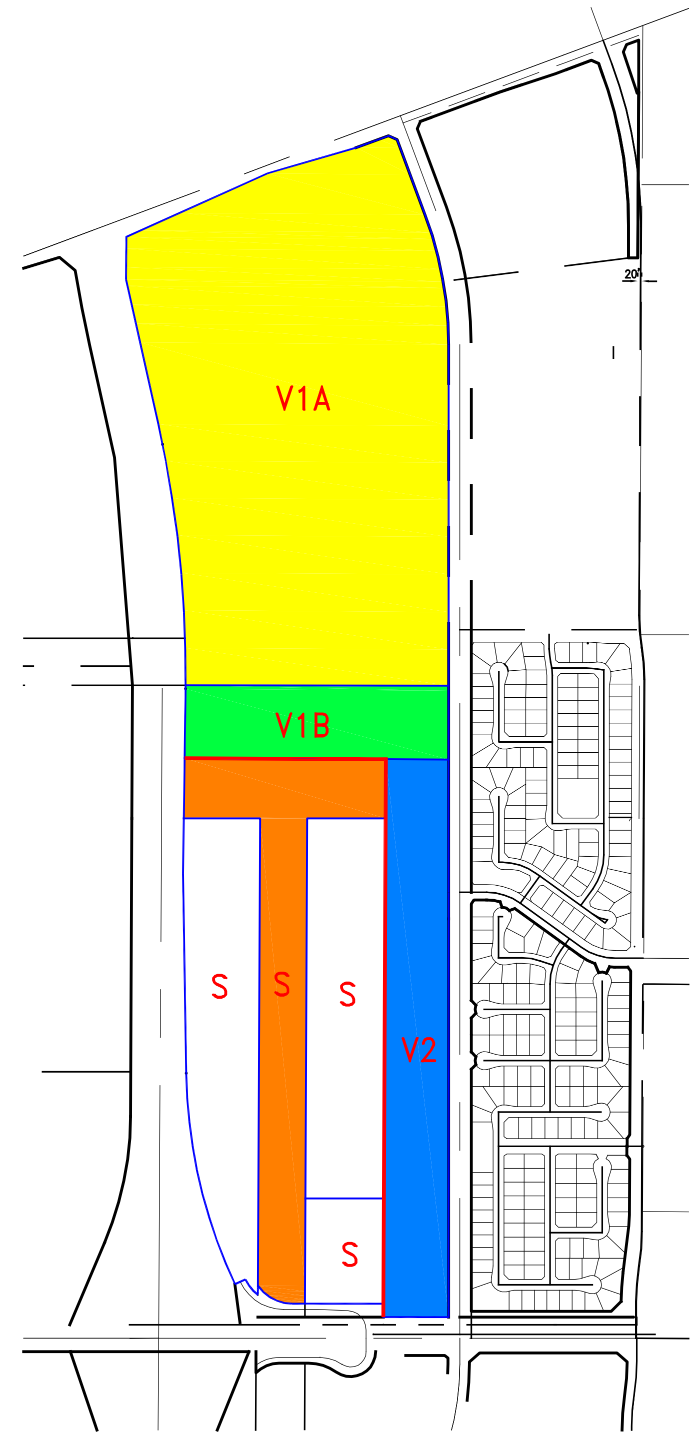
EXHIBIT F



EXISTING LOT LINES

LEGEND:

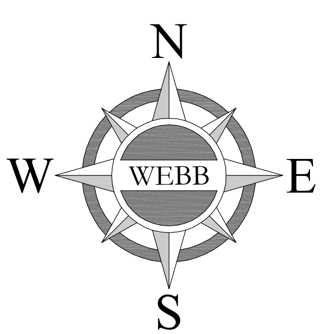
V1A	APV INV PA 13	102.54 Ac.
V1B	APV INV PA 13	6.26 Ac.
V2	ANTHONY P. VERNOLA	15.96 AC.
	TOTAL VERNOLA	124.76 Ac.
S	SKY COUNTRY INV. CO EAST	21.58 Ac.



PROPOSED LOT LINES

LEGEND:

V1A	APV INV PA 13	90.51 Ac.
V1B	APV INV PA 13	12.04 Ac.
V2	ANTHONY P. VERNOLA	22.21 AC.
	TOTAL VERNOLA	124.76 Ac.
S	SKY COUNTRY INV. CO EAST	21.58 Ac.



1" = 500'

250 0 500

ALBERT A. WEBB ASSOCIATES

NEW LOT LINE EXHIBIT

LYING IN THE S.E. 1/4 OF SEC. 19, T.2S., R.6W., AS SHOWN BY SECTIONALIZED SURVEY OF JURUPA RANCHO, IN THE CITY OF JURUPA VALLEY, COUNTY OF RIVERSIDE, CALIFORNIA

G:\2015\15-0270\Drawings\Exhibits\15-0270-C-XB-New Lots Boundaries.dwg 12/4/2015 9:45 AM

THIS PLAT IS SOLELY AN AID IN LOCATING THE PARCEL(S) IN THE ATTACHED DOCUMENT. ALL PRIMARY CALLS ARE LOCATED IN THE WRITTEN DOCUMENT.

SHEET 1 OF 1

W.O. 15-0270

SCALE: 1"=500'

DRWN BY ______ DATE ______

CHKD BY ______ DATE ______

SUBJECT: **VERNOLA/SKY COUNTRY**

EXHIBIT G

EXHIBIT G

RTRP CONFLICT WITH SKY COUNTRY INVESTMENT CO./EAST, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY – AFTER RECORDATION OF LOT LINE ADJUSTMENT
APNs: 160-050-005, -021, -023 & -031

LEGEND:

- PROPOSED RTRP 100' EASEMENT
- PROPOSED RTRP POLE
- PARCEL IN QUESTION
- # PLANNING AREA NUMBER
- EXISTING CELL TOWER

ZONING:

- C-P-S (SCENIC HIGHWAY COMMERCIAL)
- I-P (INDUSTRIAL PARK)
- R-1 (ONE-FAMILY DWELLINGS)

NOTE:

DIMENSIONS & LOCATIONS SHOWN ARE APPROXIMATE ONLY. ACTUAL DIMENSIONS & LOCATIONS MAY DIFFER BASED ON FINAL RTRP ALIGNMENT. APN NUMBERS SHOWN ARE BASED ON OWNERSHIP PRIOR TO THE RECORDATION OF THE LOT LINE ADJUSTMENT AND ARE SUBJECT TO CHANGE.

1" = 250'
250 125 0 250 500 750

RTRP CONFLICT WITH SKY COUNTRY INVESTMENT CO./EAST, LLC
AFTER RECORDATION OF LOT LINE ADJUSTMENT

100' RTRP EASEMENT

APNs: 160-050-005, -021, -023, & -031

SCALE: 1"=250'
DATE: 2/26/16
DESIGNED:
CHECKED:
PLN CK REF:
F.B.

ALBERT A. WEBB ASSOCIATES
ENGINEERING CONSULTANTS
3788 McCRAY STREET
RIVERSIDE CA. 92506
PH. (951) 686-1070
FAX (951) 788-1256

W.O. 14-0152
SHEET 1
OF 1 SHEETS
DWG. NO.

EXHIBIT H

EXHIBIT H

ALBERT A. WEBB ASSOCIATES

Memorandum

To: Rick Bondar

From: Jason Ardery

Date: February 25, 2016

Re: RTRP Conflict Areas with Sky Country Investment Co./East, LLC (APNs: 160-050-023 & -031)

Rick,

Sky Country Investment Co./East, LLC owns approximately 65.3 acres north of Limonite Avenue, adjacent to the I-15 Freeway, depicted in the attached exhibit. Based on the proposed alignment of the RTRP project, there will be significant impacts to this property:

1. The area is currently planned for Commercial, Industrial, and Residential uses per the I-15 Corridor Specific Plan (SP 266). The proposed RTRP alignment would eliminate approximately 2.9 acres of Scenic Highway Commercial (C-P-S), 1.8 acres of Industrial Park (I-P), and 1.8 acres of One-Family Dwellings (R-1) from the site, as well as leave a sliver of potentially unusable area of approximately 1.3 acres between the proposed RTRP easement and the I-15 Freeway on the southwest portion of the Scenic Highway Commercial (C-P-S) portion of the property.

2. Based on the alignment provided, encroachment into the RTRP easement would be required in order to obtain access to the 1.3 acre sliver and the three cell towers located between the proposed RTRP easement and the I-15 Freeway. Per the item number 2 of the attached "Southern California Edison Company Transmission Line Right of Way Constraints and Guidelines":

   2. Buildings and other permanent structures, both, above ground and underground, are prohibited within SCE's ROW. Examples of permanent structures are pipelines, concrete slabs, foundations, vaults, decks, detention basins, pools, and anything else that is not portable and easily moveable.

   Based on this requirement, it is not clear how permanent access and utilities would be provided to the 1.3 acre sliver. Permanent access would typically include AC Pavement, curb & gutter, along with any utilities (pipelines) required to provide service to the property, and per the "Southern California Edison Company Transmission Line Right of Way Constraints and Guidelines" this is not allowed. Therefore this 1.3 acre sliver would become unusable.

3. The reduction of approximately 4.2 acres of Scenic Highway Commercial (C-P-S) will reduce the potential commercial building square footage by approximately 50,000 square feet (assumes a Floor Area Ratio of 0.275 which is the average of the allowable Building Density Commercial Retail per the General Plan = 0.2-0.35 FAR).

4. The reduction of approximately 1.8 acres of Industrial Park (I-P) will reduce the potential Industrial building square footage by approximately 32,500 square feet (assumes a Floor Area Ratio of 0.425

which is the average of the allowable Building Density for Light Industrial per the General Plan = 0.25-0.60 FAR).

5. The reduction of approximately 1.8 acres of One-Family Dwellings (R-1) will reduce the potential residential units by approximately 6 units (assumes a density of 3.5 dwelling units per acre which is the average of the allowable Density for Medium Density Residential per the General Plan = 2 – 5 dwelling units per acre).

6. Access from a public road to the proposed RTRP easement does not appear to have been taken into consideration. Per Pages 5 and 6 of the Preliminary 230kV Project Alignment provided with the EIR, there is no access road connection to a public road made for structures JD9 through JD15. It appears additional access easements or improvements will be needed to obtain access to these structure locations.

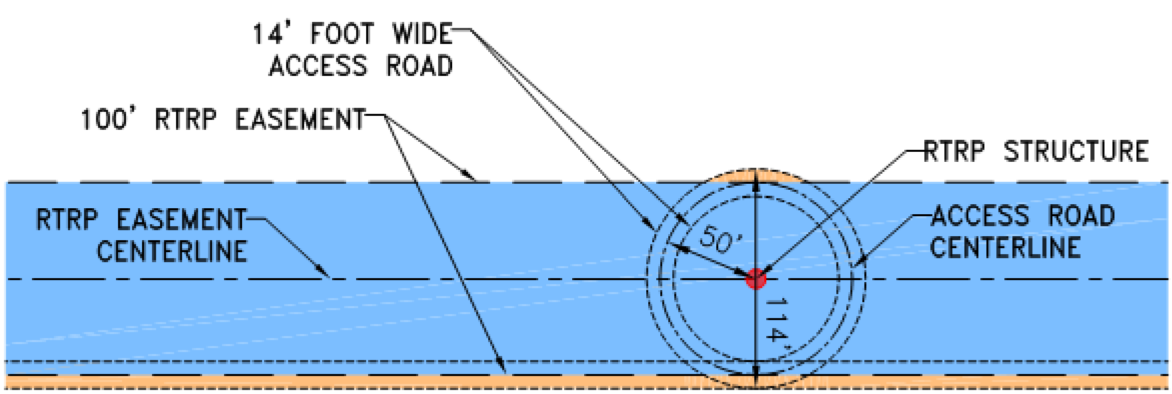
   On Bellegrave Avenue, there is a significant grade difference between the property and Bellegrave Avenue where the RTRP alignment crosses Bellegrave Avenue. This is due to the bridge approach on Bellegrave Avenue which crosses over the I-15 Freeway. Significant grading would be needed along with an encroachment permit from Caltrans to obtain access directly from Bellegrave Avenue where the RTRP alignment crosses. This does not appear to have been addressed.

   Caltrans is currently working on Plans for the I-15 Freeway/Limonite Interchange Improvements. With the improvements proposed to the interchange, it is unclear how access would be obtained from Limonite to the RTRP Easement or even if the RTRP alignment will work with the proposed Interchange Improvements. An encroachment permit from Caltrans would be needed for any work proposed within their right-of-way.

7. Pages 5 and 6 of the Preliminary 230kV Project Alignment provided with the EIR show access roads around all of the structures – 360 degrees. Per the first and second bullets under item number 17 of the attached "Southern California Edison Company Transmission Line Right of Way Constraints and Guidelines":

   - The drivable road surface shall be constructed to provide a dense, smooth and uniform riding surface. The minimum drivable road surface shall be 14 feet wide with an additional 2 feet of swale/berm on each side as required,

   - The minimum centerline radius on all road curves shall be 50 feet measured at the centerline of the drivable road surface. The minimum drivable width of all roads shall be increased on curves by a distance equal to 400/Radius of curvature,



Using a 14 foot wide drivable road surface, with a minimum 50 foot radius measured on the centerline, the minimum area needed for the access road around one structure – 360 degrees is 114 feet. Therefore the access road would no fit within the proposed 100 foot wide RTRP easement. Furthermore additional grading including slopes along Caltrans Right-of-Way, maybe necessary that would require additional setback from the Caltrans Right-of-Way. This does not appear to have been addressed in the EIR.

8. It is assumed that any proposed RTRP facilities, including power poles will be constructed at existing ground elevations with minimal grading as there is no proposed grading shown in the exhibits we have received. This will affect the future development of the areas adjacent to the RTRP easement, as there will be grading that is needed to provide adequate drainage to the property. Required drainage facilities such as swales and pipes along with cut and fill for grading will be located outside of the RTRP easement area, reducing the useable area of the property even further.

Without construction drawings for the RTRP alignment, the severity of the impact to the development of this site cannot fully be determined, however, the preliminary alignment of RTRP reduces the development potential for the property.

Southern California Edison Company
Transmission Line Right of Way Constraints and Guidelines

The primary purpose of SCE's Transmission Rights of Way (ROW) and Substations is to house SCE's electrical system and related facilities. SCE is committed to ensuring it operates and maintains a safe and reliable electric system, both, now and in the future.

The use of SCE's ROW is guided by California Public Utilities Commission regulations (General Order No. 69-C), which define the need to protect utility system operations and provide guidance on overall uses of the ROW, the types of agreements allowed, and related approval processes.

If you are proposing uses within SCE's ROW, please ensure that you contact SCE prior to developing your plans. Any proposed uses must be compatible, low-intensity uses (i.e. green belts, bike and hiking trails, etc.) that do not impose additional constraints on SCE's ability to maintain and operate its current facilities and that do not interfere with any future operating facility needs.

The following are constraints and guidelines to assist in the development of your plans within SCE's transmission ROW.

1. All projects are unique and will be reviewed on a case by case basis.
2. Buildings and other permanent structures, both, above ground and underground, are prohibited within SCE's ROW. Examples of permanent structures are pipelines, concrete slabs, foundations, vaults, decks, detention basins, pools, and anything else that is not portable and easily movable.
3. No parallel or longitudinal encroachments will be permitted. All improvements crossing in the ROW must do so perpendicular to the centerline of the ROW.
4. Any proposed use(s) on SCE's ROW that are specifically prohibited in SCE's easement document will be denied.
5. SCE's access to its ROW and facilities must be maintained 24/7 and cannot be encumbered in order to ensure SCE's access for system operations, maintenance, and emergency response.
6. All proposed grading requires a clearance review. Costs for engineered conductor clearance reviews required by SCE are to be paid for by the requestor.
7. All users of SCE's land shall be responsible for compliance with all applicable federal, state, county, and local laws affecting use of SCE's land. The user must obtain all permits and other governmental approvals required for the proposed use.
8. No plant species protected by federal or state law shall be planted within SCE's ROW.
9. All new trees and shrubs proposed on SCE's ROW shall be slow growing and not exceed 15 feet in height.
10. No wetlands, other sensitive natural habitat, vegetation related natural plant areas, or environmental mitigation on SCE's ROW will be permitted as it creates interference with SCE's ability to access its facilities and to add future facilities.
11. Groundwater or storm water infiltration or recharge will not be allowed.
12. Flammable or combustible materials are not allowed to be used or stored on SCE's ROW.
13. SCE may require a third-party user to implement certain safety measures or mitigations as a condition to approval of the third-party use. Users of SCE's ROW must adhere to minimum grounding standards dictated by SCE.

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15. Horizontal Clearances
    - ***Towers, Engineered Steel Poles & H-Frames*** — ***161kV to 500kV***
        - Lattice/Aesthetic & H-Frames (dead-end) — 100 ft.
        - Engineered Steel Poles (dead-end) — 100 ft.
        - Suspension Towers & H-Frames — 50 ft.
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    - ***Wood or Light-Weight Steel Poles & H-Frames*** — ***66kV to 115kV***
        - Engineered Steel Poles w/ Found. (TSP) (dead-end) — 25 ft.
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16. Vertical Clearances
    - ***Structure***
        - 500kV — 30 ft.
        - 220kV — 18 ft.
        - 66kV — 18 ft.
        - <66kV (distribution facilities) — 12 ft.
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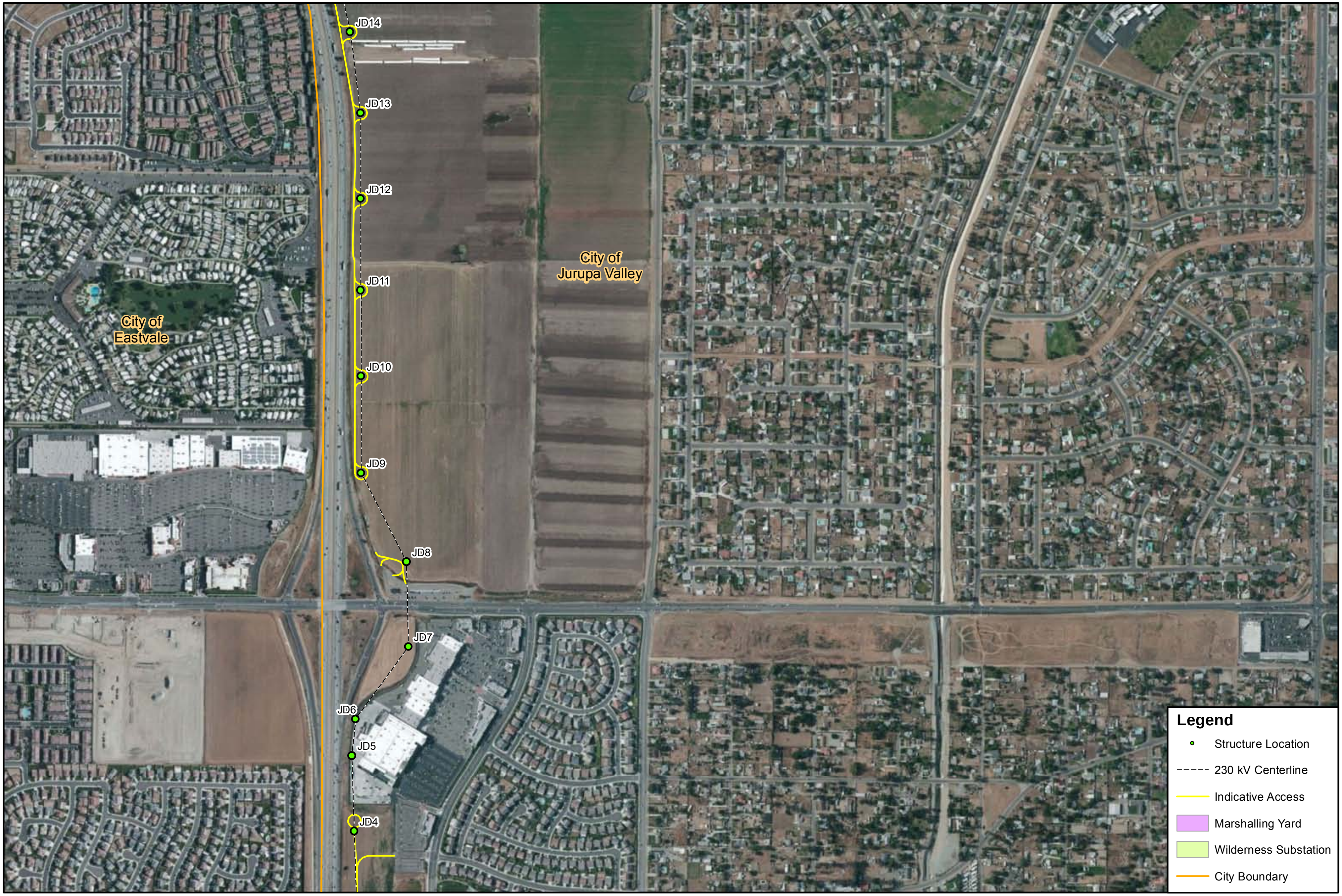

Scale: 1 in = 1,000 mi

0 500 1,000 2,000 Feet

The data presented here are based on preliminary engineering design performed to date and represent the best available information used to establish anticipated construction activities and assess impacts to the environment. The land disturbance estimates, locations of towers, access roads, etc. provided are therefore subject to change based on final engineering.

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RTRP CONFLICT WITH SKY COUNTRY INVESTMENT CO./EAST, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY – APN: 160–050–023 & –031

LEGEND:

- PROPOSED RTRP 100' EASEMENT
- PROPOSED RTRP POLE
- PARCEL IN QUESTION
- EXISTING CELL TOWER

ZONING:

- C–P–S (SCENIC HIGHWAY COMMERCIAL)
- I–P (INDUSTRIAL PARK)
- R–1 (ONE–FAMILY DWELLINGS)

NOTE:

DIMENSIONS & LOCATIONS SHOWN ARE APPROXIMATE ONLY. ACTUAL DIMENSIONS & LOCATIONS MAY DIFFER BASED ON FINAL RTRP ALIGNMENT.

W N E S WEBB

1" = 250'
250 125 0 250 500 750

RTRP CONFLICT WITH SKY COUNTRY INVESTMENT CO./EAST, LLC

100' RTRP EASEMENT
APN: 160-050-023
APN: 160-050-031

SCALE: 1"=250'	ALBERT A. WEBB ASSOCIATES	ENGINEERING CONSULTANTS 3788 McCRAY STREET RIVERSIDE CA. 92506 PH. (951) 686–1070 FAX (951) 788–1256	W.O. 14–0152
DATE: 2/25/16			SHEET 1
DESIGNED:			OF 1 SHEETS
CHECKED:			DWG. NO.
PLN CK REF:			
F.B.			

EXHIBIT I

EXHIBIT I

Southern California Edison Company
Transmission Line Right of Way Constraints and Guidelines

The primary purpose of SCE's Transmission Rights of Way (ROW) and Substations is to house SCE's electrical system and related facilities. SCE is committed to ensuring it operates and maintains a safe and reliable electric system, both, now and in the future.

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EXHIBIT J

EXHIBIT J

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Attorneys for Petitioner
SOUTHERN CALIFORNIA EDISON COMPANY

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

SOUTHERN CALIFORNIA EDISON COMPANY, a California Corporation,

Petitioner,

v.

CITY OF JURUPA VALLEY, CITY COUNCIL FOR THE CITY OF JURUPA VALLEY, and DOES 1 through 10, inclusive,

Respondents.

RICK BONDAR, an individual, ANTHONY P. VERNOLA, an individual and in his capacity as Trustee of the Anthony P. Vernola Trust U/D/T and Trustee of the Pat And Mary Ann Vernola Trust – Marital Trust, the ANTHONY P. VERNOLA TRUST U/D/T, the PAT AND MARY ANN VERNOLA TRUST – MARITAL TRUST, TREF JURUPA LLC, a Delaware limited partnership, REVX-APV, INC., a California Corporation, and ROES 11 through 20, inclusive,

Real Parties in Interest.

Case No. CIVDS1513522
(Related with Case No. CIVDS1512381)

(CEQA ACTION)

[Assigned to the Honorable Donald Alvarez – Department S23]

PETITIONER SOUTHERN CALIFORNIA EDISON COMPANY'S REPLY BRIEF IN SUPPORT OF VERIFIED PETITION FOR WRIT OF ADMINISTRATIVE MANDAMUS, WRIT OF MANDAMUS, AND INJUNCTIVE RELIEF

Trial Date: March 15, 2016
Time: 8:30 a.m.
Department: S23

Action Filed: April 17, 2015

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I. SUMMARY OF ARGUMENT

Three basic tenets of the California Environmental Quality Act are at issue in this case—(1) CEQA's primary purpose of disclosing to the public and decision-makers all potential significant environmental impacts of a proposed project; (2) an EIR is required if a fair argument is made that the proposed project may cause a significant environmental impact; and (3) a lead agency is obligated to provide substantial evidence in support of its determination that a proposed project will not lead to significant environmental impacts. The City of Jurupa Valley's ("City") environmental review of the 397-unit apartment project ("Apartment Project") is plainly inconsistent with those CEQA principles. The City approved the Apartment Project through a mitigated negative declaration ("MND") that did not make a single reference to an electric transmission line proposed to be located on the same property as the Apartment Project, even though the City knew that an Environmental Impact Report had already been certified for that transmission line. The City also did not include any analysis of why it determined disclosure of the electric transmission line was not legally required under CEQA. That overarching legal defect caused the City to approve the Apartment Project without fully disclosing its potential environmental impacts and without substantial evidence to support its determination that the Apartment Project would not lead to significant environmental impacts.

The only explanation provided during the Apartment Project's entitlement process for the City's complete omission of the electric transmission line came not from the City, but from the Real Parties in Interest ("Real Parties") who argued that the transmission line was too "speculative" for the City to consider in the MND. The City provided no such explanation of its own in the administrative record. In their joint Opposition Brief the City and Real Parties now apparently abandon that alleged explanation altogether and state that the sole justification for the omission in the MND is that the electric transmission line and Apartment Project are allegedly "mutually exclusive."

Yet, the administrative record does not contain any evidence that the two projects are necessarily mutually exclusive. In fact, the record contains evidence that the electric transmission line route had been modified to accommodate other projects in the past. As the City was informed before it approved the Apartment Project, Southern California Edison Company ("SCE") previously modified the transmission line's route to accommodate a commercial project affiliated with the Real Parties.

Despite knowing the potential for the transmission line route to be modified, the City conducted no analyses, either in the MND or in any other document in the administrative record, as to whether the two projects could successfully co-exist. Instead, the City and Real Parties now provide only a post-hoc rationalization that the two projects cannot possibly co-exist.

The MND also provides no analysis of the two projects' potential cumulative impacts, which could occur if both projects proceed on the same project site. For example, with overlapping construction schedules the two projects could lead to potentially cumulative impacts related to air quality, noise, and traffic. Yet, the City's post-hoc conclusion that the two projects are necessarily mutually exclusive, without any supporting evidence in the administrative record, deprived the public and the decision-makers of any analysis of the Apartment Project's potential cumulative impacts.

If the City did believe the two projects were necessarily mutually exclusive, CEQA required, at a minimum, that the City disclose its conclusion and analysis that the Apartment Project would make the electric transmission line infeasible in the MND. The City obviously failed to do so because the transmission line is a public infrastructure project that will provide much needed electricity to the broader Riverside region, and the City's conclusion that the projects are mutually exclusive necessarily means that the Apartment Project could have significant impacts on regional energy supplies. Yet, the Apartment Project's potential impacts to energy resources were completely omitted from any analysis in the MND. In response, the City and Real Parties argue that the City was not required to consider such energy impacts because it evaluated the Apartment Project through an MND instead of an environmental impact report ("EIR"). That argument, however, is circular—even though a project's impact on energy resources may be significant and thereby require an EIR, no such analysis is required if an EIR is not prepared. CEQA does not countenance such gamesmanship—all potential environmental impacts must be analyzed whether an EIR or an MND is used.

The City and Real Parties attempt to explain the defect in the City's environmental review related to the Apartment Project's potential impacts to neighborhood traffic, alleging that residents' observations supporting a fair argument that the Apartment Project could lead to traffic impacts did not constitute substantial evidence. Yet, the residents surrounding the Apartment Project site are in a unique position to understand the true patterns of traffic that cut through their neighborhoods, and courts have repeatedly recognized that such observations may constitute substantial evidence precisely because those observations can provide a unique perspective. The City readily acknowledged that its traffic study did not consider the Apartment Project's potential to add traffic that would cut through surrounding neighborhoods at all, and thus had no substantial evidence to support its conclusion that the local residents' observations were unfounded. Further, if the City had any evidence to balance against those traffic concerns from the local residents, CEQA recognizes that an EIR, not an MND, is the proper vehicle for a lead agency to weigh such conflicting evidence.

Finally, the City and Real Parties present another circular argument attempting to explain why the MND did not provide any analysis of the Apartment Project's consistency with specific goals or policies in the City's General Plan. Nearby residents and the City of Riverside raised concerns during the entitlement process suggesting a fair argument that the Apartment Project could conflict with policies in the City's General Plan promoting economic development. The City and Real Parties allege that the City was not required to evaluate those policies in the MND because the City adopted a General Plan Amendment for the Apartment Project. Yet, the City and Real Parties do not explain why a General Plan Amendment changes the City's obligations under CEQA to ensure that the Apartment Project is consistent with the specific goals and policies in the City's existing General Plan.

Given CEQA's primary public purpose to disclose a project's potential environmental impacts to the public and the decision-makers, the City's complete omission of the electric transmission line in the Apartment Project's MND and the other defects in the City's environmental review render the MND legally deficient under CEQA. Accordingly, SCE respectfully requests that the Court invalidate the City's MND and other project approvals for the Apartment Project to allow for a proper environmental review that will fully disclose the project's potential environmental impacts.

II. CITY'S AND REAL PARTIES' IMPROPER REQUEST FOR JUDICIAL NOTICE

In their Opposition Brief, the City and Real Parties recite facts concerning the electric transmission line (referred to as the Riverside Reliability Transmission Project ("RTRP")) that are contained in documents attached to the request for Judicial Notice ("RJN") filed by the City and Real Parties. Yet, those documents are irrelevant to the Court's evaluation of the City's environmental review of the Apartment Project for two independent reasons. (Opp. Brief, pp. 3-4.) As explained further in Riverside and SCE's Objections to that RJN, those documents post-date the City's approval of the Apartment Project and, therefore, are not relevant to the adequacy of the evidence before the City at the time of its approval. Further, the City and Real Parties do not cite to any of the documents in their RJN in the legal argument section of their Opposition Brief (at pp. 4-19). Therefore, those documents are not relevant to the legal issues before this Court and cannot be judicially noticed. (See *Kilroy v. State of Cal.* (2004) 119 Cal.App.4th 140, 145.) For these reasons, SCE will not further address those documents in this brief.

III. STANDARD OF REVIEW

As SCE explained in its Opening Brief, the CEQA Guidelines explicitly state that if a lead agency is "presented with a fair argument that a project may have a significant effect on the environment the lead agency shall prepare an EIR even though it may also be presented with other substantial evidence that the project will not have a significant effect." (Cal. Code Regs., tit. 14, § 15064(f)(1) [emphasis added]; *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal.3d 68, 75.) Further, under the "fair argument" standard, deference to the agency's determination is not appropriate and its decision not to require an EIR can be upheld only when there is no credible evidence to the contrary." (*Sierra Club v. County of Sonoma* (1992) 6 Cal.App.4th 1307, 1318 [emphasis added].) The City and Real Parties do not take issue with that fair argument standard.

As demonstrated in SCE's Opening Brief and this brief, the administrative record contains substantial evidence that supports a fair argument that the Apartment Project would have a potentially significant environmental impact in the areas of cumulative impacts, traffic, energy and land use. Indeed, on a number of those issues, the administrative record simply contains no evidence that the City even considered those impacts, let alone provide substantial evidence that no significant impact would occur. Accordingly, the administrative record contains credible evidence that contradicts the City's conclusion that an EIR was not required in this case.

IV. THE CITY'S COMPLETE OMISSION OF THE RTRP IN THE MND VIOLATED CEQA'S REQUIREMENT TO FULLY DISCLOSE THE APARTMENT PROJECT'S POTENTIAL CUMULATIVE IMPACTS

A. The City Never Demonstrated That The Apartment Project And RTRP Were Mutually Exclusive During The Environmental Review Process

The only alleged justification that actually appears in the administrative record to support the City's complete omission of consideration of the RTRP in the MND for the Apartment Project is that the RTRP is too "speculative" because the RTRP had not yet received final approval from the California Public Utilities Commission ("CPUC"). (AR 4494-96.) That justification came only from a letter submitted to the City Council from Real Parties. (*Id.*) <u>The City itself remained silent and did not provide a single reason in the administrative record to support its determination that it need not consider the RTRP in its MND.</u>

In the *factual* section in the Opposition Brief, the City and Real Parties attempt to misdirect the Court by claiming that the RTRP was "speculative" based on documents concerning the CPUC process that occurred <u>after</u> the City approved the Apartment Project. (Opposition Brief ("Opp. Brief"), pp. 3-4.) Yet, the City and Real Parties do not make a single reference to the RTRP's processing at the CPUC or to any of the exhibits attached to their RJN in the *legal* argument section of their Opposition Brief, thus conceding that there is no legal basis to conclude the RTRP was too speculative to consider in the MND. (See Opp. Brief, pp. 4-12.) Further, while the City and Real Parties spend pages distinguishing the cases cited by SCE concerning when related projects may be too speculative to consider in a cumulative impacts analysis (Opp. Brief, pp. 9-11), the City and Real Parties do <u>not</u> contend in that section of their brief that the RTRP was speculative. Instead, the City and Real Parties state that the related projects in the cases cited by SCE were not mutually exclusive with the proposed projects at issue therein, which, in the City's and Real Parties' view, is the <u>sole</u> reason to distinguish those cases from the instant case. Consequently, the City and Real Parties have abandoned the legal argument that the RTRP was too speculative to consider as a related project.

Instead, the City and Real Parties now rely on the allegation that the Apartment Project and RTRP are mutually exclusive. However, the City and Real Parties cannot point to any substantial evidence in the administrative record to support their current position that the two projects cannot co-exist. The administrative record contains one summary statement in the staff report to the City's Planning Commission that the Apartment Project site "will be significantly affected if this transmission line project is implemented, and it will make the proposed residential project infeasible." (AR 3393.) The staff report to the City Council repeats that summary contention that the Apartment

Project may conflict with the RTRP, although it does not state that the two projects would be mutually exclusive. (AR 3475.) Finally, one City Planning Commissioner also stated at the Planning Commission hearing that the City needed to put something on the Apartment Project site if the City wanted to "stymie" the RTRP. (AR 3656-57.) Those summary statements, however, were all presented outside of the MND itself and do not constitute "substantial evidence" within the meaning of CEQA. (See Cal. Code Regs., § 15384 [emphasis added]; substantial evidence does not include "argument, speculation, or unsubstantiated opinion. . ."). Indeed, if the City believed that the two projects could be mutually exclusive, it had the duty to obtain the information and technical analysis that would support that opinion and provide it in the MND. (See *Laurel Heights Improvement Assn. v. Regents of Univ. of Cal.* (1988) 47 Cal.3d 376, 399.)

With no evidence in the administrative record they can rely on, the City and Real Parties resort to summary conclusions in their Opposition Brief, stating simply that "it would be impossible to have apartment buildings with 230-kv transmission towers and lines running directly through them." (Opp. Brief, p. 7.) Yet, the City and Real Parties point to no evidence in the administrative record to support the conclusion that the RTRP would run "directly through" the apartment buildings. If anything, the City's own map of the proposed Apartment Project shows that the RTRP is proposed to run through the western edge of the Apartment Project site along the freeway, not directly through the Apartment Project site. (AR 3588-90.) Electric transmission lines and residential projects frequently co-exist throughout the region, and there is no evidence in the administrative record that the same could not apply for the Apartment Project and RTRP.

Indeed, there is evidence in the administrative record that the City knew that SCE modified the RTRP route to accommodate other projects in the past. For example, before the City Council considered the Apartment Project, the City received documentation showing that SCE previously modified the RTRP route to accommodate an existing commercial project called the "Vernola Marketplace," a project affiliated with the Real Parties in this case. (AR 6437-40.) The City and Real Parties point to no evidence in the administrative record to show that similar modifications could not have been made either to the RTRP or the Apartment Project to allow the projects to co-exist. Against that credible evidence and with no evidence to support their new "mutually exclusive" argument, the

City and Real Parties' argument amounts to nothing more than a post hoc rationalization for the City's complete failure to consider the RTRP as a related project in the MND.

In addition to the complete absence of evidence in support of their new argument, the City and Real Parties cannot explain how the complete omission of the RTRP in the City's MND complies with CEQA's primary purpose to fully inform the public and decision-makers. CEQA's fundamental purpose is to disclose the true extent of a project's potential environmental impacts and how those potential impacts might be mitigated. (Cal. Code Regs., tit. 14, § 15002(a); see also *Laurel Heights Improvement Assn., supra,* 47 Cal.3d at pp. 391-92; *Lincoln Place Tenants Assn. v. City of Los Angeles* (2007) 155 Cal.App.4th 425, 443-44 [emphasis added] [holding the "fundamental goals of environmental review under CEQA are information, participation, mitigation, and accountability"].) Despite that fundamental purpose of disclosure, <u>the City's MND for the Apartment Project did not include a single reference to a project that is proposed for the very same site as the Apartment Project.</u> The City and Real Parties can point to no provisions in CEQA or case law that justifies their position that CEQA does not require disclosure of environmental impacts attributable to developing a project on the same property where another project is slated for construction. Accordingly, the public and decision-makers were deprived of any analysis of the Apartment Project's potential impacts combined with the impacts of the RTRP or why the projects could not co-exist. Such a defect renders the City's MND legally inadequate as a disclosure document under CEQA.

B. <u>The City's Failure To Consider The Apartment Project's Potential Cumulative Impacts With The RTRP Constitutes Prejudicial Error Under CEQA</u>

In addition to arguing that the two projects are mutually exclusive, the City and Real Parties attempt to explain the City's complete omission of the RTRP from the MND by arguing the two projects are not "closely related" and could not have had led to cumulative impacts. Yet, the City and Real Parties provide no authority—in case law, CEQA or in the administrative record—to support that argument, and for good reason.[1] CEQA does not contain a definition of a "closely related" project or any provision that suggests that two projects proposed to be constructed on the same property would not be "closely related" for the purposes of a cumulative impacts analysis. Given the absence of law

[1] The City and Real Parties rely on cases that simply do not stand for the proposition that a project proposed for the same site is not a closely related project. (Opp. Brief, pp. 9-11.)

to support their novel position, the City and Real Parties instead assert that the RTRP is not a closely related project because, once built, it would not create any traffic or other impacts that when combined with Apartment Project's impacts would be cumulatively considerable. (Opp. Brief, p. 6.)

This argument, which again was never made by either the City of Real Parties during the administrative process, is simply contrary to common sense. For example, there is no evidence in the administrative record to suggest that the Apartment Project and RTRP would not have cumulative impacts, especially if the two projects proceed with overlapping construction schedules. Such overlapping construction schedules could lead to potentially cumulative impacts related to air quality, noise, and traffic, especially since the two projects are proposed for the same project site. The CEQA Guidelines even state that "factors to consider when determining whether to include a related project should include the nature of each environmental resources being examined, <u>the location of the project</u> and its type." (Cal. Code Regs., tit. 14, § 15130(b)(2) [emphasis added].) Given the location of the two proposed projects on the same project site, the RTRP should have been considered a related project in the Apartment Project's cumulative impacts analysis.

Since the two projects could have cumulative impacts, analysis of the two projects' potential overlapping cumulative impacts would not have been meaningless as claimed by the City and Real Parties. Courts have long held that a defect such as a failure to conduct a meaningful cumulative impacts analysis constitutes a prejudicial error under CEQA. (See *Mountain Lion Coalition v. Cal. Fish & Game Commission* ("*Mountain Lion*") (1989) 214 Cal.App.3d 1043 1051-53.) In *Mountain Lion*, the Court invalidated the California Fish & Game Commission's environmental review for proposed regulations regarding mountain lion hunting because the environmental review document did not include an adequate cumulative impacts analysis, which made it "impossible for the public … to fully participate in the assessment of the cumulative impacts associated with this project." (*Id.* at p. 1051.) The *Mountain Lion* Court further held that a "cumulative impact analysis which understates information concerning the severity and significance of cumulative impacts impedes meaningful public discussion and skews the decisionmaker's perspective concerning the environmental consequences of the project, the necessity for mitigation measures, and the appropriateness of project approval." (*Id.*) Similarly in this case, the City's failure to conduct <u>any</u> analysis of the Apartment

Project's potential cumulative impacts with the RTRP constituted a prejudicial error that impeded a meaningful public discussion of the Apartment Project's environmental impacts. (See also *Friends of the Eel River v. Sonoma County Water Agency* (2003) 108 Cal.App.4th 859, 872 [emphasis added] [holding an EIR was "inadequate as an informational document" because that EIR did not consider the cumulative impacts of a river diversion project, stating "an error is prejudicial if the failure to include relevant information precludes informed decisionmaking and informed public participation, thereby thwarting the statutory goals of the EIR process"].) Given that prejudicial error, the MND for the Apartment Project cannot be upheld.

V. THE CITY FAILED TO SATISFY ITS OBLIGATIONS UNDER CEQA WHEN IT IGNORED THE APARTMENT PROJECT'S POTENTIAL IMPACTS TO REGIONAL ENERGY RESOURCES

The City committed yet another violation of CEQA's disclosure requirements when it failed to consider the Apartment Project's potential impacts to energy resources. The City and Real Parties bury their response to this issue in a single paragraph on page 18 of their twenty-page Opposition Brief, alleging no party exhausted the administrative remedies on this issue and that CEQA does not require such analysis. Neither argument is supported by CEQA or the administrative record.

Both Riverside and SCE brought the Apartment Project's potential impacts to regional energy resources to the City's attention before the City Council approved the Apartment Project.[2] In a letter to the City Council, Riverside explained that the RTRP is a "transmission/distribution project that will bring much-needed bulk power into the Riverside area for the purpose of supporting critical infrastructure, meeting the needs of educational institutions, supporting emergency services, and for other uses." (AR 4492.) Riverside's letter further explained that many of the services and facilities that the RTRP would serve "provide benefits to the greater-Riverside area, including residents and community within and adjacent to Jurupa Valley." (*Id.*) SCE similarly submitted a letter to the City Council explaining that the RTRP would include an electric transmission line on portions of the

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[2] The exhaustion doctrine under California Code of Civil Procedure section 1094.5 does not require an objector to identify a "precise legal inadequacy." (*Save Our Residential Environment v. City of West Hollywood* (1992) 9 Cal.App.4th 1745, 1750.) Rather, an objector can satisfy the exhaustion doctrine by "fairly appris[ing]" a public agency of the defect in its environmental analysis. (*Id.*; see also *Santa Clarita Org. for Planning the Environment v. City of Santa Clarita* (2011) 197 Cal.App.4th 1042, 1052.)

property where the Apartment Project was proposed. (AR 4489.) Thus, the potential for the Apartment Project to adversely impact energy resources was fully exhausted.

The City and Real Parties' only other defense is that CEQA does not require lead agencies to consider potential impacts to energy resources when a negative declaration is prepared in lieu of an EIR. However, CEQA does not make that distinction. As SCE demonstrated in its Opening Brief, Appendix F explicitly states that a lead agency should consider a project's potential impacts to energy resources where applicable, and such environmental impacts may include:

> . . . (2) <u>The effects of the project on local and regional energy supplies and on requirements for additional capacity</u>. . . . [and] (5) The effects of the project on energy resources.

(Cal. Code Regs., tit. 14, CEQA Guidelines Appendix F, II(C) [emphasis added]; see also *Cal. Clean Energy Committee v. City of Woodland* (2014) 225 Cal.App.4th 173, 209, 212.) The City and Real Parties do not dispute those requirements in Appendix F, but rely on the fact that Appendix F refers to the preparation of an "EIR." Yet the City and Real Parties cannot point to any authority to support the argument that a project's potential effects on local and regional energy supplies could constitute a significant environmental impact when a lead agency prepares an EIR, but not when a lead agency prepares a negative declaration. CEQA simply does not afford lead agencies the discretion to ignore certain environmental impacts when a lead agency prepares a negative declaration instead of an EIR.

Instead, CEQA obligates lead agencies to consider <u>all</u> potential environmental impacts of a project, including impacts to energy resources, regardless of what type of environmental review document the agency prepares. Specifically, CEQA Guideline 15126.4 requires that lead agencies consider "energy conservation measures" that could minimize significant adverse impacts where appropriate, including the energy conservation measures provided in Appendix F. (See Cal. Code Regs., tit. 14, § 15126.4(a)(1).) CEQA does not limit the requirement that lead agencies consider all relevant mitigation measures to matters where the lead agency prepares an EIR. Nor do courts differentiate between the type of environmental review documents—a negative declaration or an EIR—when evaluating whether an agency considered the appropriate mitigation measures. (See *Parker Shattuck Neighbors v. Berkeley City Council* (2013) 222 Cal.App.4th 768, 778 [applying CEQA Guideline 15126.4 to evaluate the adequacy of mitigation measures considered in a mitigated negative declaration].) The City and Real Parties do not provide any authority to the contrary.

Further, the City and Real Parties' argument is circular. Under their logic, if the City had conducted an analysis of the Apartment Project's potential impacts to energy resources, the City may have determined that the Apartment Project would lead to significant environmental impacts, which should have required preparation of a full EIR. However, because the City did not prepare an EIR, it was not required to analyze the Apartment Project's impact on energy resources. Such a tautology cannot excuse the City's failure to discharge its duties under CEQA to disclose fully all potential environmental impacts to the public. (See *Laurel Heights Improvement Assn., supra,* 47 Cal.3d at pp. 402-03 [describing "CEQA's fundamental goal of fostering informed decision making"].)

VI. THE CITY FAILED TO COMPLY WITH CEQA'S REQUIREMENT TO EVALUATE THE APARTMENT PROJECT'S POTENTIAL TO ADD TRAFFIC THAT WOULD CUT THROUGH SURROUNDING NEIGHBORHOODS

The City and Real Parties attempt to explain another defect in the City's review related to the Apartment Project's potential traffic impacts that will cut through surrounding neighborhoods by attacking the quality of the observations made by such residents on that topic. The City and Real Parties' argument misses the point. CEQA mandates that the City evaluate the Apartment Project's potential traffic impacts in full, including traffic impacts in surrounding neighborhoods. (See *Taxpayers for Accountable School Bond Spending v. San Diego Unified School Dist.* (2013) 215 Cal.App.4th 1013, 1054-55.) During the entitlement process for the project, the City readily acknowledged that its traffic study did not evaluate any potential for the traffic generated from the Apartment Project to cut through neighborhoods surrounding the Apartment Project site. As the City explained in a response to a written comment from a concerned resident, "[p]roject traffic was not assigned to streets within the adjacent community identified by the [commenter], as any cut-through traffic is expected to be nominal and, if any, would be well below 50 peak hour thresholds that warrants analysis." (AR 3574 [emphasis added].) In addition to assigning the traffic trips from the Apartment Project to *only* the major streets and intersections, the City's traffic study did not include any traffic counts in the neighborhood streets to determine the existing level of cut through traffic. (AR 2575-77, 2615-16, 2626-30.) Thus, the only evidence in the administrative record to support the City's conclusion that the Apartment Project would not lead to any potential traffic impacts in surrounding neighborhoods is that one summary, conclusory sentence (with no citations to the City's traffic study).

During the City's approval process for the Apartment Project, several residents commented in writing and at the public hearings that traffic is already cutting through their neighborhoods that surround the Apartment Project site and that they were concerned the Apartment Project would worsen the problem. (See AR 3580, 3582, 3639, 3640, 3648, 3720, 3725.) Courts recognize that such personal observations can constitute substantial evidence of potential environmental impacts because of the residents' unique position to best understand the circumstances in their neighborhood. (See *Pocket Protectors v. City of Sacramento* (2004) 124 Cal.App.4th 903, 932 [emphasis added] [holding personal observations from "neighbors familiar with the [project] site" constituted substantial evidence of a fair argument].) As the testimony of the residents in the neighborhood surrounding the Apartment Project confirms, they were in the best position to relay the facts on the ground concerning traffic that cuts through their neighborhood.

The City and Real Parties argue that those unique perspectives from the nearby residents did not constitute substantial evidence. Yet, in the cases cited by the City and Real Parties asserting that such personal observations do not constitute substantial evidence, the lead agencies had substantial evidence in the form of expert reports that contradicted the personal observations made in those cases. (See *Banker's Hill, Hillcrest, Park West Community Preservation Group v. City of San Diego* ("*Banker's Hill*") (2006) 139 Cal.App.4th 249, 274 [citing to a study conducted by a traffic engineer that contradicted the personal observations related to safety hazards at a particular intersection]; see also *Leonoff v. Monterey County Bd. of Supervisors* ("*Leonoff*") (1990) 222 Cal.App.3d 1337, 1351-52 [citing to a study conducted by an engineer that addressed the concerns from personal observations related to sight distance and appropriate speed limit at a particular driveway].) Unlike the circumstances in *Banker's Hill* and *Leonoff*, however, the City and Real Parties cannot point to any evidence in the administrative record to show that the City conducted any technical or expert analysis of the Apartment Project's potential to add traffic that would cut through surrounding neighborhoods.

Even if weight were given to the City's one, conclusory statement about cut-through traffic in its responses to public comments, the City should have prepared a full EIR to weigh any evidence it had that conflicted with the neighbors' personal observations. (See Cal. Code Regs., tit. 14, §

15064(f)(1) [stating, "if a lead agency is presented with a fair argument that a project may have a significant effect on the environment, the lead agency shall prepare an EIR even though it may also be presented with other substantial evidence that the project will not have a significant effect"]; see also *Pocket Protectors, supra,* 124 Cal.App.4th at p. 935 [holding "[i]t is the function of an EIR, not a negative declaration, to resolve conflicting claims, based on substantial evidence, as to the environmental effects of a project"].) At a minimum, the personal observations from the residents should have been accorded the same weight as the City's one, conclusory statement under the fair argument standard. That fair argument standard requires the preparation of an EIR.

VII. THE CITY FAILED TO FOLLOW ITS OBLIGATIONS UNDER CEQA TO EVALUATE THE APARTMENT PROJECT'S POTENTIAL CONFLICTS WITH THE CITY'S GENERAL PLAN

Faced with a flaw in its CEQA review arising from the Apartment Project's potential conflict with the City's General Plan, the City and City and Real Parties again present a response that is not supported by CEQA or the administrative record. The City and Real Parties first assert that there was no exhaustion of this issue and further argue that no additional analysis was required because the Apartment Project approvals included a General Plan amendment that made the project consistent with the General Plan. Neither argument has merit.

Several residents alerted the City to the potential conflicts between the Apartment Project and the City's land use policies, both in written comments and in public testimony presented at the hearings. Many residents noted that commercial development on the project site, as opposed to residential units, could bring the type of economic opportunities to create permanent, long-term jobs that are called for by policies in the General Plan. (See, e.g., AR 3580, 3641-42.) (Prior to project approval, the Apartment Project site was zoned "Light Industrial" and "Industrial Park"; AR 101.) Other residents commented at the City's public hearings that the Apartment Project site is an ideal location near the I-15 freeway for commercial uses that could attract local and commuter consumers to the area. (See AR 3639, 3641-42, 3650, 4514.) In a letter to the City Council, Riverside also stated that there is a "fair argument that significant <u>land use conflicts</u>" will result from the project. (AR 4493 [emphasis added].) Thus, the City was placed on notice before its approval that the Apartment Project could lead to potential land use impacts.

The City's next argument—that the Apartment Project was necessarily consistent with the City's General Plan because the project approvals included a General Plan amendment—is not supported by CEQA. As part of the analysis of a project's potential environmental impacts, CEQA requires lead agencies to examine "whether the project would be consistent with existing zoning, plans, and other applicable land use controls." (Cal. Code Regs., tit. 14, § 15063(d)(5).) As SCE explained in its Opening Brief, to be consistent with an applicable general plan, a lead agency must show that a project is "compatible with the objectives, policies, general land uses, and programs specified in the applicable plan." (*Sequoyah Hills Homeowners Assn. v. City of Oakland* ("*Sequoyah Hills*") (1993) 23 Cal.App.4th 704, 717-18.) Additionally, "[a]n action, program, or project is consistent with the general plan if, considering all its aspects, it will further the objectives and policies of the general plan . . . ." (*Friends of Lagoon Valley v. City of Vacaville* ("*Friends of Lagoon Valley*") (2007) 154 Cal.App.4th 807, 817.)

In their Opposition Brief, the City and Real Parties do not attempt to distinguish the well-established standard in *Sequoyah Hills* or *Friends of Lagoon Valley* concerning land use consistency. Instead, the City and Real Parties rely on the circular argument that the City approved a General Plan amendment and therefore the Apartment Project is necessarily consistent with the City's General Plan (Opp. Brief, pp. 17-18.) Yet, that amendment does not excuse the City from complying with its obligations under CEQA to evaluate the <u>project's</u> potential conflicts with applicable land use policies.

The City also argues that the only General Plan policies applicable to the project site are economic in nature and not intended to mitigate or avoid environmental impacts, thus rendering this section of the Initial Study Checklist inapposite.[3] (Opp. Brief, pp.18.) Yet, the one-page discussion of this issue in the City's MND fails to cite to, let alone describe, any specific applicable goal or policy in the City's General Plan, instead making only conclusory statements about the purported polices in the General Plan. (AR 192.) (That same defect also infects the City's findings in support of the General

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[3]Section X(b) in the Initial Study Checklist (CEQA Guidelines, Appendix G) provides that a lead agency must consider whether a project will "[c]onflict with any applicable land use plan, policy, or regulation of any agency with jurisdiction over the project (including, but not limited to the general plan, specific plan, local coastal program, or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect."

Plan amendment and the other entitlements approved for the Apartment Project; AR 6-9.)[4] Thus, while the City and Real Parties assert that the record is "replete" with evidence on this issue (Opp. Brief, pp. 17-18), their cites are to the same one page in the MND, two pages in a staff report and two pages in a hearing transcript that do not discuss any specific goals and policies of the General Plan. Without any analysis of specific goals or policies, the MND did not inform the public or the decision-makers of how the Apartment Project is consistent (or inconsistent) with the City's General Plan. Given the absence of that required analysis, the City's MND violated CEQA and must be invalidated.[5]

VIII. CONCLUSION

It was prejudicial error for the City to certify a CEQA disclosure document that did not disclose the RTRP as a related project proposed for the same site as the Apartment Project, and to not conduct any analysis of the potential cumulative impacts of those two projects. Nor can the City legally justify its failure to analyze the Apartment Project's impact on energy resources, particularly when the City now claims that the Apartment Project would render the RTRP infeasible. The City's use of an MND instead of an EIR is also improper because evidence in the record demonstrates that there is a fair argument that the Apartment Project may cause significant traffic and land use impacts, and the City and Real Parties provided no evidence, substantial or otherwise, to the contrary. Accordingly, the City's MND and its approvals of the Apartment Project should be invalidated.

Dated: February 16, 2016

ALSTON & BIRD LLP

By ______________________
Edward J. Casey
Attorneys for Petitioner
SOUTHERN CALIFORNIA EDISON COMPANY

[4] Nor can the City and Real Parties' record citations on this issue save their General Plan Amendment from State law (see SCE's Second Cause of Action) since they cite only to speculative predictions made by the developer and staff that are not supported by any technical analysis. (Opp. Brief, pp.19-20; AR 3711-14, 3474-77.)

[5] The City and Real Parties argue that SCE is precluded from asserting this CEQA claim because it did not also make a claim under planning and zoning law. Yet, land use consistency is an independent claim under CEQA as confirmed by the CEQA Guidelines, Checklist and case law (see *supra*, pp. 13-14.) That same case law also confirms that the fair argument standard applies to this issue and not the more deferential standard of review cited by the City and Real Parties. (See *Pocket Protectors*, *supra*, 124 Cal.App.4th at p. 930-31.)

PROOF OF SERVICE

I, Dana Camacho, declare:

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is Alston & Bird LLP, 333 South Hope Street, Sixteenth Floor, Los Angeles, California 90071. I am over the age of eighteen years and not a party to the action in which this service is made.

On February 16, 2016, I served the document(s) described as **PETITIONER SOUTHERN CALIFORNIA EDISON COMPANY'S REPLY BRIEF IN SUPPORT OF VERIFIED PETITION FOR WRIT OF ADMINISTRATIVE MANDAMUS, WRIT OF MANDAMUS, AND INJUNCTIVE RELIEF** on the interested parties in this action by enclosing the document(s) in a sealed envelope addressed as follows:

SEE ATTACHED SERVICE LIST

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☒ BY ELECTRONIC MAIL TRANSMISSION WITH ATTACHMENT: On this date, I transmitted the above-mentioned document by electronic mail transmission with attachment to the parties at the electronic mail transmission address set forth on the attached service list.

☒ [State] I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

☐ [Federal] I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 16, 2016, at Los Angeles, California.

Dana Camacho

Dana Camacho

Southern California Edison Company v. City of Jurupa Valley, et al.
San Bernardino County Superior Court
Case No. CIVDS1513522
Related with
City of Riverside v. City of Jurupa Valley, et al.
San Bernardino County Superior Court
Case No. CIVDS1512381

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EXHIBIT K

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EXEMPT FROM FILING FEES PURSUANT TO CAL. GOV. CODE § 6103

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

CITY OF RIVERSIDE, a municipal corporation, Petitioner/Plaintiff, v. CITY OF JURUPA VALLEY, a municipal corporation; CITY COUNCIL OF THE CITY OF JURUPA VALLEY, a governmental body; and DOES 1-20, inclusive Respondents/Defendants. RICK BONDAR, et al., Real Parties in Interest.	Case No. CIVDS1512381 (Related with Case No. CIVDS1513522) **PETITIONER'S REPLY BRIEF** (CEQA) (ASSIGNED FOR ALL PURPOSES TO HON. DONALD ALVAREZ, DEPARTMENT S23) (Petition Filed: April 17, 2015) (Trial Date: March 15, 2016, 8:30 a.m.)

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I. INTRODUCTION

> "We need to put something along that freeway if we are going to stymie that project in some way or another."
>
> - (George Ruiz, City of Jurupa Valley Planning Commissioner, referring to the Riverside Transmission Reliability Project during the Planning Commission's hearing on the Vernola Apartments project.) (AR3656.)
>
> "If not required, [the Project Developer] would like to ask that the City of Riverside not be on the distribution list."
>
> - (Email from Jurupa Valley Senior Planner regarding whether to send notice of the Vernola Apartments project to the City of Riverside prior to approval.) (AR5209 [underline in original].)

Although the City of Jurupa Valley and Real Parties (collectively, Respondents) would like the Court to believe that the City of Riverside (Riverside) has attempted to "abuse the CEQA process" (OPP at 2:7-8),[1] the administrative record tells a much different story.

Respondents would also like the Court to believe that Riverside is using the Riverside Transmission Reliability Project (RTRP) and CEQA to "hijack a residential development." (OPP at 1:2-3.) But Respondents' retelling of facts obscures the true timeline of events. Riverside fully completed environmental review and granted all of its discretionary approvals for the RTRP on February 5, 2013. (AR4492.) It was not until more than a year later, on July 25, 2014, that an *application* for the Vernola Apartments Project (Project) was submitted to Jurupa Valley. (AR4.) Project approval did not occur for another two years, on April 2, 2015, (AR3861, AR3865), *after* Jurupa Valley had lost its CEQA lawsuit challenging the RTRP. (See Southern California Edison Company's Request for Judicial Notice in Support of Opening Brief (RJN), Exhibit A.)

It is not Riverside that is attempting to abuse CEQA and hijack another's project. Rather, after failing to stop the RTRP, the Project is simply Jurupa Valley's latest effort to frustrate the RTRP. But motives aside, Jurupa Valley has failed to comply with CEQA. Presented with a fair argument that the Project may have a significant effect on the environment, Jurupa Valley was required to prepare an EIR. Thus, Jurupa Valley's Project approval must be overturned.[2]

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[1] Citations to the Joint Brief of Respondents and Real Parties in Opposition to Riverside's Petition for a Writ of Mandate are in the following form: OPP at [page].

[2] As with its Opening Brief, Riverside joins and incorporates by reference, to the fullest extent allowed by law, the

II. ARGUMENT

A. All arguments presented in Riverside's Opening Brief were administratively exhausted.

Respondents repeatedly claim that Riverside's arguments were not properly exhausted. (See e.g., OPP at 6:7 to 7:2; 9:13-20; 16:5-15; 19:24.) That claim ignores the law. It is sufficient if the alleged grounds for noncompliance are presented to the lead agency orally or in writing "by any person ... prior to the close of the public hearing on the project." (Pub. Resources Code, § 21177(a).) Each of the arguments in Riverside's Opening Brief were presented to Jurupa Valley prior to the close of the public hearing on the Project, either by Riverside or by another entity.

For example, Riverside submitted a comment letter on March 19, 2015, exhausting its arguments that Jurupa Valley failed to provide adequate notice of its intent to adopt the Project's mitigated negative declaration (MND) (see AR4492 ["Jurupa Valley failed to fulfill the intent of CEQA's consultation provisions, which require that Jurupa Valley consult with any agency having jurisdiction by law over a resource affected by the proposed Project"])[3] and that Jurupa Valley failed to adequately analyze the Project's cumulative impacts (see AR4493 ["Jurupa Valley has not properly analyzed the Project's direct or cumulative impacts under CEQA"]).

Additionally, comments from the South Coast Air Quality Management District (SCAQMD) exhausted Riverside's arguments that the Project's mitigation measures are insufficient to reduce air quality impacts to less than significant (see AR5673-74 [noting that mitigation measures need to be "fully enforceable"]) and that the Project will cause a significant impact to air quality (see AR5673-76 [commenting that MND failed to properly analyze air quality health risks].) Likewise, Riverside's argument that the MND failed to properly consider the RTRP as part of the Project baseline was exhausted by a comment letter from SCE complaining that "there appears to be no mention of the Riverside Transmission Reliability

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Reply Brief filed by Southern California Edison Company (SCE) in the related case *Southern California Edison Company v. City of Jurupa Valley et al.*, Case No. CIVDS1513522, filed April 17, 2015.

[3] In any event, exhaustion is not required if, as is the case here, "the public agency failed to give the notice required by law." (Pub. Resources Code, § 21177(e).) And the MND stated that the "MND will be distributed to ... the State Clearinghouse." (AR81.) So the public had no reason to believe that it would not be circulated, and therefore no reason to raise this issue during the administrative process.

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Project ('RTRP') in either the MND or any of the Proposals." (AR6195.) Although SCE's comment did not use the technical term "baseline," that is unnecessary. It is only necessary that the lead agency be "apprised of the relevant facts and issues." (*Center for Biological Diversity v. County of San Bernardino* (2010) 185 Cal.App.4th 866, 890; see also *Citizens Association for Sensible Development v. County of Inyo* (1985) 172 Cal.App.3d 151, 163.)

Respondents next assert that arguments exhausted in a comment letter from the California Department of Transportation (Caltrans) are time-barred because the letter was "belated." (OPP at 14:8-11; 19:17-25.) That argument is wrong for two reasons. First, as explained *infra* at FN 3, exhaustion is not required if, as is the case here, "the public agency failed to give the notice required by law." (Pub. Resources Code, § 21177(e); see also *Fall River Wild Trout Foundation v. County of Shasta* (1999) 70 Cal.App.4th 482, 492-93 [although public received adequate notice, exhaustion was unnecessary because lead agency failed to notify Department of Fish and Game].) Allowing Jurupa Valley to violate CEQA's noticing requirements and then claim that comments were untimely would create a perverse incentive for lead agencies.

Second, a petitioner may present objections even after a CEQA document is completed and certified, as long as the objections are presented before the end of the final public hearing on the project. (See Pub. Resources Code, § 21177(a); *Bakersfield Citizens for Local Control v. City of Bakersfield* (2004) 124 Cal.App.4th 1184, 1199 [EIR overturned based on expert report submitted at final project hearing]; *Communities for a Better Environment v. City of Richmond* (2010) 184 Cal.App.4th 70, 85 [EIR failed based on comments submitted after final EIR was completed]; *Napa Citizens for Honest Government v. Napa County Board of Supervisors* (2001) 91 Cal.App.4th 342, 382 [comments made after certification of final EIR].) Caltrans's letter was received on March 23, 2015. (AR4508.) Project approvals were not final until at least April 2, 2015. (See AR3861, AR3865.)

Thus, the issues in Caltrans's letter were properly presented and served to exhaust Riverside's arguments that (1) the Project will cause a significant impact to hydrology (see AR4508 [raising issues with the MND's Hydrology and Grading" analysis), (2) the Project will cause a significant impact to traffic and transportation (see AR4508-11 [criticizing MND's

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transportation and traffic analysis), and (3) the Project's mitigation measures are insufficient to reduce traffic impacts to less than significant (see AR4508 [demanding "appropriate mitigation measures" for traffic impacts]). Because all of Riverside's arguments were adequately presented to Jurupa Valley prior to the close of the final public hearing on the Project, they were exhausted and are properly before the Court.

B. Jurupa Valley failed to provide adequate notice of its intent to adopt the MND.

Public participation is widely recognized as an essential part of the CEQA process. (14 Cal. Code Regs. [C.C.R.], § 15074(b).) Respondents maintain that Jurupa Valley complied with CEQA's public participation requirements. (OPP at 9:4 to 12:18.) This is false.

1. At least two state agency approvals are required, so notice needed to be provided to the State Clearinghouse.

Acknowledging that an MND must be provided to the State Clearinghouse "where one or more state agencies will be a responsible agency or a trustee agency" (OPP at 10:1-2), Respondents aver there is "*zero* evidence any responsible or trustee agencies have the slightest discretionary approval over the [Project]." (OPP at 11: 27-28 [italics in original].) This is incorrect. CEQA requires that an MND be submitted to the State Clearinghouse, "[w]here one or more state agencies will be a responsible agency or a trustee agency or will exercise jurisdiction by law over natural resources affected by the project." (14 C.C.R., § 15073(d) [emphasis added].) At least two state agencies (Caltrans and the Water Board) have jurisdiction by law over natural resources affected by the Project. Further, "doubt whether a project is ministerial or discretionary should be resolved in favor of the latter characterization." (*People v. Department of Housing & Community Dev.* (1975) 45 Cal.App.3d 185, 194.)

Caltrans, which submitted a comment letter indicating that a discretionary encroachment permit was needed (see AR4511), would disagree with Respondents' hyperbole. Respondents argue that Caltrans's letter should not be considered because it was "belated." As discussed above, this argument fails. Under Respondents' approach, a lead agency could avoid unwanted responsible agency comment letters by preemptively concluding there are no responsible

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agencies, prevent those agencies from discovering a project's existence by failing to provide notice to the State Clearinghouse, and then ignore late-arriving letters that assert authority.

Respondents next argue that an encroachment permit from Caltrans is not a discretionary permit. (OPP at 11:6-11.) This argument also fails. The only case Respondents cite for support, *Lexington Hills Association v. State of California* (1988) 200 Cal.App.3d 415, actually *discredits* their theory. There, the court held that although Caltrans did not have discretionary authority to block a *right of access* encroachment, Caltrans "does have statutory authority to grant or to withhold permits for [physical] 'encroachments' on a state highway." (*Id.* at 432.) Here, as Respondents assert, Project mitigation measures "require the applicant to 'assure the construction of geometric improvements specified in the Project conditions of approval' to the intersection of the subject I-15 ramps." (OPP at 20:4-5 [quoting AR241].) These physical encroachments are the very type described in *Lexington Hills Association* that require discretionary encroachment permits from Caltrans. Further, as explained in *Citizens Assn. for Sensible Development of Bishop Area v. County of Inyo, supra,* 172 Cal.App.3d at 175, a case that also involved development adjacent to a state highway, "because Caltrans can condition the right to an encroachment permit upon 'the location and the manner' of the encroachment, its approval power is more discretionary than ministerial." Thus, Caltrans is a responsible agency, and Jurupa Valley was required to provide the MND to the State Clearinghouse.

Respondents also argue that a National Pollution Discharge Elimination System (NPDES) Municipal Stormwater Permit for construction activities is not a state agency permit. (OPP at 11:12-22.) The State Water Resources Control Board may disagree (see 40 Code of Federal Regulations, § 122.28 [requirements applicable to State NPDES programs]), and Respondents provide no evidence to the contrary. Because Jurupa Valley failed to comply with CEQA's noticing requirements, it is impossible to know what other responsible agency comments may have been received. (See *Rural Landowners Assn. v. City Council of Lodi* (1983) 143 Cal.App.3d 1013, 1021 [setting aside EIR for failure to timely provide it to Office of State Clearinghouse].)

2. The MND's public notice was misleading and prejudicial.

Arguing that no responsible agency permits are required, Respondents cite to MND pages

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that omit reference to responsible agency permits, implying that the absence is evidence that none are required. (OPP at 11:4.) Given Caltrans's comment letter and the MND's own acknowledgement that NPDES permits are required, this is not enough. Indeed, Respondents' argument is undermined by the admission that the MND includes a "mistaken reference" that the MND would be submitted to the State Clearinghouse." (OPP at 11:25-26.) Respondents cannot have it both ways. They cannot argue on one hand that the MND is irrefutably accurate (i.e., if it is silent on responsible agency permits, one must presume none are required), and then argue that Riverside "seeks to capitalize on an inadvertent mistake to delete some form language in the MND that referenced submitting the MND to the State Clearinghouse." (OPP at 11:25-26.) If one cannot believe affirmative assertions in the MND, how can one have confidence in the accuracy of its omissions? The MND states that it would be distributed to the State Clearinghouse. (AR81). It was not. "By giving such conflicting signals to decision makers and the public," the CEQA document was "fundamentally inadequate and misleading" and should be set aside. (*San Joaquin Raptor Rescue Center v. County of Merced* (2007) 149 Cal.App.4th 645, 655–656.)

Similarly, Respondents fail to address Riverside's point that Jurupa Valley deliberately subverted CEQA's widely-recognized mandate for informed public participation by ignoring the RTRP. (*Laurel Heights Improvement Association v. Regents of University of California* (1993) 6 Cal.4th 1112, 1123.) Realizing that Riverside would have great interest in the Project, Jurupa Valley's Senior Planner relayed the Project developer's request that the "City of Riverside <u>not</u> be on the distribution list" (AR5209 [underline in original) and provided no notice to Riverside. Riverside only discovered the Project's existence second-hand, mere days before the MND was to be approved. Although Riverside was able to quickly draft a comment letter in the limited hours remaining before approval, Jurupa Valley's intentional exclusion of Riverside and (now) contradictory statement that Riverside "actively participated in the CEQA process" (OPP at 12:11) show that Jurupa Valley undertook to *preclude* Riverside's participation in the CEQA process.

Jurupa Valley's failure to provide adequate notice of its intent to adopt the MND subverted CEQA's purposes of informed decisionmaking and public participation. That

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subversion is prejudicial. (*Fall River Wild Trout Foundation*, *supra*, 70 Cal.App.4th at 492-93.) Therefore, the MND must be set aside.

C. The MND's baseline was deficient.

Respondents defend the MND's environmental setting by explaining that a project's baseline is "ordinarily" the conditions on the ground at the time environmental analysis is commenced." (OPP at 5:22; 5:8-10.) That ignores the California Supreme Court's declaration that there is no "uniform, inflexible rule for determination of the existing conditions baseline." (*Neighbors for Smart Rail v. Exposition Metro Line Construction Authority* (2013) 57 Cal.4th 439, 452.) Indeed, the Supreme Court has confirmed that using existing conditions as a baseline may be *inappropriate* where it detracts from the environmental document's "effectiveness as an informational document, either because an analysis based on existing conditions would be uninformative or because it would be misleading to decision makers and the public." (*Ibid.*) For that reason, the key factor in determining baseline sufficiency under CEQA is whether the baseline meets CEQA's central purpose—to provide the public with information about the effect which a proposed project is likely to have on the environment. (*Id.* at 453.) Jurupa Valley's omission of the RTRP is contrary to this central purpose.

Respondents claim the RTRP was properly ignored because Jurupa Valley considered it to be speculative (OPP at 5:26 to 6:1) and because the two projects are mutually exclusive (OPP at 8:21-23). Although incorrect on both counts,[4] both assertions are irrelevant because they are *post hoc* rationalizations.[5] The MND contains no such explanation. Had such an explanation been provided in the MND, perhaps there would be substantial evidence to support Jurupa Valley's decision to wholly exclude the RTRP from consideration; at a minimum, the public and decisionmakers would have been informed and they could have debated whether substantial evidence supported that decision. But that is not what occurred. Instead, Respondents are

[4] Respondents' claim that the RTRP was speculative is belied by their (unsuccessful) lawsuit challenging the RTRP approvals. (See RJN, Exh. A.) Further, as discussed *supra*, there is no evidence that the two projects are mutually exclusive.

[5] Although the Real Parties argued in a late letter to the City that the RTRP was too speculative to be considered (AR6381-82), the City made no such declaration in the MND or elsewhere.

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improperly attempting to justify their error with after-the-fact arguments. (See *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal.3d 68, 81 [condemning *post hoc* rationalizations].)

By itself, admitting awareness of the RTRP (see OPP at 8:15) does not provide substantial evidence to support its exclusion from the Project's baseline. Contrary to Respondents' implication, silence on a subject is not substantial evidence.[6] (14 C.C.R., § 15384(a) [substantial evidence includes *facts*].) Intentionally omitting the RTRP from the MND's environmental setting and omitting any discussion of attendant compatibility impacts resulting from proposing housing on the same site as the RTRP, was affirmatively "misleading to decision makers and the public." (*Neighbors for Smart Rail, supra,* 57 Cal.4th at 452.)

Respondents also argue that there is "not a single case holding that using the 'normal' baseline has ever constituted an abuse of discretion." (OPP at 6:5-6.) That statement is false. First, case law does hold that use of existing conditions can be an abuse of discretion. The court in *Friends of the Eel River v. Sonoma County Water Agency*, (cited in the Opening Brief at 9:16-19) held that even an unapproved project *still under consideration* was required to be part of the environmental setting:

> We conclude the EIR's description of the Project's environmental setting is deficient because it *does not disclose either* the impact on Eel River salmonid species of diverting water from the Eel River *or the fact that FERC is considering proposals* to curtail these diversions in order to prevent harm to these species.

(108 Cal.App.4th 859, 873-874 [emphasis added].) If an EIR's environmental setting can be deficient for failing to consider proposals still under consideration, surely an MND is deficient for failing to consider an *approved* project that has completed full environmental review. Second, many cases hold that CEQA's purposes are subverted when a lead agency "omits material necessary to informed decisionmaking and informed public participation." (*County of Amador v.*

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[6] Respondents even go so far as to claim that Riverside has not met its burden because it failed to show that substantial evidence is lacking from the record or to distinguish the evidence that was provided in the MND. (OPP at 6:7-8.) That argument fails because there is no evidence to cite and, thus, no evidence to distinguish. Riverside properly carried its burden of proof by demonstrating that the MND does not contain even a single reference to the RTRP, despite comment letters requesting that the RTRP be considered. (See AR69-287 [MND omitting any mention of the RTRP]; AR4492-93 [Riverside's comment letter asking that the RTRP be considered]; AR6194-95 [SCE's comment letter requesting same].)

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El Dorado County Water Agency (1999) 76 Cal.App.4th 931, 946; see also *RiverWatch v. Olivenhain Municipal Water Dist.* (2009) 170 Cal.App.4th 1186, 1201 [a CEQA document that "does not 'adequately apprise all interested parties of the true scope of the project for intelligent weighing of the environmental consequences of the project,' informed decisionmaking cannot occur under CEQA and the [CEQA document] is inadequate as a matter of law."]; *Save Our Peninsula Committee v. Monterey County Board of Supervisors* (2001) 87 Cal.App.4th 99, 118 ["When the informational requirements of CEQA are not complied with, an agency has failed to proceed in 'a manner required by law' and has therefore abused its discretion."].)

There is not substantial evidence to support Jurupa Valley's determination to exclude the RTRP from the Project's environmental setting, and CEQA's purposes of informed decisionmaking and informed public participation have been subverted. Thus Jurupa Valley's adoption of the MND must be rescinded.

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D. Substantial evidence presents a fair argument that the Project will have a significant impact on the environment.

A lead agency's "decision not to require an EIR can be upheld only when there is no credible evidence to the contrary." (*Sierra Club v. County of Sonoma* (1992) 6 Cal.App.4th 1307, 1318.) Because Jurupa Valley was "presented with a fair argument that [the Project] may have a significant effect on the environment," it must prepare an EIR. (14 C.C.R., § 15064(f)(1).)

1. Substantial evidence presents a fair argument that the Project will cause a significant impact to air quality.

SCAQMD's February 13, 2015 comment letter requested that the MND "analyze the health risks from project operations using an exposure duration that last for either 70 years or for the life of the Project." (AR5675.) But despite SCAQMD's expert knowledge in the field of air pollution, Respondents characterize SCAQMD's comments, in quotations, as "recommendations." (OPP at 16:27.) But the word *recommendations* does not appear in SCAQMD's letter. (AR5673-76.) Jurupa Valley seems to misunderstand SCAQMD's expert directive as to what "should" be done as mere suggestions. Lest there be any question as to the import of SCAQMD's directives, SCAQMD explained that without the requested analysis, the

Health Risk Assessment and MND "have not demonstrated that the [Toxic Air Contaminant] impacts are less than significant compared with SCAQMD Maximum Incremental Cancer Risk and Chronic & Acute Hazard Index Thresholds." (AR5675.)

Further, Respondents' reliance on its "rebuttal" to SCAQMD letter is in vain. (OPP at 17:5-8.) Even if Respondents cited to expert testimony, CEQA is clear that "[i]f there is disagreement among expert opinion supported by facts over the significance of an effect on the environment, the Lead Agency shall treat the effect as significant and prepare an EIR." (14 C.C.R., § 15064(g).) Respondents also desperately claim that the "only inference" from the lack of subsequent SCAQMD comment letters "is that SCAQMD ultimately accepted the MND's analysis." (OPP at 17:10-11.) But relying on subsequent silence is unavailing, and far more inferences can be made than the one made by Respondents, particularly since there is no evidence that SCAQMD even received Jurupa Valley's response.

Finally, Respondents argue that Riverside is trying to flip the burden of proof and require Respondents to show a complete lack of any substantial evidence of a fair argument. (OPP at 16:24-26) This is not true. Riverside has simply demonstrated—consistent with the standard of review—that there is substantial evidence in the record supporting a fair argument that a significant impact may result. So Jurupa Valley's decision to dispense with an EIR must be set aside. (*Parker Shattuck Neighbors v. Berkeley City Council* (2013) 222 Cal.App.4th 768, 777-78.) Given SCAQMD's expertise in air quality and its comment letter containing substantial evidence of a fair argument that the Project may cause significant air quality impacts and corresponding health risks, an environmental impact report is required.

2. Substantial evidence presents a fair argument that the Project will cause a significant impact to hydrology.

Respondents dismiss Caltrans's comment letter opining as to significant hydrology and flooding issues for two reasons, both without merit. First, Respondents argue the comment letter was too late. (OPP at 16:5-15.) But as explained above, Caltrans's letter was submitted before the final hearing on the Project, and Caltrans was never provided proper notice. Thus, the comment letter may not be ignored. (See Pub. Resources Code, § 21177(a), (e).) Second, Respondents

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argue, once again, that Riverside is trying to "flip the burden." (OPP at 15:13-14.) But again, this is wrong, and Riverside carries its burden of proof by citing to record evidence (Caltrans's letter) showing a fair argument of a substantial hydrology and flooding impact. (AR4510.)

Furthermore, Respondents' arguments on this point include *not a single citation to the record.* (OPP at 15:5 to 16:15.) In *Gentry v. City of Murrieta* (1995) 36 Cal.App.4th 1359, 1382, 1411, an initial study offered no evidence to back up its conclusion that the project would have no cumulative impacts, and the court was unable to find any such evidence in the record. Here, as in *Gentry*, this Court should conclude that the absence of evidence that impacts are insignificant supports a fair argument of significance. (*Ibid.*) Although Respondents explain *Gentry's* holding (OPP at 15:26), they provide no distinguishing facts that would lead to a different outcome.

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3. Substantial evidence presents a fair argument that the Project will cause a significant impact to traffic/transportation.

Caltrans informed Jurupa Valley of deficiencies in the MND's level of transportation and traffic analysis. (AR4508-11.) The MND determined that the Project would cause "unacceptable levels of service" during peak hours at I-15 Southbound Ramps/Limonite Avenue and I-15 Northbound Ramps/Limonite Avenue. (AR235.) Although the MND concluded that proposed mitigation measures would reduce these impacts to less than significant (AR238), Jurupa Valley never addressed Caltrans's directives for preparation and submittal of a traffic study. (AR4510.) The MND also lacked any reference to encroachment permits that would be necessary to construct the improvements to the I-15 ramp intersections (AR241), as directed by Caltrans (AR4511). Jurupa Valley "should not be allowed to hide behind its own failure to gather relevant data." (*Sundstrom v. County of Mendocino* (1988) 202 Cal.App.3d 296, 311.)

E. <u>Jurupa Valley failed to adopt adequate mitigation measures.</u>

1. Substantial evidence presents a fair argument that the Project's mitigation measures are insufficient to reduce air quality impacts to less than significant.

SCAQMD's February 13, 2015 comment letter explained the inadequacy of Mitigation Measures AQ-4 and AQ-5 to reduce the cancer risks to residents of the Project. (AR5673-76.) SCAQMD urged Jurupa Valley to make these measures "fully enforceable beyond transferring responsibility to future tenants." (AR5673-74.) Yet, despite subsequent revisions, Measure AQ-5 still transfers mitigation responsibility to future tenants, requiring lease agreements to notify "renters of their responsibility to operate and maintain the air filtration system." (AR15.) Measure AQ-5 also places responsibility on the future "rental management company." (AR15.) Without any contractual relationship with future tenants or rental management companies, the Jurupa Valley Planning Department (tasked with monitoring compliance with these measures) will have no ability to enforce compliance. (Cf. *Rominger v. County of Colusa* (2014) 229 Cal.App.4th 690, 723-24 [mitigation measure requiring *project applicant* to implement mitigation measures].) Further, Measure AQ-4 makes clear that the air filters must be installed "[p]rior to final building inspections for each apartment building." (AR14.) But once the occupancy permit has been issued, there is no evidence that future compliance to maintain the air filters can or will be enforced. If Jurupa Valley intends to reissue occupancy permits on an annual basis to ensure compliance with the mitigation measure, the record provides no support. These concerns are more than mere "abstract questions regarding the specific persons who will maintain the system in the future." (OPP at 18:22-23.) The concerns go directly to the enforceability of the mitigation. And although Respondents claim that it is "beyond dispute that Jurupa Valley has the power to enforce the mitigation measures." (OPP at 18:17-18.) Riverside and, apparently, SCAQMD disagree.

Additionally, Measures AQ-4 and AQ-5 both include the vague requirement that the air filtration systems be *maintained*. (AR14-15.) But without a performance standard as to the necessary maintenance level, the measures are ineffective. Respondents argue that "no case, and certainly none cited by Riverside, has ever held that a requirement that an air filtration system be 'maintained' was insufficient because it was unspecified who would be maintaining it." (OPP at 17:25-27.) But the lack of a factually *identical* case does not provide cover for ineffective and unenforceable mitigation measures or distinguish the cases cited by Riverside that show similarly worded measures violate CEQA. (See e.g., *Anderson First Coalition v. City of Anderson* (2005) 130 Cal.App.4th 1173, 1186-87 ["CEQA requires that feasible mitigation measures actually be implemented as a condition of development, and not merely be adopted and then neglected or

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disregarded].)[7]

2. Substantial evidence presents a fair argument that the Project's mitigation measures are insufficient to reduce traffic impacts to less than significant.

Reacting to Riverside's argument that Mitigation Measures TR-3 and TR-4 are unenforceable because their implementation requires a discretionary permit from Caltrans, Respondents argue that "Riverside cites no law to support its conclusion that the fact a Caltrans permit may be required means mitigation measures are ineffectual." (OPP at 19:26-27.) Again, while a *perfectly* identical case may not exist, Riverside's argument is fully supported and a practically identical case does exist. (See OPEN at 17:6-11, citing *Gray v. County of Madera* (2008) 167 Cal.App.4th 1099, 1122 [reliance on a fee-based mitigation program only appropriate if fees are part of a reasonable plan of mitigation that an agency has committed to implement].)

Regardless whether Respondents consider an encroachment permit to be a "run-of-the-mill permit" (OPP at 20:1), as discussed above, it is a discretionary permit which Caltrans may approve or deny. (*Lexington Hills Association, supra,* 200 Cal.App.3d at 432; *Citizens Assn. for Sensible Development of Bishop Area v. County of Inyo, supra,* 172 Cal.App.3d at 175.) So there is no assurance that the mitigation will occur (i.e, there can be no commitment that it will be implemented). Respondents declare that the mitigation requires the "the applicant 'to assure the construction of the geometric improvements specified in the Project conditions of approval' to the intersection of the subject I-15 ramps" (OPP at 20:3-5), thus providing a level of assurance. This is a misreading of the measures. The measures merely state that "the Project Proponent shall pay to the City of Jurupa Valley a fair share contribution to assure the construction of the geometric improvements." (AR32.) That is, contrary to Respondents' argument, there are *not* two separate requirements to pay *and then* assure completion. The second part of the measure simply explains the reason for the first part.

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[7] Jurupa Valley also mixes Riverside's two separate arguments: (1) the measures are ineffective because of the vague requirement to "maintain" the air filter systems; and (2) the measures are unenforceable because they are imposed on future tenants and rental companies, with whom Jurupa Valley has no relationship, and there is no means of enforcement after occupancy permits are issued. Riverside is not seeking the name of the future maintenance person. Rather, it is demanding effective and enforceable mitigation.

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F. <u>Jurupa Valley failed to adequately analyze the Project's cumulative impacts.</u>

To justify its failure to consider the RTRP in the cumulative impacts analysis, Respondents rely primarily on one, novel assertion: that the RTRP and Project are mutually exclusive, thus they cannot have cumulative impacts. (SCE OPP at 6:1 to 13:25.) This argument is unsupported by fact and law.

First, despite Respondents' extensive repetition of the claim, there is no evidence in the record that the RTRP and Project are mutually exclusive. Respondents claim that SCE and Riverside "concede" that the projects are mutually exclusive, citing to text from the opening briefs. (SCE OPP at 7:13-18.) But the text from Riverside's Opening Brief that Respondents cite—that the Vernola Project will "thwart" the RTRP—is merely a quote from Jurupa Valley's *own Planning Commissioner*, expressing his motive for approving the Project. (AR3656, lns. 9-12 ["We need to put something along that freeway if we are going to stymie that project."].) SCE and Riverside requested that the RTRP be considered in the MND precisely because both projects partially share the same physical space and will have cumulative impacts, but nowhere in the MND is there evidence to demonstrate that the RTRP and the Vernola Project are mutually exclusive. Yet again, Respondents are providing an after-the-fact rationalization in an attempt to justify the RTRP's exclusion from the MND. Even assuming the two projects are mutually exclusive (they are not), that is all the more reason why the MND <u>should have discussed the RTRP in its analysis</u>. If the Project fully eliminates any possibility of the RTRP, then the public and decisionmakers deserve to know of that impact. (*Laurel Heights Improvement Association, supra,* 6 Cal.4th at 1123 [CEQA's "purpose is to inform the public and its responsible officials of the environmental consequences of their decisions before they are made"].)

Second, the MND's omission of the RTRP demonstrates arbitrary line drawing. CEQA is clear that even where a lead agency retains discretion to determine the scope of cumulative impact analysis, the lead agency's decision cannot be arbitrary. (See *Bakersfield Citizens for Local Control*, *supra*, 124 Cal.App.4th at 1216 [inconsistently selecting the geographic area for cumulative impacts analysis "does not constitute good faith disclosure and analysis that is required by CEQA"].) Here, the MND's cumulative impacts analysis arbitrarily included related

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projects at all sorts of stages, including some planned but as-yet-unapproved projects. (See AR191 [discussing the potential for land use impacts related to an approved, but not yet constructed project]; AR147 [considering potential impacts "that a future land use might have," despite the use being "speculative"]; (AR235 [evaluating "projects that are approved and not yet constructed, along with developments that are currently in the process of entitlement"].) Yet, the MND excluded the RTRP, an *approved* project, without giving any reason. This inconsistent selection of cumulative projects is arbitrary and requires that the MND be set aside.

III. CONCLUSION

Although Jurupa Valley's motives for the Project may have only been dubious, its methods were illegal. Jurupa Valley failed to comply with CEQA and subverted CEQA's purpose to inform the public and responsible officials of the environmental consequences of their decisions before they were made. Further, there is a fair argument that the Project may have a significant effect on the environment. Therefore, the MND must be set aside.

Dated: February 16, 2016

GARY G. GEUSS, City Attorney,
KRISTI J. SMITH, Chief Assistant City Attorney
ANTHONY L. BEAUMON, Senior Deputy City Attorney
CITY OF RIVERSIDE

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PROOF OF SERVICE

At the time of service I was over 18 years of age and not a party to this action. My business address is 3390 University Avenue, 5th Floor, P.O. Box 1028, Riverside, California 92502. On February 16, 2016, I served the following document(s):

PETITIONER'S REPLY BRIEF

☐ **By fax transmission.** Based on an agreement of the parties to accept service by fax transmission, I faxed the documents to the persons at the fax numbers listed below. No error was reported by the fax machine that I used. A copy of the record of the fax transmission, which I printed out, is attached.

☒ **By United States mail.** I enclosed the documents in a sealed envelope or package addressed to the persons at the addresses listed below (specify one):

☐ Deposited the sealed envelope with the United States Postal Service, with the postage fully prepaid.

☒ Placed the envelope for collection and mailing, following our ordinary business practices. I am readily familiar with this business's practice for collecting and processing correspondence for mailing. On the same day that correspondence is placed for collection and mailing, it is deposited in the ordinary course of business with the United States Postal Service, in a sealed envelope with postage fully prepaid.

I am a resident or employed in the county where the mailing occurred. The envelope or package was placed in the mail at Riverside, California.

☐ **By personal service.** At ____ a.m./p.m., I personally delivered the documents to the persons at the addresses listed below. (1) For a party represented by an attorney, delivery was made to the attorney or at the attorney's office by leaving the documents in an envelope or package clearly labeled to identify the attorney being served with a receptionist or an Individual in charge of the office. (2) For a party, delivery was made to the party or by leaving the documents at the party's residence with some person not less than 18 years of age between the hours of eight in the morning and six in the evening.

☐ **By messenger service.** I served the documents by placing them in an envelope or package addressed to the persons at the addresses listed below and providing them to a professional messenger service for service. A Declaration of Messenger is attached.

☐ **By overnight delivery.** I enclosed the documents in an envelope or package provided by an overnight delivery carrier and addressed to the persons at the addresses listed below. I placed the envelope or package for collection and overnight delivery at an office or a regularly utilized drop box of the overnight delivery carrier.

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☒ **By e-mail or electronic transmission.** Based on a court order or an agreement of the parties to accept service by e-mail or electronic transmission, I caused the documents to be sent to the persons at the e-mail addresses listed below. I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

City of Riverside v. City of Jurupa Valley, et al.
San Bernardino County Superior Court Case No. CIVDS1512381

Related with

Southern California Edison Company v. City of Jurupa Valley, et al.
San Bernardino County Superior Court Case No. CIVDS1513522

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I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on February 16, 2016, at Riverside, California.

Azucena Garibay

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EXHIBIT L

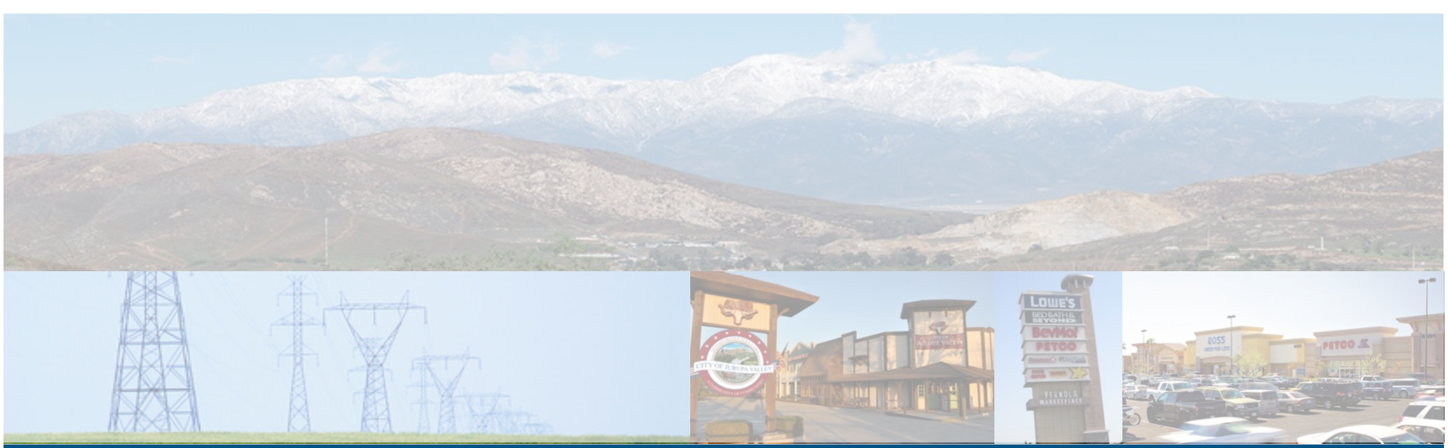
EXHIBIT L

CITY OF JURUPA VALLEY

ECONOMIC/FISCAL IMPACT ANALYSIS:

RIVERSIDE TRANSMISSION RELIABILITY PROJECT

DECEMBER 2, 2015



UFI URBAN FUTURES | Incorporated

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I. INTRODUCTION

BACKGROUND

The City of Jurupa Valley ("City") incorporated as Riverside County's 28^{th} city on July 1, 2011. Since the days leading up to its incorporation, the City has endured a number of significant, externally-introduced financial challenges, including state legislation redirecting Vehicle License Fee revenues, rapidly rising public safety contract costs, and a sluggish economic recovery. The City, along with three other newly incorporated cities in Riverside County -- Eastvale, Menifee, and Wildomar -- fought off disincorporation this past year, thanks in part to County debt forgiveness via SB 107 (Chapter 325, Statutes of 2015) and the City's healthy General Fund reserves. While City staff is projecting that the fiscal year 2015-16 year-end General Fund reserve balance will continue to be healthy (approximately 31 percent of expenditures), the City's budget deficit is expected to be $2.5 million, and annual revenue neutrality payments of $1.9 million to the County of Riverside ("County") will be required beginning in fiscal year 2016-17. Revenue neutrality payments also have step increases in the future, as a percentage of property tax and sales tax revenues, when the City reaches certain revenue targets for property tax and sales tax revenues.

The next few years of operation will be critical to the City's financial sustainability, particularly with regard to the economic development of the I-15 corridor and adjacent areas to expand the City's revenue base to keep pace with rising operational costs, particularly police contract costs with the Riverside County Sheriff. County planning efforts for the I-15 corridor well-preceded the incorporation of the City, as well as the Riverside Transmission Reliability Project ("RTRP") proposal, which now threatens to physically restrict and economically undermine key development sites along the corridor.

PURPOSE

The California Public Utilities Commission ("CPUC") is currently processing Application No. A.15-04-013 filed by Southern California Edison ("SCE") for a Certificate of Public Convenience and Necessity for the RTRP, a joint infrastructure project with Riverside Public Utilities ("RPU"). RPU previously prepared an Environmental Impact Report ("EIR") in 2012 for the RTRP based on a proposed alignment for the project that directly impacts nine different development sites along the I-15 corridor and adjacent properties. The EIR, however, did not adequately address the physical or economic impacts of the RTRP on existing and future development sites. The CPUC has issued three deficiency reports as part of its review of SCE's application. City staff has provided project descriptions and other background information about the development projects impacted by the proposed RTRP alignment. To augment that information, the City hired Urban Futures, Inc. ("UFI") to prepare an Economic/Fiscal Impact Analysis ("E/FIA") evaluating how the RTRP will physically and economically constrain development along the RTRP alignment, and assessing the short- and long-term impacts of the RTRP to the City's overall financial health.

The purpose of this E/FIA is to:

- Quantify the economic and fiscal impacts of the I-15 corridor projects to the short- and long-term financial health and sustainability of the City's General Fund;
- Identify the probable physical and economic impacts of the proposed RTRP alignment to the I-15 corridor projects, including impacts to the market viability and development envelope of the projects; and
- Quantify the anticipated impact of the proposed RTRP alignment to the City's General Fund in the context of the corridor projects.

II. METHODOLOGY & ASSUMPTIONS

METHODOLOGY & DATA SOURCES

The E/FIA evaluates the anticipated future impact of the RTRP on the City's General Fund by analyzing the constraints the RTRP places on the ability of future development projects to generate surplus revenues to the City's General Fund. While each project is at a different stage of development planning or construction, the E/FIA assumes that all projects will be built within a 10-year development window. The steps taken to conduct the analysis are outlined below.

Base Data Synthesis

- Project profiles for each of the nine project sites were assembled based on available information from City staff, the Internet, and other sources, including land use plans and entitlements (e.g., General Plan land use designation, zoning, specific plans), County Assessor parcel information, and project documentation (e.g., site plans, tract maps).
- GIS mapping was utilized to define the project sites and synthesize parcel-level data, including lot size, fiscal year 2014-15 assessed valuation, tax rate areas ("TRA"), and ownership configurations.
- TRA data from the County Auditor-Controller's web site was downloaded to determine the City's pro rata share of the 1% ad valorem property tax general levy generated by each project.
- Development programming for each project was defined based on entitlement approvals, specific plans, or zoning (e.g., dwelling unit counts, building floor area, gross leasable area).

General Fund Recurring Revenues

- Assessed values based on estimated construction values (commercial and industrial), sales pricing (single family residential), and per-unit market values (hotel and multifamily residential) were estimated for each project using data from a 2015 market study prepared by The Concord Group.
- UFI collaborated with HdL Companies to identify tenant mix profiles, estimated taxable sales, and estimated sales tax revenues for each commercial-retail development site. HdL Companies is widely recognized as California's preeminent sales tax expert and is frequently contracted by cities and counties, including the City of Jurupa Valley, to provide sales tax consulting services.
- Residential population and employment projections for each project site were estimated based on average household size data from ESRI Business Analyst Online and building space-per-employee data from the County of Riverside General Plan (Technical Appendix E: Build-out Assumptions & Methodology).
- Annual and cumulative market absorption rates were defined for each land use category (e.g., residential, light industrial, office/business park, retail) based on population, housing, and employment projections for Jurupa Valley (2013 Progress Report, County of Riverside Center for Demographic Research) and a retail leakage analysis report from ESRI Business Analyst Online for a 10-minute drive-time market area from the Sky Country Retail Center project site (11937 Limonite Avenue), just north of the existing Vernola Marketplace shopping center.
- A land absorption schedule for each project was prepared and used to estimate year-to-year projected General Fund recurring revenues, including property tax, sales tax, transient occupancy tax, and property transfer tax revenues. Population and employment projections based on the

absorption schedule were used to estimate annual per capita revenues from Franchise Fees for Utilities and Solid Waste.

General Fund Recurring Expenditures

- Population and employment projections were used to estimate annual per capita General Fund expenditures, with adjustments for operational economies of scale, for:
  - General government and finance
  - Development services
  - Police protection
  - Animal services
- UFI referred to the 2010 Comprehensive Fiscal Analysis ("CFA") prepared for the City's incorporation proposal to identify cost assumptions. The E/FIA uses a per capita service population approach that factors both residents and employees based on service population of 100% residents plus 50% employees.
- Annual General Fund revenues over expenditures generated from the projects were calculated.

RTRP Impacts

- The probable physical impact of the proposed RTRP alignment to each project site was identified, including reductions in the development envelopes from site plan reconfigurations.
- The probable economic impact of the proposed RTRP alignment to retail sites reliant on freeway-oriented signs was factored into the analysis.
- The net impact of the RTRP on annual General Fund revenues over expenditures generated from the projects was calculated.

GENERAL ASSUMPTIONS

General assumptions used to prepare this E/FIA are outlined below. More specific detailed revenue and cost assumptions are provided in later sections of this report.

- Constant 2015 dollars were used to estimate future values, revenues, and expenditures.
- Population projections for future residents were based on an average household size of 3.83 persons per household for single family homes. For the 397-unit Vernola Marketplace Apartment Community, a blended factor of 2.61 persons per household was used based an assumed unit size mix of one-third one-bedroom units, one-third two-bedroom units, and one-third three-bedroom units.
- Employment projections for industrial and commercial uses were based on employment density (square feet per employee) estimates for different land uses. See Table II-A for employment densities for Commercial Retail, Commercial Tourist, Light Industrial, and Business Park uses.

TABLE II-A

Land Use	Square Feet per Employee
Commercial Retail	500
Commercial Tourist	500
Light Industrial	1,030
Business Park	600

Source: County of Riverside General Plan, Appendix E: Socioeconomic Build-out Projections Assumptions & Methodology

- A 10-year build-out schedule for the nine projects was based on demand projections for residential, commercial, and industrial uses using demographic projections and market research data.

III. STUDY AREA & PROJECT DESCRIPTIONS

RTRP PATH

The proposed RTRP path is more than 11 miles in length with approximately four miles of the alignment running through portions of the City where key development projects will be impacted by the RTRP. See Exhibit III-A on the following page for a map of the pathway and the projects impacted by the RTRP. The required right-of-way ("ROW") for a 230 kV overhead transmission line is 100 feet in width. No buildings may be sited within the ROW. While this E/FIA analyzes the direct and indirect impacts of the 100-foot ROW on future development sites, it is important to note that a larger "fall zone" for the RTRP is likely to impact property values beyond the 100-foot ROW.

PROJECT DESCRIPTIONS

This E/FIA analyzes the impacts of the RTRP on nine development project sites (see Exhibit III-A on Page 6). In addition to new development projects, this E/FIA also assumes that the RTRP's path along the frontage of the I-15 freeway will likely impact the performance of the existing Vernola Marketplace shopping center, as described later in this report. The nine new development projects total approximately 591 acres of developable land that are in different stages of planning, entitlement, or development. The E/FIA assumes a 10-year build-out horizon for 1,269 single family dwelling units, 379 multifamily dwelling units, more than 2 million square feet of light industrial and business park uses, and 531,406 square feet of commercial retail/tourist uses, including two community shopping centers, two 100-room hotels, and a gas station. A summary table of each of the nine projects (Table III-A) is provided on Page 7. The projects are listed in geographic order based on the north-to-south travel of the RTRP path, as shown on the map in Exhibit III-A.

EXHIBIT III-A

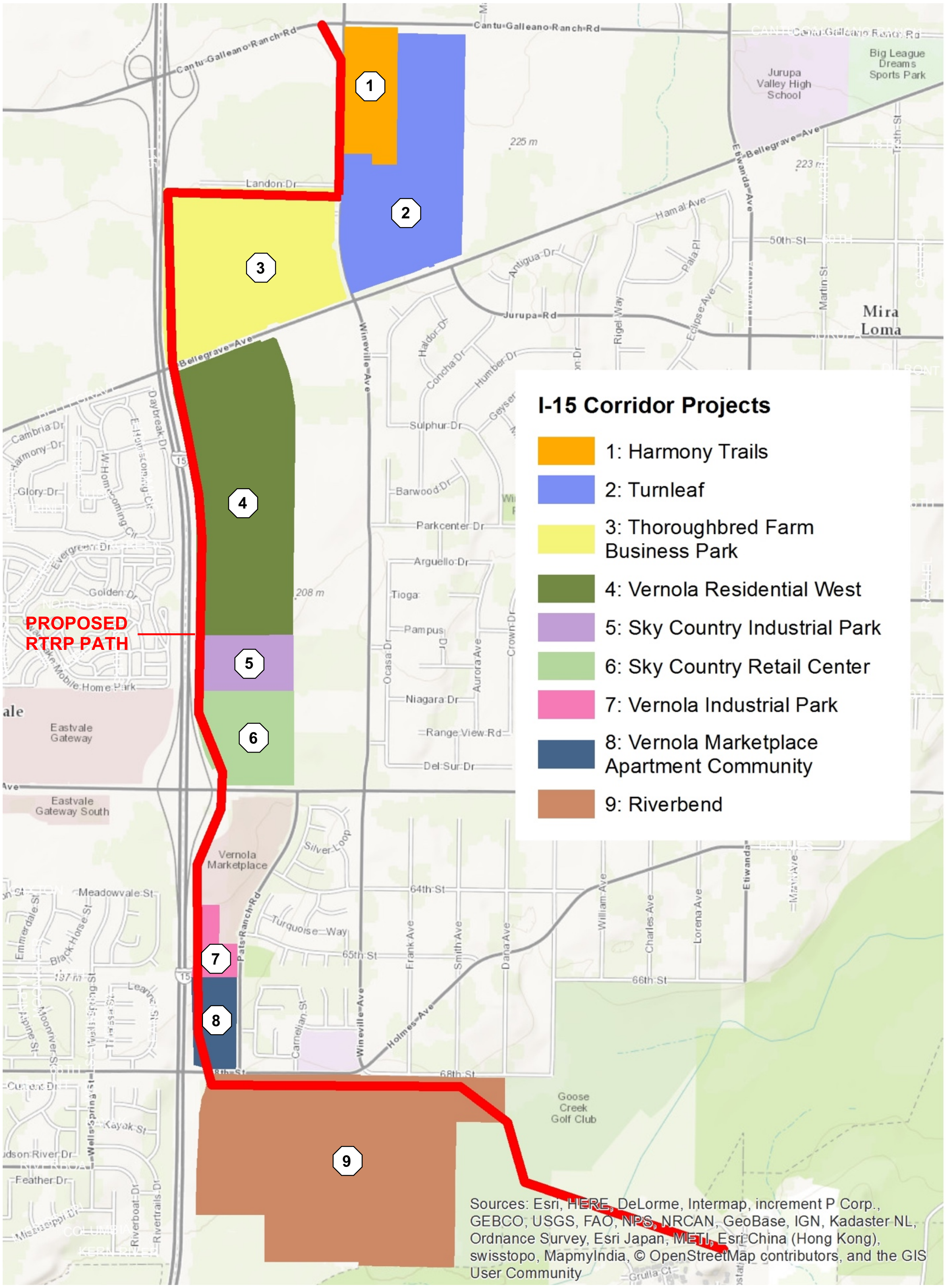


TABLE III-A

RIVERSIDE TRANSMISSION RELIABILITY PROJECT (RTRP) ECONOMIC/FISCAL IMPACT ANALYSIS
PROJECT DESCRIPTIONS

Map Ref #	Project Name	Status	Land Use	Lot Acreage (Ac)	Lot Square Footage (SF)	Zoning	Density / FAR	Dwelling Units (DU) / Building SF	Population / Employment Density Factor	Total Residents / Employees
1	**Harmony Trails**	Approved Tract Map	Single Family Residential	31.3	1,354,868	R-4	5.62 DU/Ac	176 DU	3.83	674
2	**Turnleaf**	Construction	Single Family Residential	31.6	1,375,189	R-1	3.52 DU/Ac	111 DU	3.83	425
3	**Thoroughbred Farm Business Park**	Fully Entitled	Business Park	36.5	1,589,940	Specific Plan No. 376	0.60 FAR	598,504 SF	600	998
			Light Industrial	42.6	1,855,656		0.60 FAR	917,592 SF	1,030	891
			Commercial/Retail	11.5	500,940		0.35 FAR	129,635 SF	500	259
			Tourist/Commercial	7.6	331,056		0.35 FAR	112,211 SF	500	224
			Total	98.2	4,277,592			1,757,942 SF		2,372
4	**I-15 Corridor: Vernola Residential West**	Zoned	Single Family Residential	129.1	5,621,702	R-1	4.00 DU/Ac	516 DU	3.83	1,976
5	**I-15 Corridor: Sky Country Industrial Park**	Zoned	Industrial Park	23.8	1,038,240	I-P	0.35 FAR	363,384 SF	1,030	353
6	**I-15 Corridor: Sky Country Retail Center**	Zoned	Scenic Highway Commercial	33.2	1,447,798	C-P-S	0.20 FAR	289,560 SF	500	579
			Hotel	4.0	174,240		0.35 FAR	60,984 SF	500	122
			Total	37.2	1,622,038			350,544 SF		
7	**I-15 Corridor: Vernola Industrial Park**	Zoned	Industrial Park	11.0	463,779	I-P	0.35 FAR	162,323 SF	1,030	158
8	**Vernola Marketplace Apartment Community**	Fully Entitled	Multifamily Residential	17.4	755,764	R-3	22.84 DU/Ac	397 DU	2.61	1,036
9	**Riverbend**	Mass Grading / Utilities	Single Family Residential	211.0	9,191,160	R-4	2.21 DU/Ac	466 DU	3.83	1,785
	TOTAL			**590.6**	**25,700,333**			**1,666 DU** **2,634,496 SF**		**5,896 Res.** **3,584 Empl.**

Absorption Schedule

As described previously, this E/FIA assumes that build-out of the nine projects will occur over a 10-year timeframe between fiscal years 2016-17 and 2025-26. UFI used a combination of demographic projections and market research (see Appendix A) to develop the year-to-year absorption schedule for the different land uses proposed to be developed within the study area. See Tables III-C and III-D on the following pages for absorption schedules for residential and industrial/business park/retail uses.

TABLE III-C
RESIDENTIAL ABSORPTION

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**STATUS**	**UNITS**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Harmony Trails	Tract Map	176	0	50	50	50	26	0	0	0	0	0	176
Turnleaf	Construction	111	40	40	31	0	0	0	0	0	0	0	111
Vernola West	Zoned	516	0	0	0	50	85	85	85	85	85	41	516
Vernola Apartments	Fully Entitled	397	0	0	135	135	127	0	0	0	0	0	397
Riverbend	Mass Grading / Utilities	466	50	85	85	85	85	76	0	0	0	0	466
ANNUAL NEW UNITS		**1,666**	**90**	**175**	**301**	**320**	**323**	**161**	**85**	**85**	**85**	**41**	**1,666**
	Max. Annual Absorption		*415*	*415*	*415*	*415*	*440*	*440*	*440*	*440*	*440*	*440*	
CUMULATIVE NEW UNITS			**90**	**265**	**566**	**886**	**1,209**	**1,370**	**1,455**	**1,540**	**1,625**	**1,666**	

TABLE III-D

LIGHT INDUSTRIAL/BUSINESS PARK/RETAIL ABSORPTION

				FISCAL YEAR										
				1	2	3	4	5	6	7	8	9	10	
PROJECT	**STATUS**	**LAND USE**	**SF**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm Business Park	Fully Entitled	Light Industrial	917,592		530,150	180,806	206,636							917,592
		Business Park	598,504			264,002	334,502							598,504
		Commercial/ Retail	129,635						129,635					129,635
		Tourist/ Commercial	112,211					112,211						112,211
I-15 Corridor: Sky Country Industrial Park	Zoned	Light Industrial	363,384				181,692	181,692						363,384
I-15 Corridor: Sky Country Retail Center	Zoned	Commercial/ Retail	289,560			114,780	114,780							289,560
		Hotel	60,894				60,894							60,894
Vernola Industrial Park	Zoned	Industrial Park	162,323					162,323						162,323
ANNUAL NEW SF			**2,634,192**	**0**	**530,150**	**589,588**	**928,594**	**456,226**	**129,635**	**0**	**0**	**0**	**0**	**2,634,192**
	Industrial	*Est. Annual Absorption*		*0*	*530,150*	*180,806*	*388,328*	*344,015*	*0*	*0*	*0*	*0*	*0*	*1,443,299*
		Max. Annual Absorption		*706,451*	*706,451*	*706,451*	*706,451*	*515,797*	*515,797*	*515,797*	*515,797*	*515,797*	*515,797*	
	Business Park	*Est. Annual Absorption*		*0*	*0*	*264,002*	*334,502*	*0*	*0*	*0*	*0*	*0*	*0*	*598,504*
		Max. Annual Absorption		*391,680*	*391,680*	*391,680*	*391,680*	*285,975*	*285,975*	*285,975*	*285,975*	*285,975*	*285,975*	
	Commercial	*Est. Annual Absorption*		*0*	*0*	*144,780*	*144,780*	*112,211*	*129,635*	*0*	*0*	*0*	*0*	*531,406*
		Cumulative Retail Potential		*546,321*	*546,321*	*546,321*	*401,541*	*256,761*	*144,550*	*14,915*	*14,915*	*14,915*	*14,915*	
CUMULATIVE NEW COMMERCIAL-INDUSTRIAL SF				**0**	**530,150**	**1,119,738**	**2,048,332**	**2,504,557**	**2,634,192**	**2,634,192**	**2,634,192**	**2,634,192**	**2,634,192**	

Tax Rate Areas

The projects overlap four different tax rate areas ("TRA") which determine the pro rata share of property tax revenues generated from each project that the City will receive. Table III-E below identifies the TRA(s) that each project is located in.

TABLE III-E
CITY SHARE OF 1% PROPERTY TAX REVENUE

		TAX RATE AREA			
		028009	028011	028029	028114
Map Ref #	Project Name	7.044153%	7.044153%	5.995154%	5.995154%
1	Harmony Trails				√
2	Turnleaf			√	√
3	Thoroughbred Farm Business Park			√	√
4	I-15 Corridor: Vernola Residential West			√	√
5	I-15 Corridor: Sky Country Industrial Park			√	√
6	I-15 Corridor: Sky Country Retail Center			√	√
7	I-15 Corridor: Vernola Industrial Park	√			
8	Vernola Marketplace Apartment Community	√			
9	Riverbend	√	√		

Population & Employment

Population and employment projections provide the basis for per capita General Fund revenue and expenditure projections. Consistent with the absorption schedules described previously, population projections for residential projects are based on a household size factor. For single family residential, a household size of 3.83 persons per household is assumed. For the Vernola Marketplace Apartment Community, an average household size of 2.61 persons per household is assumed based on a balanced mix of one-, two-, and three-bedroom units throughout the project's 397 proposed units. Table III-F provides population projections for each residential project.

Employment projections for light industrial, business park, and retail uses are based on an employment density factor as described in the Methodology & Assumptions section of this report. Table III-G provides employment projections for each commercial/industrial project.

TABLE III-F

NEW RESIDENTIAL POPULATION

		FISCAL YEAR										
		1	2	3	4	5	6	7	8	9	10	
Project	**Persons per HH[1]**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Harmony Trails	3.83	0	192	192	192	100	0	0	0	0	0	674
Turnleaf	3.83	153	153	119	0	0	0	0	0	0	0	425
Vernola West	3.83	0	0	0	192	326	326	326	326	326	157	1,976
Vernola Apartments	2.61	0	0	352	352	331	0	0	0	0	0	1,036
Riverbend	3.83	192	326	326	326	326	291	0	0	0	0	1,785
ANNUAL NEW RESIDENTS		**345**	**670**	**988**	**1,061**	**1,082**	**617**	**326**	**326**	**326**	**157**	**5,896**
CUMULATIVE NEW RESIDENTS		**345**	**1,015**	**2,003**	**3,064**	**4,146**	**4,763**	**5,088**	**5,414**	**5,739**	**5,896**	

[1] The 2015 estimate of average household size for the City of Jurupa Valley is 3.83 persons per household. The E/FIA estimates an average household size of 2.61 persons per household for the Vernola Marketplace Apartment Community based on assumed household sizes for a balanced mix of 1-, 2-, and 3-bedroom units throughout the project's 379 proposed units.

Sources: ESRI Business Analyst Online, Urban Futures, Inc.

TABLE III-G

NEW COMMERCIAL-INDUSTRIAL EMPLOYMENT

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
Project	**Land Use**	**SF per Empl.**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm Business Park	Light Industrial	1,030	0	515	176	201	0	0	0	0	0	0	891
	Business Park	600	0	0	440	558	0	0	0	0	0	0	998
	Commercial/ Retail	500	0	0	0	0	0	259	0	0	0	0	259
	Tourist/ Commercial	500	0	0	0	0	224	0	0	0	0	0	224
I-15 Corridor: Sky Country Industrial Park	Light Industrial	1,030	0	0	0	176	176	0	0	0	0	0	353
I-15 Corridor: Sky Country Retail Center	Commercial/ Retail	500	0	0	290	290	0	0	0	0	0	0	579
	Hotel	500	0	0	0	122	0	0	0	0	0	0	122
Vernola Industrial	Industrial Park	1,030	0	0	0	0	158	0	0	0	0	0	158
ANNUAL NEW EMPLOYMENT			**0**	**515**	**905**	**1,346**	**558**	**259**	**0**	**0**	**0**	**0**	**3,584**
CUMULATIVE NEW EMPLOYMENT			**0**	**515**	**1,420**	**2,766**	**3,324**	**3,584**	**3,584**	**3,584**	**3,584**	**3,584**	

IV. ECONOMIC/FISCAL IMPACT ANALYSIS: NO RTRP SCENARIO

Annual General Fund revenue and expenditure projections for the nine development projects were initially prepared under a "No RTRP" scenario based on the project descriptions outlined in Section III of this report. Key revenue and expenditure assumptions used to prepare the projections are outlined below. Also refer to the Appendix for detailed revenue and expenditure calculations and forecasts.

KEY ASSUMPTIONS

Revenue Assumptions

- **Property Tax Revenues:** Ad valorem property tax revenues are based on the City's share of the 1% general levy and projected assessed valuations for each project using estimates for home prices, per unit value of multifamily apartments, per room value of hotel, and per square foot built values of light industrial, business park, and retail projects. Pricing and value estimates for all uses, except hotel, are based on a July 22, 2015 market analysis prepared by The Concord Group for multiple real estate development projects in the area. For hotels, the E/FIA uses a room-rate multiplier valuation approach that assumes property value is worth 1,000 times the hotel's average daily rate ("ADR") on a per-room basis.
- **Sales Tax Revenues:** Sales tax revenues for retail uses are based on estimated annual taxable sales generated by each retail industry included in the tenant mix programming for each retail shopping center. HdL Companies used its expertise of the local and regional retail market in the trade area to assist in the development of the tenant mix assumptions for each retail site, including gross leasable area ("GLA") estimates and average taxable sales per square foot estimates. This E/FIA assumes that 1.00% of taxable sales is allocated to the City in sales tax revenues.
- **Transient Occupancy Tax Revenues:** Transient Occupancy Tax ("TOT") revenues are based on the City's TOT rate of 10%. The E/FIA assumes that two suite hotels without food and beverage will be developed in the Sky Country Retail Center and Thoroughbred Farm Business Park with estimated average daily rates of $133 and occupancy rates of 60%. ADR and occupancy rate assumptions are based on market data from "Trends in the Hotel Industry" USA Edition 2015, published by PKF Hospitality Research, for the Mountain and Pacific market division, with adjustments for the local market area.
- **Property Transfer Tax Revenues:** The City receives $0.55 per $1,000 of assessed valuation of real property transferred each year. Consistent with the 2010 CFA, a 3.5% annual turnover rate was used to estimate transfer tax revenues that would be generated from the projects, based on annual assessed valuation projections.
- **Franchise Fee Revenues:** Annual franchise fees for utilities and solid waste were estimated based on a per capita allocation that factored both residents and 50% of employees. Please refer to the "Expenditures Assumptions" section below for more discussion about the E/FIA's use of a "service population" approach to revenue/cost allocations.
- **Motor Vehicle License Fee-Related Revenues:** SB 89 (Chapter 35, Statutes of 2011) took effect on July 1, 2011, the same date as the effective date of the City's incorporation. SB 89 shifted Vehicle License Fee ("VLF") and Property Tax In-Lieu of VLF revenues from cities to law enforcement grants and crippled newly incorporated cities like Jurupa Valley who were relying on

the statutory boost in these VLF revenues to sustain the City during its transitional years of cityhood. VLF-related revenues have not been restored to Jurupa Valley. Therefore, the E/FIA does not include projections for VLF-related revenues.

Expenditures Assumptions

- **Service Population:** Rather than allocating service costs on a per capita basis that only factors residential populations served, the E/FIA recognizes that employees that work in the City generate service demands and benefit from public services funded by the General Fund. Where appropriate, the E/FIA calculates per capita costs based on 100% of the residential population plus 50% of the employment population. This is a generally accepted industry standard for fiscal impact analyses. In addition, the E/FIA recognizes that the addition of one new resident or employee does not create direct impacts to service levels and costs for all city operations, as further discussed below.
- **General Government & Finance:** General Government & Finance includes operational General Fund budgetary costs for City Council, City Attorney, City Manager, Administration, City Clerk, Finance, and non-departmental functions. The E/FIA assumes that adding new service populations marginally increases costs for the City's General Government & Finance operations by 50% rather than 100%.
- **Development Services:** Development Services includes Development Services/Engineering, Planning, Building & Safety, Code Enforcement, and Engineering/Public Works. Based on discussions with City staff, the E/FIA assumes 70% cost recovery from filing and processing fees. The remaining 30% cost to the General Fund is allocated to the projects based on a service population of 100% residents plus 50% employees.
- **Police Protection:** Police protection services are contractually provided by the Riverside County Sheriff. There have been significant increases in contractual costs for police services since the City's incorporation. While the E/FIA revenue/expenditure projections hold these contractual costs constant in 2015 dollars, additional sensitivity analysis is provided in later sections of this report to address cost increases for major service expenditures like police. Expenditures for police services are estimated by applying the City's existing sworn officer-to-service population ratio (0.44 sworn officer per 1,000 residents plus 50% employees) to the project, and allocating costs based on an average cost per sworn officer ($323,331).
- **Fire Protection:** Fire protection services in the City are provided by the Riverside County Fire Department and CAL FIRE. County Fire's structural fire fund permanently receives an allocation of property tax revenues in the study area that is on par with the City's share. The City also pays approximately $165,000 to CAL FIRE each year for wildland fire protection services. Given the urban nature of the proposed projects, the E/FIA assumes that there will be no fire protection costs to the City, including any additional costs for wildland fire protection. It is important to note, however, that construction of an additional fire station to serve the new projects will be required at some future stage of development of the I-15 corridor. Based on prior discussions between City staff and the Riverside County Fire Department, the City's General Fund could face up to $1.6 million in new annual operating costs for a new fire station. While the E/FIA does not include these expenditures since they are still speculative, the magnitude of these potential operating costs warrants discussion since it would place even greater stress on the General Fund and the City's existing reserves.
- **Revenue Neutrality Payments:** The City's Revenue Neutrality Agreement with the County of Riverside establishes a tiered payment plan based on total property tax and sales tax revenues the City receives. The City's initial payments are a flat $1,900,000 annually until fiscal year 2017-

18, when specified performance targets for property tax and sales tax revenues are established. As the City hits those targets, the revenue neutrality payment is based on a sliding scale percentage of the City's total property tax and sales tax revenues. For example, beginning in fiscal year 2017-18, if the City receives more than $15,840,000 in property tax and sales tax revenues, the payment formula switches from a flat $1,900,000 annual payment to 16% of total property tax and sales tax revenues. The percentage formula increases as the City hits higher revenue targets. Due to the City's fiscal crisis from the takeaway of VLF revenues, the County agreed to defer revenue neutrality payments for three fiscal years. Payments resume in fiscal year 2016-17. The E/FIA does not allocate revenue neutrality expenditures to the projects until the projects' generation of property tax and sales tax revenues triggers new payment tiers, at which time a pro rata share of the City's entire annual revenue neutrality payment is allocated to the projects based on the projects' share of the City's total property tax and sales tax revenues.

FISCAL IMPACT ANALYSIS

Table IV-A on the following page provides a 10-year build-out projection of General Fund recurring revenues and expenditures based on the assumptions outlined above. The E/FIA's residential, industrial, and commercial absorption schedules assume that residential, light industrial, and business park uses will be constructed during the first two fiscal years (FY 2016-17 and 2017-18) with retail construction along the I-15 frontage (Sky Country Retail Center) beginning in Year 3 (FY 2018-19) and hotel construction (Sky Country Retail Center) beginning in Year 4 (FY 2019-20). In the absence of sales tax and TOT generating uses during the first two years of operation to offset service costs, a modest General Fund operating deficit is projected.

Police protection costs present the largest General Fund expenditure. Police and other operating expenditures are held in constant 2015 dollars. Based on historical trends of contract cost increases during the past four fiscal years, additional spikes in service costs in future years are likely. It should also be noted that, while the E/FIA projects healthy sales tax revenues in the future, the City's Revenue Neutrality Agreement with the County will offset a significant portion of the financial benefit the City will receive as the City continues to address its ongoing budget deficit. Even in the absence of the RTRP, market conditions will need to continue to favor the City and the Inland Empire I-15 corridor to ensure that sales tax and TOT generating uses will be supportable and able to improve the City's economic and fiscal outlook in the future.

TABLE IV-A
FISCAL IMPACT ANALYSIS: SCENARIO #1 – NO RTRP (2015$)

	FISCAL YEAR										10-YEAR TOTAL
	1	2	3	4	5	6	7	8	9	10	
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	
GENERAL FUND RECURRING REVENUES											
General Property Tax	30,932	129,300	245,266	387,515	538,632	634,679	674,713	703,505	732,296	746,184	4,823,022
Sales Tax[1]	-	-	257,678	515,355	804,868	1,438,356	1,438,356	1,438,356	1,438,356	1,438,356	8,769,681
Transient Occupancy Tax		-	-	291,270	582,540	582,540	582,540	582,540	582,540	582,540	3,786,510
Property Transfer Tax	906	3,917	8,005	13,271	17,316	19,583	20,507	21,432	22,356	22,802	150,095
Franchise Fees - Utilities	5,183	19,130	40,792	66,863	87,333	98,553	103,448	108,343	113,238	115,599	758,484
Franchise Fees - Solid Waste	2,653	9,793	20,882	34,228	44,706	50,450	52,956	55,461	57,967	59,176	388,271
TOTAL	**39,674**	**162,140**	**572,622**	**1,308,502**	**2,075,395**	**2,824,161**	**2,872,520**	**2,909,637**	**2,946,754**	**2,964,658**	**18,676,063**
GENERAL FUND RECURRING EXPENDITURES											
General Government & Finance[2]	4,306	15,894	33,891	55,551	72,557	81,880	85,947	90,013	94,080	96,042	630,160
Development Services[3]	6,011	22,188	47,312	77,550	101,291	114,305	119,982	125,660	131,337	134,075	879,711
Police Protection[4]	48,877	180,407	384,690	630,553	823,588	929,405	975,567	1,021,728	1,067,890	1,090,156	7,152,862
Animal Services	2,859	8,418	16,613	25,412	34,387	39,501	42,201	44,901	47,601	48,903	310,796
Revenue Neutrality Payments	-	-	83,656	152,496	220,666	438,342	444,388	450,434	456,480	459,397	2,705,859
TOTAL	**62,053**	**226,907**	**566,162**	**941,562**	**1,252,489**	**1,603,433**	**1,668,085**	**1,732,737**	**1,797,389**	**1,828,574**	**11,679,388**
SURPLUS / (DEFICIT)	**(22,379)**	**(64,766)**	**6,460**	**366,940**	**822,907**	**1,220,728**	**1,204,436**	**1,176,901**	**1,149,366**	**1,136,084**	**6,996,675**

[1] Calculated at 1% of taxable sales.
[2] Includes City Council, City Attorney, City Manager, Administration, City Clerk, Finance, and Non-Departmental. Assumes incremental increase of 50% versus 100% per service population.
[3] Includes Development Services/Engineering, Planning, Building & Safety, Code Enforcement, and Engineering/Public Works. Assumes 70% cost recovery from fees.
[4] Includes Police Protection via contract with Riverside County Sheriff; Assumes 49 sworn officers and ratio of 0.44 sworn officers per 1,000 service population (residents plus 50% employees). Fire protection costs for wildland protection omitted.
[5] Pro rata share of revenue neutrality payment to County based on projects' share of City annual property tax and sales tax revenues. Projects' share triggered only when step increases in payments triggered under the Revenue Neutrality Agreement.

V. ECONOMIC/FISCAL IMPACT ANALYSIS: RTRP SCENARIOS

The E/FIA analyzes the impact of the proposed RTRP path on the nine projects and the City's overall fiscal outlook. As shown in Table V-A, the impact of the RTRP on sales tax generating uses will be particularly critical to the City's General Fund health. This E/FIA addresses: (1) the physical impact of the RTRP to the development envelope of the nine project sites; and (2) the economic impact of the RTRP to the assessed valuation of properties that are exposed to the RTRP but are not directly eliminated by the RTRP's path.

KEY ASSUMPTIONS

Residential Property Values

Prior statistical analysis evaluating the economic impact of overhead high voltage transmission facilities have focused primarily on residential property values. On April 14, 2012, the Subcommittee on Insurance, Housing, and Community Opportunity of the Congressional Committee on Financial Services held a special field hearing on "The Impact of Overhead High Voltage Transmission Towers and Lines on Eligibility for Federal Housing Administration (FHA) Insured Mortgage Programs." The meeting was held in the Council Chambers of Chino Hills City Hall and focused on the proposed SCE overhead high voltage transmission line through the City of Chino Hills as part of the Tehachapi Renewable Transmission Project ("TRTP"). Witnesses opposed to the project argued that, once the transmission towers for the project were erected, sales comparisons indicated that average sales prices in the affected residential areas dropped by 17.2 percent as shown below.

TABLE V-A
TRTP IMPACT ON SINGLE FAMILY HOME SALES IN CHINO HILLS

	# Closed Sales	Average Sales Price	$ Change in Average Sales Price	% Change in Average Sales Price
6 Months Prior to Tower Construction	331	$ 509,000	-	-
10 Months Following Tower Construction	426	$ 421,452	$ (87,548)	(17.2%)

This is consistent with a July 22, 2015 market study prepared by The Concord Group ("TCG") that estimates a 15% depreciation in residential property values due to proximity or exposure to overhead high voltage transmission lines. TCG reviewed the comparable sales prices of homes exposed and not exposed to transmission lines in three communities: Santa Clarita, CA; San Gabriel, CA; and Seattle, WA. The discount in the comparable sales prices of exposed homes averaged 18.2%.

This E/FIA assumes a 17.0% discount in residential assessed values due to exposure to the proposed RTRP.

Industrial/Business Park Property Values

Based on a 2005 article published by the International Right of Way Association analyzing the impact of overhead high voltage transmission towers and lines on industrial properties, the E/FIA does not discount property values of the industrial/business park elements of the nine projects in the RTRP path.

Retail Properties and Sales Tax Generation

Similar to industrial properties, the E/FIA does not discount property values of the retail elements of the Sky Country Retail Center and Thoroughbred Farm Business Park. Instead, the E/FIA focuses on potential constraints the RTRP will pose to site planning and signage, particularly freeway-oriented signs along the I-15 corridor. The most significant impact is anticipated for the Sky Country Retail Center site located on the northwest quadrant of Limonite Avenue and the I-15 freeway. The impacts to this project are further described below.

RTRP IMPACT TO SCOPE OF DEVELOPMENT

Scope of Development: Sky Country Retail Center

The RTRP's most significant impact to project performance and development is its anticipated impacts to the Sky Country Retail Center site. Given the scale and scope of the existing community shopping centers on the northwest and southeast quadrants, the ability of the local market to support a third shopping center at the Sky Country Retail Center location requires product diversification to offer consumers new retail choices beyond what is already abundantly offered in the immediate trade area. As such, the E/FIA has assumed that the Sky Country Retail Center would be developed as a "Lifestyle Center," offering consumers a tenant mix within 289,560 square feet of gross leasable area focused on "national-chain specialty stores with dining and entertainment in an outdoor setting,"[1] and delivering a 100-room suite hotel.

To build a Lifestyle Center and hotel at this location, ideal site characteristics and economic conditions must exist. The RTRP is a direct threat to the Sky Country Retail Center's ability to perform due to the reduction in lot size, constraints to site planning, the aesthetic impact of the transmission towers and lines, and the RTRP ROW's impact on the location and visibility of freeway-oriented signage for the center. Based on these limitations, the E/FIA assumes that, in order for the retail project to be market viable and economically feasible, the project would need to be downgraded in classification, size, scope, and performance from a "Lifestyle Center" to a "Neighborhood Center," as classified by ICSC, and the hotel element would be eliminated. The E/FIA assumes that the remaining 21-acre balance of the property will be developed as industrial park to expand the footprint of the Sky Country Industrial Park site immediately to the north.

Key differences between the two classifications of shopping centers are outlined below.

TABLE V-B
ICSC U.S. SHOPPING CENTER CLASSIFICATIONS

Type of Shopping Center	Lifestyle Center	Neighborhood Center
Concept	National-chain specialty stores with dining and entertainment in an outdoor setting	Convenience-oriented
Average Building Size	333,411 SF	71,938 SF
Acreage Range	10 - 40 acres	3 - 5 acres
Typical Types of Anchors	Large format upscale specialty	Supermarket
Trade Area Size	8 - 12 miles	3 miles

[1] *U.S. Shopping-Center Classification and Characteristics*, International Council of Shopping Centers, August 2015

The E/FIA further assumes that the Sky Country Retail Center will perform at 75% productivity in taxable sales due to the impact of the RTRP ROW on the location and visibility of freeway-oriented signage for the project. This is consistent with Institute of Transportation Engineers ("ITE") trip generation estimates for pass-by trips, or impulse stops, for different land uses, as documented in a 2001 study prepared for the U.S. Small Business Administration -- "SIGNS: Showcasing Your Business on the Street - The Importance of Signage for Your Business." According to the study, ITE trip generation statistics estimate that 25% of all stops by shoppers at shopping centers between 100,000 and 400,000 square feet are attributable to impulse stops. This percentage goes up to 35% for shopping centers smaller than 100,000 square feet. The E/FIA assumes that the RTRP will impact the number of impulse stops at the Sky Country Retail Center due to reduced freeway visibility and exposure from the increased setback east of the RTRP ROW, away from the I-15 freeway, and ROW restrictions on signage and wayfinding.

Table V-C presents the net change in annual General Fund property tax and sales tax revenues resulting from the RTRP's impact on the Sky Country Retail Center.

TABLE V-C
RTRP IMPACTS TO SCOPE OF DEVELOPMENT: SKY COUNTRY RETAIL CENTER

	SKY COUNTRY RETAIL CENTER BUILD-OUT FY 2025-26		
	WITHOUT RTRP	**WITH RTRP**	**NET CHANGE**
Land Use / Shopping Center Classification	Lifestyle Center	Neighborhood Center + Industrial Park	
Retail SF	289,560 SF	79,400 SF	- 210,160 SF
Hotel Rooms	100 Rooms	0 Rooms	- 100 Rooms
Industrial Park SF	0 SF	320,166 SF	+ 320,166 SF
Annual General Fund Property Tax Revenue	$ 48,768	$ 36,139	$ (12,629)
Annual General Fund Sales Tax Revenue	515,355	82,729	(432,626)
Annual General Fund TOT Revenue	291,270	-	(291,270)
TOTAL	$ 855,393	$ 118,868	$ (736,526)

Scope of Development: All Projects

Table V-D provides a summary of the anticipated impacts of the RTRP on the nine projects, including: (1) direct impacts of the RTRP's 100-foot ROW width on lot size, building square footage, and dwelling unit counts; and (2) indirect impacts of the RTRP on property values and retail product performance.

TABLE V-D
RTRP IMPACTS TO SCOPE OF DEVELOPMENT: ALL PROJECTS

			WITHOUT RTRP			WITH RTRP		
Map Ref #	**Project Name**	**Land Use**	**Dwelling Units (DU) / Building SF**		**Total Residents / Employees**	**Dwelling Units (DU) / Building SF**		**Total Residents / Employees**
1	**Harmony Trails**	Single Family Residential	176	DU	674	176	DU	674
2	**Turnleaf**	Single Family Residential	111	DU	425	111	DU	425
3	**Thoroughbred Farm Business Park**	Business Park	598,504	SF	998	598,504	SF	900
		Light Industrial	917,592	SF	891	917,592	SF	778
		Commercial/Retail	129,635	SF	259	129,635	SF	259
		Tourist/Commercial	112,211	SF	224	112,211	SF	224
		Total	1,757,942	SF	2,372	1,757,942	SF	2,162
4	**I-15 Corridor: Vernola Residential West**	Single Family Residential	516	DU	1,976	484	DU	1,854
5	**I-15 Corridor: Sky Country Industrial Park**	Industrial Park	363,384	SF	353	646,960	SF	628
6	**I-15 Corridor: Sky Country Retail Center**	Scenic Highway Commercial	289,560	SF	579	79,400	SF	159
		Hotel	60,984	SF	122	0	SF	0
		Total	350,544	SF	701	79,400	SF	159
7	**I-15 Corridor: Vernola Industrial Park**	Industrial Park	162,323	SF	158	54,108	SF	53
8	**Vernola Marketplace Apartment Community**	Multifamily Residential	397	DU	1,036	182	DU	475
9	**Riverbend**	Single Family Residential	466	DU	1,785	360	DU	1,379
		Total DUs / Residents	1,666	DU	5,896	1,313	DU	4,807
		Total SF / Employees	2,634,192	SF	3,584	2,538,409	SF	3,001

JOBS

Job creation continues to be a major economic development goal of the City as the regional economy continues to recover from the recession. As shown in Table V-D, in addition to generating new revenue streams to the City, an important economic outcome of the projects is the creation of 3,584 new jobs for the region, ranging from part-time service jobs at retail centers to full-time executive jobs in active employment centers. As shown in Table V-E, Jurupa Valley has a deficit of 4,000 jobs, with the highest unemployment rate (8.5%) in the region. The reduced scope of development created by the RTRP would result in the loss of 583 permanent jobs that are sorely needed in the local community and the region.

TABLE V-E
MONTHLY LABOR FORCE DATA (OCT 2015 – PRELIMINARY)

	UNEMPLOYMENT	
Jurisdiction	**Number**	**Rate**
Riverside County	67,000	6.5%
Chino	1,800	4.7%
Corona	4,000	5.1%
Eastvale	1,400	4.4%
Fontana	6,300	6.7%
Jurupa Valley	**4,000**	**8.5%**
Ontario	5,100	6.2%
Rancho Cucamonga	4,200	4.6%
Riverside, City	9,300	6.2%

Source: California Employment Development Department

RTRP IMPACT TO CITY GENERAL FUND REVENUES & EXPENDITURES

Scenario #2: RTRP

Based on the reduced scope of development resulting from the RTRP's direct impacts to the projects, and based on reductions in property values and retail performance due to exposure to the RTRP and its ROW restrictions, an updated 10-year build-out projection of General Fund recurring revenues and expenditures was prepared. Please refer to Table V-F on the following page.

TABLE V-F
FISCAL IMPACT ANALYSIS: SCENARIO #2 – RTRP (2015$)

	FISCAL YEAR										
	1	2	3	4	5	6	7	8	9	10	10-YEAR TOTAL
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	
GENERAL FUND RECURRING REVENUES											
General Property Tax	27,570	111,391	235,783	355,083	455,969	501,043	528,141	555,239	582,337	596,225	3,948,782
Sales Tax[1]	-	-	82,729	82,729	372,241	1,005,730	1,005,730	1,005,730	1,005,730	1,005,730	5,566,349
Transient Occupancy Tax	-	-	-	-	291,270	291,270	291,270	291,270	291,270	291,270	1,747,620
Property Transfer Tax	813	3,372	7,121	10,776	13,870	15,317	16,187	17,057	17,928	18,373	120,815
Franchise Fees - Utilities	5,183	17,991	39,315	57,519	72,097	78,653	83,260	87,867	92,474	94,835	629,195
Franchise Fees - Solid Waste	2,653	9,210	20,126	29,444	36,907	40,263	42,621	44,980	47,338	48,547	322,088
TOTAL	**36,219**	**141,963**	**385,074**	**535,550**	**1,242,354**	**1,932,277**	**1,967,210**	**2,002,144**	**2,037,077**	**2,054,981**	**12,334,849**
GENERAL FUND RECURRING EXPENDITURES											
General Government & Finance[2]	4,306	14,947	32,664	47,787	59,899	65,346	69,174	73,002	76,829	78,791	522,745
Development Services[3]	6,011	20,866	45,599	66,712	83,620	91,224	96,568	101,911	107,254	109,993	729,758
Police Protection[4]	48,877	169,661	370,760	542,427	679,910	741,738	785,184	828,631	872,077	894,343	5,933,608
Animal Services	2,859	8,259	16,295	22,808	28,399	30,940	33,481	36,022	38,563	39,866	257,492
Revenue Neutrality Payments	-	-	-	-	132,514	241,084	322,113	327,804	333,494	336,411	1,693,419
TOTAL	**62,053**	**213,734**	**465,317**	**679,734**	**984,342**	**1,170,332**	**1,306,520**	**1,367,369**	**1,428,218**	**1,459,403**	**9,137,022**
SURPLUS / (DEFICIT)	**(25,834)**	**(71,770)**	**(80,243)**	**(144,184)**	**258,012**	**761,944**	**660,690**	**634,775**	**608,859**	**595,578**	**3,197,827**

[1] Calculated at 1% of taxable sales.
[2] Includes City Council, City Attorney, City Manager, Administration, City Clerk, Finance, and Non-Departmental. Assumes incremental increase of 50% versus 100% per service population.
[3] Includes Development Services/Engineering, Planning, Building & Safety, Code Enforcement, and Engineering/Public Works. Assumes 70% cost recovery from fees.
[4] Includes Police Protection via contract with Riverside County Sheriff; Assumes 49 sworn officers and ratio of 0.44 sworn officers per 1,000 service population (residents plus 50% employees). Fire protection costs for wildland protection omitted.
[5] Pro rata share of revenue neutrality payment to County based on projects' share of City annual property tax and sales tax revenues. Projects' share triggered only when step increases in payments triggered under the Revenue Neutrality Agreement.

Exhibit V-A illustrates projected annual net General Fund revenues over expenditures generated by the projects with and without the RTRP. The impact of the RTRP on the Sky Country Retail Center is shown by the prolonged net General Fund deficit generated by the projects until sales tax and TOT revenues are generated by new retail and hotel uses in the Thoroughbred Farm Business Park.

EXHIBIT V-A

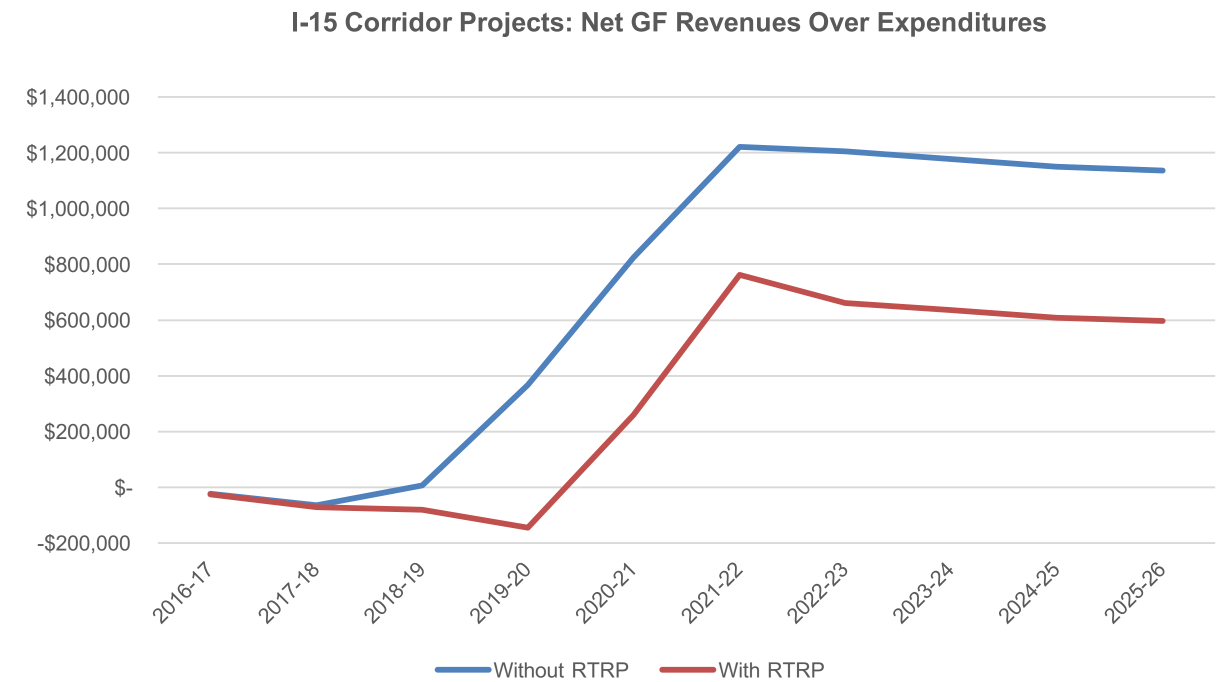


Table V-F on the following page provides 10-year totals of revenues and expenditures with and without the RTRP, including the net change in the 10-year totals of revenues and expenditures. Over the 10-year time period, the City stands to lose approximately $3.8 million in surplus revenues generated by the projects if the RTRP is built along the currently proposed path.

TABLE V-F
RTRP IMPACT AT PROJECT BUILD-OUT – SCENARIO #2 (2015$)

	I-15 CORRIDOR PROJECTS: 10-YEAR TOTALS FY 2016-17 - FY 2025-26		
	WITHOUT RTRP	WITH RTRP	NET CHANGE
GENERAL FUND RECURRING REVENUES			
General Property Tax	4,823,022	3,948,782	(874,240)
Sales Tax[1]	8,769,681	5,566,349	(3,203,333)
Transient Occupancy Tax	3,786,510	1,747,620	(2,038,890)
Property Transfer Tax	150,095	120,815	(29,279)
Franchise Fees - Utilities	758,484	629,195	(129,289)
Franchise Fees - Solid Waste	388,271	322,088	(66,184)
TOTAL	**18,676,063**	**12,334,849**	**(6,341,214)**
GENERAL FUND RECURRING EXPENDITURES			
General Government & Finance[2]	630,160	522,745	(107,415)
Development Services[3]	879,711	729,758	(149,953)
Police Protection[4]	7,152,862	5,933,608	(1,219,254)
Animal Services	310,796	257,492	(53,303)
Revenue Neutrality Payments[5]	2,705,859	1,693,419	(1,012,440)
TOTAL	**11,679,388**	**9,137,022**	**(2,542,365)**
SURPLUS / (DEFICIT)	**6,996,675**	**3,197,827**	**(3,798,848)**

[1] Calculated at 1% of taxable sales.
[2] Includes City Council, City Attorney, City Manager, Administration, City Clerk, Finance, and Non-Departmental. Assumes incremental increase of 50% versus 100% per service population.
[3] Includes Development Services/Engineering, Planning, Building & Safety, Code Enforcement, and Engineering/Public Works. Assumes 70% cost recovery from fees.
[4] Includes Police Protection via contract with Riverside County Sheriff; Assumes 49 sworn officers and ratio of 0.44 sworn officers per 1,000 service population (residents plus 50% employees). Fire protection costs for wildland protection omitted.
[5] Pro rata share of revenue neutrality payment to County based on projects' share of City annual property tax and sales tax revenues. Projects' share triggered only when step increases in payments triggered under the Revenue Neutrality Agreement.

Scenario #3: RTRP + Secondary Impacts

Although the above tables do not evaluate the direct or indirect impacts of the proposed RTRP alignment to the “Commercial/Retail” and “Tourist/Commercial” uses located in the Thoroughbred Farm Business Park, it is important to note that there could be secondary impacts to the market viability of those uses resulting from the reduced scope of development from adjacent properties, particularly along the I-15 freeway. Because of the sensitivity of retail and hotel markets to adjacent uses and other economic factors, the overall ability of the market to support the assumed tenant mix and hotel use envisioned for the Thoroughbred Farm Business Park could significantly change. If investors believe those projects are too risky, the property owner(s) would likely file an application with the City for an amendment to the specific plan to change those uses to Light Industrial and/or Business Park uses. Particularly in the Inland Empire, Light Industrial and Business Park uses are significantly less risky than Commercial/Retail and Tourist/Commercial uses. Such a specific plan amendment would reduce General Fund sales tax and TOT revenues from the Thoroughbred Farm Business Park by $924,759 annually. Table V-G on the following page provides a 10-year build-out projection of General Fund recurring revenues and expenditures based on this scenario. As illustrated in Table V-G, if the RTRP impairs the market viability of sales tax and TOT generating retail and hotel development projects along the I-15 corridor, the remnant projects would create an annual ongoing operating deficit for the City’s General Fund.

TABLE V-G
FISCAL IMPACT ANALYSIS: SCENARIO #3 – RTRP + SECONDARY IMPACTS TO THOROUGHBRED FARM BUSINESS PARK (2015$)

	FISCAL YEAR										
	1	2	3	4	5	6	7	8	9	10	10-YEAR TOTAL
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	
GENERAL FUND RECURRING REVENUES											
General Property Tax	27,570	111,391	235,783	363,842	467,352	505,875	532,973	560,071	587,169	601,057	3,993,084
Sales Tax[1]	-	-	82,729	82,729	82,729	82,729	82,729	82,729	82,729	82,729	661,830
Transient Occupancy Tax	-	-	-	-	-	-	-	-	-	-	-
Property Transfer Tax	813	3,372	7,121	11,057	14,235	15,472	16,343	17,213	18,083	18,529	122,238
Franchise Fees - Utilities	5,183	17,991	39,315	58,927	74,782	81,272	85,879	90,486	95,093	97,454	646,381
Franchise Fees - Solid Waste	2,653	9,210	20,126	30,165	38,281	41,603	43,962	46,320	48,678	49,887	330,885
TOTAL	**36,219**	**141,963**	**385,074**	**546,720**	**677,380**	**726,951**	**761,885**	**796,819**	**831,752**	**849,656**	**5,754,418**
GENERAL FUND RECURRING EXPENDITURES											
General Government & Finance[2]	4,306	14,947	32,664	48,957	62,130	67,522	71,350	75,177	79,005	80,966	537,023
Development Services[3]	6,011	20,866	45,599	68,345	86,734	94,261	99,605	104,948	110,291	113,030	749,691
Police Protection[4]	48,877	169,661	370,760	555,707	705,228	766,432	809,878	853,325	896,771	919,037	6,095,676
Animal Services	2,859	8,259	16,295	22,808	28,399	30,940	33,481	36,022	38,563	39,866	257,492
Revenue Neutrality Payments	-	-	-	-	88,013	94,177	98,512	102,848	107,184	109,406	600,139
TOTAL	**62,053**	**213,734**	**465,317**	**695,817**	**970,504**	**1,053,332**	**1,112,826**	**1,172,320**	**1,231,814**	**1,262,305**	**8,240,021**
SURPLUS / (DEFICIT)	**(25,834)**	**(71,770)**	**(80,243)**	**(149,097)**	**(293,124)**	**(326,380)**	**(350,941)**	**(375,501)**	**(400,062)**	**(412,649)**	**(2,485,603)**

[1] Calculated at 1% of taxable sales.
[2] Includes City Council, City Attorney, City Manager, Administration, City Clerk, Finance, and Non-Departmental. Assumes incremental increase of 50% versus 100% per service population.
[3] Includes Development Services/Engineering, Planning, Building & Safety, Code Enforcement, and Engineering/Public Works. Assumes 70% cost recovery from fees.
[4] Includes Police Protection via contract with Riverside County Sheriff; Assumes 49 sworn officers and ratio of 0.44 sworn officers per 1,000 service population (residents plus 50% employees). Fire protection costs for wildland protection omitted.
[5] Pro rata share of revenue neutrality payment to County based on projects' share of City annual property tax and sales tax revenues. Projects' share triggered only when step increases in payments triggered under the Revenue Neutrality Agreement.

As stated earlier in this report, in addition to the nine new development projects that are proposed along the RTRP path, the RTRP is likely to also impact the performance of the existing 382,909 square foot Vernola Marketplace Shopping Center. Total annual sales tax revenue for the center in 2014 was $589,460. Potential impacts of the RTRP on signage and aesthetic freeway visibility of the center from the I-15 freeway could reduce taxable sales by 25 percent, consistent with the E/FIA's review of the proposed Sky Country Retail Center project. This would result in an additional $147,365 reduction in annual sales tax revenues to the City's General Fund.

Scenario #4: RTRP + Police Cost Increases

In the prior scenarios, the E/FIA held police contract costs constant for simplicity of analysis. However, future increases in Sheriff contract costs are expected, as has been reported in a number of recent news articles and recent analyses conducted by a number of contract cities in Riverside County. Based on discussions with City staff, an annual growth factor of 5% is likely and is applied to the cost-per-sworn officer rate analyzed in Scenario #4. Table V-H illustrates the critical nature of the RTRP's impact on key General Fund revenue-generating projects. Scenario #4 assumes no secondary impacts of the RTRP to the retail and hotel elements of the Thoroughbred Farm Business Park project, but applies the 5% annual growth factor to the City's police contract costs for the corridor projects. Until Thoroughbred Farm generates significant sales tax and TOT revenues in Year 5 (FY 2020-21), the projects create a significant General Fund operating deficit for the City during the first four years (FY 2016-17 to FY 2019-20). By Year 10 (FY 2025-26), rising police contract costs and a steadily growing service population would partially offset the revenues generated by the Thoroughbred Farm Business Park. Any secondary impacts of the RTRP to Thoroughbred Farm's retail and hotel projects (see Scenario #3) would severely limit the City's financial capacity to fund core public safety services at appropriate levels of service.

TABLE V-H
FISCAL IMPACT ANALYSIS: SCENARIO #4 – RTRP + ANNUAL POLICE CONTRACT COST INCREASES (2015$ EXCEPT POLICE PROTECTION – 5% ANNUAL GROWTH)

	FISCAL YEAR										10-YEAR TOTAL
	1	2	3	4	5	6	7	8	9	10	
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	
GENERAL FUND RECURRING REVENUES											
General Property Tax	27,570	111,391	235,783	355,083	455,969	501,043	528,141	555,239	582,337	596,225	3,948,782
Sales Tax[1]	-	-	82,729	82,729	372,241	1,005,730	1,005,730	1,005,730	1,005,730	1,005,730	5,566,349
Transient Occupancy Tax	-	-	-	-	291,270	291,270	291,270	291,270	291,270	291,270	1,747,620
Property Transfer Tax	813	3,372	7,121	10,776	13,870	15,317	16,187	17,057	17,928	18,373	120,815
Franchise Fees - Utilities	5,183	17,991	39,315	57,519	72,097	78,653	83,260	87,867	92,474	94,835	629,195
Franchise Fees - Solid Waste	2,653	9,210	20,126	29,444	36,907	40,263	42,621	44,980	47,338	48,547	322,088
TOTAL	**36,219**	**141,963**	**385,074**	**535,550**	**1,242,354**	**1,932,277**	**1,967,210**	**2,002,144**	**2,037,077**	**2,054,981**	**12,334,849**
GENERAL FUND RECURRING EXPENDITURES											
General Government & Finance[2]	4,306	14,947	32,664	47,787	59,899	65,346	69,174	73,002	76,829	78,791	522,745
Development Services[3]	6,011	20,866	45,599	66,712	83,620	91,224	96,568	101,911	107,254	109,993	729,758
Police Protection[4]	51,321	187,052	429,201	659,323	867,757	994,000	1,104,833	1,224,265	1,352,877	1,456,790	8,327,419
Animal Services	2,859	8,259	16,295	22,808	28,399	30,940	33,481	36,022	38,563	39,866	257,492
Revenue Neutrality Payments	-	-	-	-	132,514	241,084	322,113	327,804	333,494	336,411	1,693,419
TOTAL	**64,497**	**231,124**	**523,758**	**796,630**	**1,172,189**	**1,422,594**	**1,626,169**	**1,763,003**	**1,909,018**	**2,021,850**	**11,530,834**
SURPLUS / (DEFICIT)	**(28,278)**	**(89,161)**	**(138,685)**	**(261,080)**	**70,165**	**509,682**	**341,041**	**239,141**	**128,059**	**33,130**	**804,016**

[1] Calculated at 1% of taxable sales.
[2] Includes City Council, City Attorney, City Manager, Administration, City Clerk, Finance, and Non-Departmental. Assumes incremental increase of 50% versus 100% per service population.
[3] Includes Development Services/Engineering, Planning, Building & Safety, Code Enforcement, and Engineering/Public Works. Assumes 70% cost recovery from fees.
[4] Includes Police Protection via contract with Riverside County Sheriff; Assumes 49 sworn officers and ratio of 0.44 sworn officers per 1,000 service population (residents plus 50% employees). Fire protection costs for wildland protection omitted.
[5] Pro rata share of revenue neutrality payment to County based on projects' share of City annual property tax and sales tax revenues. Projects' share triggered only when step increases in payments triggered under the Revenue Neutrality Agreement.

VI. SUMMARY

As a newly incorporated City, Jurupa Valley is appropriately investing in economic development activities not to only ensure the future viability and sustainability of the local economy, but also to ensure the fiscal solvency of the City. The loss of VLF-related revenue sources critically shrank the scope of the City's revenue portfolio. With one less major revenue category to rely upon, the City must focus on growing its other revenue sources, particularly property tax, sales tax, and TOT. The development projects planned along the I-15 corridor are crucial, not only because of the breadth of development that would take place, but also because the I-15 corridor presents the greatest opportunities for economic development throughout the entire City. A 100-foot wide no-build-zone along the City's frontage properties along the I-15 freeway would seriously impair the ability of the City and private property owners to leverage the City's greatest economic asset, the I-15 freeway, for the benefit of the local and regional economy, and for the fiscal sustainability of the City.

This E/FIA evaluated future General Fund revenues and expenditures for nine key development projects relying upon assumptions primarily based on today's fiscal and economic conditions. Additional factors that the City and California Pubic Utilities Commission ("CPUC") should consider when reviewing the impacts of the proposed RTRP alignment include:

- **Secondary Impacts from RTRP:** As described above, the potential secondary impacts of the RTRP on the market viability of the adjacent uses, including retail and hotel uses in the Thoroughbred Farm Business Park, could present additional fiscal impacts to the City, reducing sales tax and TOT revenues by $924,759. The RTRP's secondary impacts to the performance of the existing Vernola Marketplace Shopping Center could further reduce General Fund sales tax revenues by $147,365.
- **Rising Public Safety Costs:** Police contract costs have consistently risen on an annual basis for the City and other contract cities in Riverside County. E/FIA Scenarios #1, #2, and #3 held police contract costs constant for simplicity of analysis. However, future increases in contract costs (Scenario #4) will significantly worsen General Fund operating deficits for the projects during the initial years of development.

The City has a potentially small window of time and opportunity in the current market to leverage the I-15 corridor to grow its revenue base and ensure financial and economic resilience. The proposed RTRP alignment would force changes in market conditions that would close that window of opportunity and cripple the City's ability to address its current budget deficit, leading to the depletion of reserves, fiscal insolvency, and potential bankruptcy or disincorporation. Undergrounding the RTRP line along an alternative alignment would preserve the City's window of opportunity and promote greater economic benefits for the region through enhanced job creation.

A P P E N D I X

A. ABSORPTION FORECASTS

B. FORECAST METHODOLOGY

C. REVENUE FORECASTS – CASE STUDY METHODOLOGY

D. EXPENDITURE FORECASTS – CASE STUDY METHODOLOGY

A. ABSORPTION FORECASTS

Residential Absorption

TABLE A-1
Annualized Demand Forecast Based on 2015 Housing Estimate and Housing Projections for 2020 and 2035

Fiscal Year	Projected Housing Units	Annual New Housing Demand
2014-15	26,874	-
2015-16	27,289	415
2016-17	27,704	415
2017-18	28,119	415
2018-19	28,534	415
2019-20	28,949	415
2020-21	29,389	440
2021-22	29,829	440
2022-23	30,269	440
2023-24	30,709	440
2024-25	31,149	440
2025-26	31,589	440
2026-27	32,029	440
2027-28	32,470	440
2028-29	32,910	440
2029-30	33,350	440
2030-31	33,790	440
2031-32	34,230	440
2032-33	34,670	440
2033-34	35,110	440
2034-35	35,550	440

Sources: California Department of Finance; 2013 Progress Report, County of Riverside, Center for Demographic Research

TABLE A-2
2015 Jurupa Valley Businesses & Employment

BUSINESS INDUSTRY (NAICS)	Businesses	Employees	% Total Employees
Industrial			
Utilities	3	92	0.36%
Construction	292	2,498	9.72%
Manufacturing	136	3,174	12.35%
Wholesale Trade	155	2,978	11.59%
Transportation & Warehousing	112	1,380	5.37%
Subtotal	**698**	**10,122**	**39.40%**
Office/Business Park			
Information	37	194	0.76%
Finance & Insurance	89	252	0.98%
Real Estate, Rental & Leasing	117	604	2.35%
Professional, Scientific & Tech Services	126	2,155	8.39%
Management of Companies & Enterprises	1	3	0.01%
Administrative & Support / Waste Management & Remediation Services	114	952	3.71%
Educational Services	44	1,753	6.82%
Health Care & Social Assistance	99	1,701	6.62%
Public Administration	20	576	2.24%
Other Services (except Public Administration)	299	1,445	5.62%
Subtotal	**946**	**9,635**	**37.50%**
Other Industries			
Retail Trade	363	3,358	13.07%
Arts, Entertainment & Recreation	29	567	2.21%
Accommodation & Food Services	141	1,824	7.10%
Agriculture, Forestry, Fishing & Hunting	12	41	0.16%
Mining	4	45	0.18%
Unclassified Establishments	59	101	0.39%
Subtotal	**608**	**5,936**	**23.10%**
ALL INDUSTRIES	**2,252**	**25,693**	**100.00%**

Source: ESRI Business Analyst Online

TABLE A-3
Annualized Demand Forecast Based on 2015 Employment Estimate and Employment Projections for 2020 and 2035

	All Industries	Light Industrial				Business Park			
Fiscal Year	Employment (100%)	Employment (39.4%)	SF per Employee	Total SF	Annual New SF	Employment (37.5%)	SF per Employee	Total SF	Annual New SF
2014-15	25,693	10,123	1,030	10,426,733	-	9,635	600	5,780,925	-
2015-16	27,434	10,809	1,030	11,133,185	706,451	10,288	600	6,172,605	391,680
2016-17	29,175	11,495	1,030	11,839,636	706,451	10,940	600	6,564,285	391,680
2017-18	30,915	12,181	1,030	12,546,088	706,451	11,593	600	6,955,965	391,680
2018-19	32,656	12,867	1,030	13,252,539	706,451	12,246	600	7,347,645	391,680
2019-20	34,397	13,552	1,030	13,958,991	706,451	12,899	600	7,739,325	391,680
2020-21	35,668	14,053	1,030	14,474,788	515,797	13,376	600	8,025,300	285,975
2021-22	36,939	14,554	1,030	14,990,585	515,797	13,852	600	8,311,275	285,975
2022-23	38,210	15,055	1,030	15,506,382	515,797	14,329	600	8,597,250	285,975
2023-24	39,481	15,556	1,030	16,022,179	515,797	14,805	600	8,883,225	285,975
2024-25	40,752	16,056	1,030	16,537,977	515,797	15,282	600	9,169,200	285,975
2025-26	42,023	16,557	1,030	17,053,774	515,797	15,759	600	9,455,175	285,975
2026-27	43,294	17,058	1,030	17,569,571	515,797	16,235	600	9,741,150	285,975
2027-28	44,565	17,559	1,030	18,085,368	515,797	16,712	600	10,027,125	285,975
2028-29	45,836	18,059	1,030	18,601,166	515,797	17,189	600	10,313,100	285,975
2029-30	47,107	18,560	1,030	19,116,963	515,797	17,665	600	10,599,075	285,975
2030-31	48,378	19,061	1,030	19,632,760	515,797	18,142	600	10,885,050	285,975
2031-32	49,649	19,562	1,030	20,148,557	515,797	18,618	600	11,171,025	285,975
2032-33	50,920	20,062	1,030	20,664,354	515,797	19,095	600	11,457,000	285,975
2033-34	52,191	20,563	1,030	21,180,152	515,797	19,572	600	11,742,975	285,975
2034-35	53,466	21,066	1,030	21,697,572	517,421	20,050	600	12,029,850	286,875

Sources: ESRI Business Analyst Online; 2013 Progress Report, County of Riverside, Center for Demographic Research

EXHIBIT A-1
Retail Trade Area: 10-Minute Drive-time from Sky Country Retail Center Site (11967 Bellegrave Avenue)

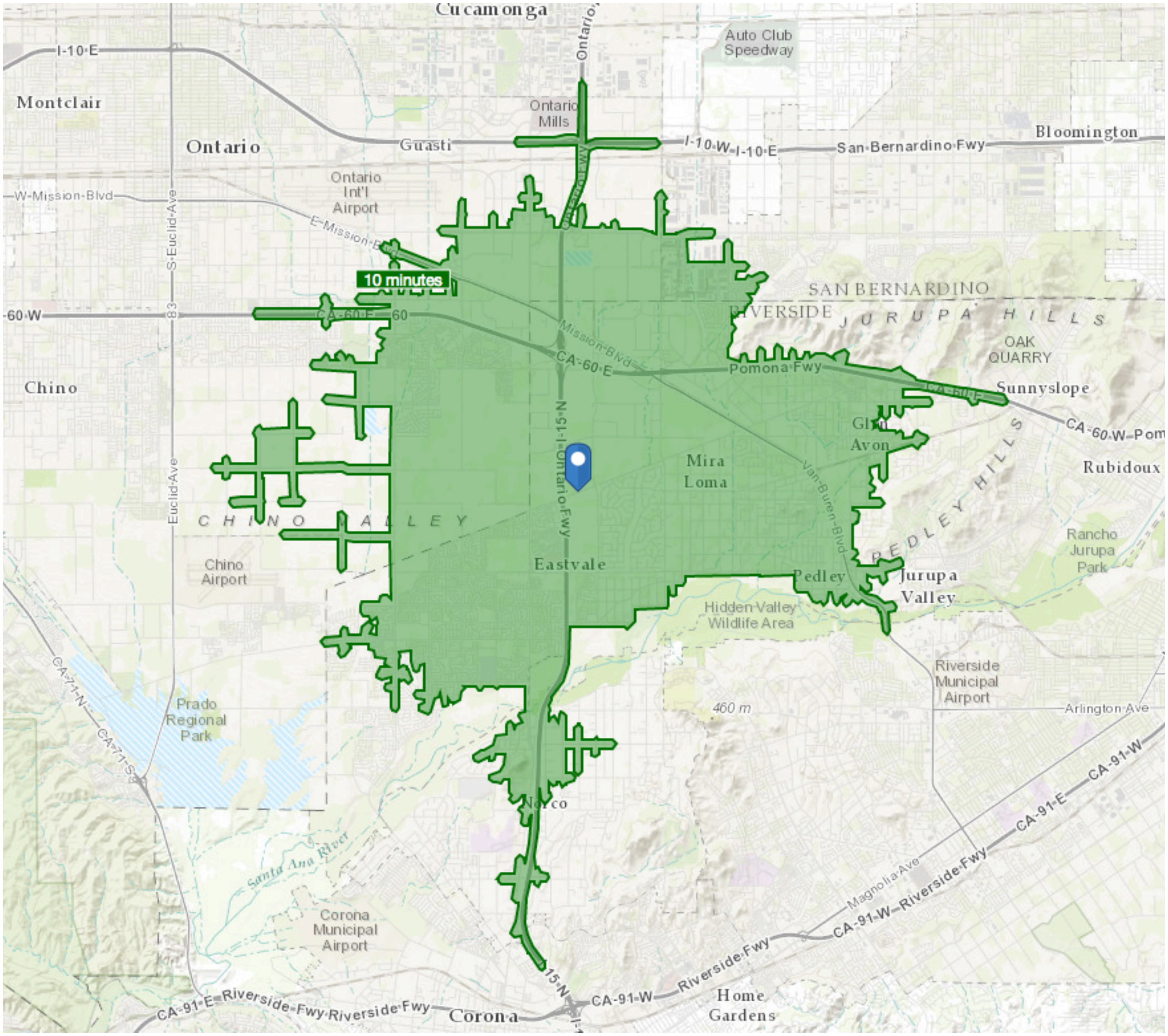


TABLE A-4
2015 Retail Demand (Leakage) Based on 10-Minute Drive-time Trade Area

esri

Retail MarketPlace Profile

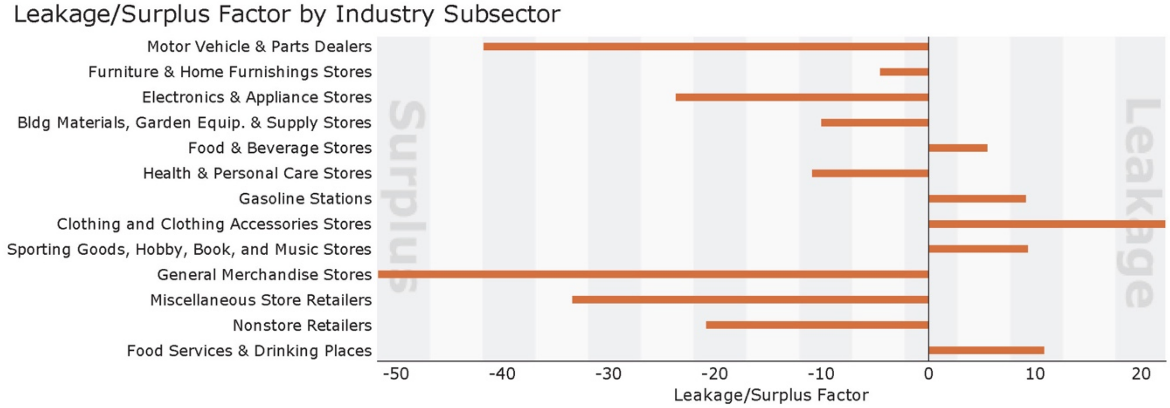
11967 Bellegrave Ave, Jurupa Valley, California, 91752
Drive Time: 10 minute radius

Prepared by Esri
Latitude: 33.99258
Longitude: -117.54548

Summary Demographics	
2015 Population	112,427
2015 Households	29,382
2015 Median Disposable Income	$60,179
2015 Per Capita Income	$23,516

Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Furniture Stores	4421	$12,908,802	$6,993,779	$5,915,023	29.7	11
Food & Beverage Stores	445	$173,953,064	$155,219,647	$18,733,417	5.7	79
Grocery Stores	4451	$157,146,175	$138,241,873	$18,904,302	6.4	40
Specialty Food Stores	4452	$6,555,207	$3,322,869	$3,232,338	32.7	28
Gasoline Stations	447,4471	$85,134,190	$70,650,296	$14,483,894	9.3	10
Clothing & Clothing Accessories Stores	448	$69,367,217	$43,994,340	$25,372,877	22.4	60
Clothing Stores	4481	$51,718,142	$22,442,847	$29,275,295	39.5	43
Jewelry, Luggage & Leather Goods Stores	4483	$9,615,978	$4,051,931	$5,564,047	40.7	9
Sporting Goods, Hobby, Book & Music Stores	451	$23,667,787	$19,578,641	$4,089,146	9.5	33
Sporting Goods/Hobby/Musical Instr Stores	4511	$18,823,817	$18,211,468	$612,349	1.7	26
Book, Periodical & Music Stores	4512	$4,843,970	$1,367,172	$3,476,798	56.0	7
Florists	4531	$1,491,741	$386,670	$1,105,071	58.8	5
Food Services & Drinking Places	722	$113,809,802	$91,212,277	$22,597,525	11.0	104
Full-Service Restaurants	7221	$53,791,447	$36,347,767	$17,443,680	19.4	36
TOTAL - ALL INDUSTRIES		**$782,827,339**	**$782,827,339**	**$170,805,762**		**491**

Leakage/Surplus Factor by Industry Subsector



Data Note: Supply (retail sales) estimates sales to consumers by establishments. Sales to businesses are excluded. Demand (retail potential) estimates the expected amount spent by consumers at retail establishments. Supply and demand estimates are in current dollars. The Leakage/Surplus Factor presents a snapshot of retail opportunity. This is a measure of the relationship between supply and demand that ranges from +100 (total leakage) to -100 (total surplus). A positive value represents 'leakage' of retail opportunity outside the trade area. A negative value represents a surplus of retail sales, a market where customers are drawn in from outside the trade area. The Retail Gap represents the difference between Retail Potential and Retail Sales. Esri uses the North American Industry Classification System (NAICS) to classify businesses by their primary type of economic activity. Retail establishments are classified into 27 industry groups in the Retail Trade sector, as well as four industry groups within the Food Services & Drinking Establishments subsector. For more information on the Retail MarketPlace data, please view the methodology statement at

Source: Esri and Dun & Bradstreet.

TABLE A-5
2015 Retail Space Demand/Potential Based on Retail Leakage in 10-Minute Drive-time Trade Area

Retail Gap (Leakage)	$	170,805,762
Average Taxable Sales per SF[1]	$	313
Retail Space SF Demand/Potential		**546,321 SF**

[1] Calculated based on estimated taxable sales and retail SF from Sky Country Retail Center and Thoroughbred Farm Business Park, adjusted to exclude movie theater and fitness center taxable sales and SF.

B. FORECAST METHODOLOGY

TABLE B-1 – ANNUAL REVENUE & EXPENDITURE FORECASTING METHODOLOGY

	ADOPTED BUDGET	RTRP STUDY AREA PROJECTIONS				SCENARIO #1: NO RTRP		SCENARIO #2: RTRP		SCENARIO #3: RTRP WITH SECONDARY IMPACTS		SCENARIO #4: RTRP WITH POLICE COST INCREASES	
	FY 2015-16	Methodology	Allocation	Service Population	Revenue / Cost Factor	Buildout Service Population	Annual Revenues / Expenditures @ Build-out	Buildout Service Population	Annual Revenues / Expenditures @ Build-out	Buildout Service Population	Annual Revenues / Expenditures @ Build-out	Buildout Service Population	Annual Revenues / Expenditures @ Build-out
GENERAL FUND RECURRING REVENUES													
General Property Tax	$ 5,789,480	Case Study - Build-out Projection	100%				$ 746,184		$ 596,225		$ 601,057		$ 596,225
Sales Tax[3]	9,331,395	Case Study - Build-out Projection	100%				1,438,356		1,005,730		82,729		1,005,730
Transient Occupancy Tax	165,000	Case Study - Build-out Projection	100%				582,540		291,270		-		291,270
Property Transfer Tax	250,000	Case Study - Historical Turnover Rate	100%				22,802		18,373		18,529		18,373
Franchise Fees - Utilities	1,680,000	Per Capita 100% Residents + 50% Employees	100%	111,733	$ 15.04	7,688	115,599	6,307	94,835	6,481	97,454	6,307	94,835
Franchise Fees - Solid Waste	860,000	Per Capita 100% Residents + 50% Employees	100%	111,733	$ 7.70	7,688	59,176	6,307	48,547	6,481	49,887	6,307	48,547
TOTAL							**$ 2,964,658**		**$ 2,054,981**		**$ 849,656**		**$ 2,054,981**
GENERAL FUND RECURRING EXPENDITURES													
General Government & Finance[4]	$ 2,791,541	Per Capita 100% Residents + 50% Employees	50%	111,733	$ 12.49	7,688	$ 96,042	6,307	$ 78,791	6,481	$ 80,966	6,307	$ 78,791
Development Services[5]	6,495,039	Per Capita 100% Residents + 50% Employees	30%	111,733	$ 17.44	7,688	134,075	6,307	109,993	6,481	113,030	6,307	109,993
Police Protection[6]	15,855,697	Case Study - Officer to service population ratio; Average cost per additional sworn officer	100%	111,733			1,090,156		894,343		919,037		1,456,790
Animal Services	820,124	Per Capita 100% Residents	100%	98,885	$ 8.29	5,896	48,903	4,807	39,866	4,807	39,866	4,807	39,866
Revenue Neutrality Payments	190,000	Case Study - Project pro rata share of total revenue neutrality payment when project triggers increase in payment	100%				459,397		336,411		109,406		336,411
TOTAL							**$ 1,828,574**		**$ 1,459,403**		**$ 1,262,305**		**$ 2,021,850**
					SURPLUS / (DEFICIT)		**$ 1,136,084**		**$ 595,578**		**$ (412,649)**		**$ 33,130**

[1] 2015 Population = 98,885 per DOF; 2015 Employment = 25,695 per ESRI Business Analyst Online.

[2] Calculated at 1% of taxable sales.

[3] Includes City Council, City Attorney, City Manager, Administration, City Clerk, Finance, and Non-Departmental. Assumes incremental increase of 50% versus 100% per capita service population.

[4] Includes Development Services/Engineering, Planning, Building & Safety, Code Enforcement, and Engineering/Public Works. Assumes 70% cost recovery from fees.

[5] Includes Police Protection via contract with Riverside County Sheriff; Assumes 49 sworn officers and ratio of 0.50 sworn officers per 1,000 residents. Fire protection costs for wildland

Residential Property Tax Revenue Projections

TABLE C-1 – SCENARIO #1: NO RTRP (2015$)
10-Year Residential Build-out Projections with No RTRP

RESIDENTIAL ABSORPTION			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**STATUS**	**UNITS**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Harmony Trails	Tract Map	176	0	50	50	50	26	0	0	0	0	0	176
Turnleaf	Construction	111	40	40	31	0	0	0	0	0	0	0	111
Vernola West	Zoned	516	0	0	0	50	85	85	85	85	85	41	516
Vernola Apartments	Fully Entitled	397	0	0	135	135	127	0	0	0	0	0	397
Riverbend	Mass Grading / Utilities	466	50	85	85	85	85	76	0	0	0	0	466
ANNUAL NEW UNITS		**1,666**	**90**	**175**	**301**	**320**	**323**	**161**	**85**	**85**	**85**	**41**	**1,666**
	Max. Annual Absorption		*415*	*415*	*415*	*415*	*440*	*440*	*440*	*440*	*440*	*440*	
CUMULATIVE NEW UNITS			90	265	566	886	1,209	1,370	1,455	1,540	1,625	1,666	

NEW RESIDENTIAL ASSESSED VALUE			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**STATUS**	**AV PER DU**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Harmony Trails	Tract Map	$ 446,719	$ -	$ 22,335,950	$ 22,335,950	$ 22,335,950	$ 11,614,694	$ -	$ -	$ -	$ -	$ -	$ 78,622,544
Turnleaf	Construction	531,657	21,266,280	21,266,280	16,481,367	-	-	-	-	-	-	-	59,013,927
Vernola West	Zoned	565,000	-	-	-	28,250,000	48,025,000	48,025,000	48,025,000	48,025,000	48,025,000	23,165,000	291,540,000
Vernola Apartments	Fully Entitled	280,000	-	-	37,800,000	37,800,000	35,560,000	-	-	-	-	-	111,160,000
Riverbend	Mass Grading / Utilities	516,239	25,811,950	43,880,315	43,880,315	43,880,315	43,880,315	39,234,164	-	-	-	-	240,567,374
ANNUAL NEW ASSESSED VALUE			**$ 47,078,230**	**$ 87,482,545**	**$ 120,497,632**	**$ 132,266,265**	**$ 139,080,009**	**$ 87,259,164**	**$ 48,025,000**	**$ 48,025,000**	**$ 48,025,000**	**$ 23,165,000**	**$ 780,903,845**
CUMULATIVE NEW ASSESSED VALUE			**$ 47,078,230**	**$ 134,560,775**	**$ 255,058,407**	**$ 387,324,672**	**$ 526,404,681**	**$ 613,663,845**	**$ 661,688,845**	**$ 709,713,845**	**$ 757,738,845**	**$ 780,903,845**	

NEW RESIDENTIAL PROPERTY TAX REVENUES			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**STATUS**	**CITY SHARE**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Harmony Trails	Tract Map	0.05995154	$ -	$ 13,391	$ 13,391	$ 13,391	$ 6,963	$ -	$ -	$ -	$ -	$ -	$ 47,135
Turnleaf	Construction	0.05995154	12,749	12,749	9,881	-	-	-	-	-	-	-	35,380
Vernola West	Zoned	0.05995154	-	-	-	16,936	28,792	28,792	28,792	28,792	28,792	13,888	174,783
Vernola Apartments	Fully Entitled	0.07044153	-	-	26,627	26,627	25,049	-	-	-	-	-	78,303
Riverbend	Mass Grading / Utilities	0.07044153	18,182	30,910	30,910	30,910	30,910	27,637	-	-	-	-	169,459
ANNUAL NEW PROPERTY TAX REVENUE			**$ 30,932**	**$ 57,050**	**$ 80,808**	**$ 87,864**	**$ 91,714**	**$ 56,429**	**$ 28,792**	**$ 28,792**	**$ 28,792**	**$ 13,888**	**$ 505,060**
CUMULATIVE NEW PROPERTY TAX REVENUE			**$ 30,932**	**$ 87,982**	**$ 168,790**	**$ 256,654**	**$ 348,368**	**$ 404,797**	**$ 433,589**	**$ 462,381**	**$ 491,172**	**$ 505,060**	

TABLE C-2 – SCENARIOS #2 & #3: RTRP (2015$)
10-Year Residential Build-out Projections with RTRP

RESIDENTIAL ABSORPTION

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**STATUS**	**UNITS**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Harmony Trails	Tract Map	176	0	50	50	50	26	0	0	0	0	0	176
Turnleaf	Construction	111	40	40	31	0	0	0	0	0	0	0	111
Vernola West	Zoned	484	0	0	0	43	80	80	80	80	80	41	484
Vernola Apartments	Fully Entitled	182	0	0	135	47	0	0	0	0	0	0	182
Riverbend	Mass Grading / Utilities	360	50	80	80	80	70	0	0	0	0	0	360
ANNUAL NEW UNITS		**1,313**	**90**	**170**	**296**	**220**	**176**	**80**	**80**	**80**	**80**	**41**	**1,313**
	Max. Annual Absorption		*415*	*415*	*415*	*415*	*440*	*440*	*440*	*440*	*440*	*440*	
CUMULATIVE NEW UNITS			90	260	556	776	952	1,032	1,112	1,192	1,272	1,313	

NEW RESIDENTIAL ASSESSED VALUE

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**STATUS**	**AV PER DU**[1]	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Harmony Trails	Tract Map	$ 446,719	$ -	$ 18,538,839	$ 19,450,145	$ 22,335,950	$ 11,614,694	$ -	$ -	$ -	$ -	$ -	$ 71,939,628
Turnleaf	Construction	531,657	20,814,372	21,266,280	16,481,367	-	-	-	-	-	-	-	58,562,019
Vernola West	Zoned	565,000	-	-	-	20,164,850	37,516,000	44,719,750	45,200,000	45,200,000	45,200,000	23,165,000	261,165,600
Vernola Apartments	Fully Entitled	280,000	-	-	31,374,000	10,922,800	-	-	-	-	-	-	42,296,800
Riverbend	Mass Grading / Utilities	516,239	21,423,919	39,368,386	41,299,120	41,299,120	36,136,730	-	-	-	-	-	179,527,275
ANNUAL NEW ASSESSED VALUE			**$ 42,238,290**	**$ 79,173,505**	**$ 108,604,632**	**$ 94,722,720**	**$ 85,267,424**	**$ 44,719,750**	**$ 45,200,000**	**$ 45,200,000**	**$ 45,200,000**	**$ 23,165,000**	**$ 613,491,321**
CUMULATIVE NEW ASSESSED VALUE			**$ 42,238,290**	**$ 121,411,795**	**$ 230,016,427**	**$ 324,739,147**	**$ 410,006,571**	**$ 454,726,321**	**$ 499,926,321**	**$ 545,126,321**	**$ 590,326,321**	**$ 613,491,321**	

[1] AV per DU reduced by 17% for indirectly impacted housing units.

NEW RESIDENTIAL PROPERTY TAX REVENUES

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**STATUS**	**CITY SHARE**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Harmony Trails	Tract Map	0.05995154	$ -	$ 11,114	$ 11,661	$ 13,391	$ 6,963	$ -	$ -	$ -	$ -	$ -	$ 43,129
Turnleaf	Construction	0.05995154	12,479	12,749	9,881	-	-	-	-	-	-	-	35,109
Vernola West	Zoned	0.05995154	-	-	-	12,089	22,491	26,810	27,098	27,098	27,098	13,888	156,573
Vernola Apartments	Fully Entitled	0.07044153	-	-	22,100	7,694	-	-	-	-	-	-	29,795
Riverbend	Mass Grading / Utilities	0.07044153	15,091	27,732	29,092	29,092	25,455	-	-	-	-	-	126,462
ANNUAL NEW PROPERTY TAX REVENUE			**$ 27,570**	**$ 51,595**	**$ 72,734**	**$ 62,266**	**$ 54,910**	**$ 26,810**	**$ 27,098**	**$ 27,098**	**$ 27,098**	**$ 13,888**	**$ 391,067**
CUMULATIVE NEW PROPERTY TAX REVENUE			**$ 27,570**	**$ 79,165**	**$ 151,899**	**$ 214,165**	**$ 269,075**	**$ 295,885**	**$ 322,983**	**$ 350,081**	**$ 377,179**	**$ 391,067**	

TABLE C-3 – SCENARIO #1: NO RTRP (2015$)
10-Year Commercial/Industrial Build-out Projections with No RTRP

LIGHT INDUSTRIAL/BUSINESS PARK/RETAIL ABSORPTION			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**LAND USE**	**SF**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm Business Park	Light Industrial	917,592		530,150	180,806	206,636							917,592
	Business Park	598,504			264,002	334,502							598,504
	Commercial/Retail	129,635						129,635					129,635
	Tourist/Commercial	112,211					112,211						112,211
I-15 Corridor: Sky Country Industrial	Light Industrial	363,384				181,692	181,692						363,384
I-15 Corridor: Sky Country Retail Center	Commercial/Retail	289,560			144,780	144,780							289,560
	Hotel	60,984				60,984							60,984
Vernola Industrial Park	Industrial Park	162,323					162,323						162,323
ANNUAL NEW SF		**2,634,192**	**0**	**530,150**	**589,588**	**928,594**	**456,226**	**129,635**	**0**	**0**	**0**	**0**	**2,634,192**
Industrial	*Est. Annual Absorption*		*0*	*530,150*	*180,806*	*388,328*	*344,015*	*0*	*0*	*0*	*0*	*0*	*1,443,299*
	Max. Annual Absorption		*706,451*	*706,451*	*706,451*	*706,451*	*515,797*	*515,797*	*515,797*	*515,797*	*515,797*	*515,797*	
Business Park	*Est. Annual Absorption*		*0*	*0*	*264,002*	*334,502*	*0*	*0*	*0*	*0*	*0*	*0*	*598,504*
	Max. Annual Absorption		*391,680*	*391,680*	*391,680*	*391,680*	*285,975*	*285,975*	*285,975*	*285,975*	*285,975*	*285,975*	
Commercial	*Est. Annual Absorption*		*0*	*0*	*144,780*	*144,780*	*112,211*	*129,635*	*0*	*0*	*0*	*0*	*531,406*
	Cumulative Retail Potential		*546,321*	*546,321*	*546,321*	*401,541*	*256,761*	*144,550*	*14,915*	*14,915*	*14,915*	*14,915*	
CUMULATIVE NEW COMMERCIAL-INDUSTRIAL SF			0	530,150	1,119,738	2,048,332	2,504,557	2,634,192	2,634,192	2,634,192	2,634,192	2,634,192	

NEW COMMERCIAL-INDUSTRIAL ASSESSED VALUE			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**LAND USE**	**AV PER SF**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm	Light Industrial	$ 130	$ -	$ 68,919,500	$ 23,504,780	$ 26,862,680	$ -	$ -	$ -	$ -	$ -	$ -	$ 119,286,960
	Business Park	130	-	-	34,320,260	43,485,260	-	-	-	-	-	-	77,805,520
	Commercial/Retail	235	-	-	-	-	-	30,464,225	-	-	-	-	30,464,225
	Tourist/Commercial	235	-	-	-	-	26,371,640	-	-	-	-	-	26,371,640
I-15 Corridor: Sky Country Industrial	Light Industrial	130	-	-	-	23,619,959	23,619,959	-	-	-	-	-	47,239,918
I-15 Corridor: Sky Country Retail Center	Commercial/Retail	235	-	-	34,023,264	34,023,264	-	-	-	-	-	-	68,046,528
	Hotel	$ Per Room	-	-	-	13,300,000	-	-	-	-	-	-	13,300,000
Vernola Industrial	Industrial Park	130	-	-	-	-	21,101,942	-	-	-	-	-	21,101,942
ANNUAL NEW ASSESSED VALUE			**$ -**	**$ 68,919,500**	**$ 91,848,304**	**$ 141,291,163**	**$ 71,093,542**	**$ 30,464,225**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 403,616,734**
CUMULATIVE NEW ASSESSED VALUE			**$ -**	**$ 68,919,500**	**$ 160,767,804**	**$ 302,058,967**	**$ 373,152,509**	**$ 403,616,734**	**$ 403,616,734**	**$ 403,616,734**	**$ 403,616,734**	**$ 403,616,734**	

NEW COMMERCIAL-INDUSTRIAL PROPERTY TAX REVENUES			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**LAND USE**	**CITY SHARE**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm	Light Industrial	0.05995154	$ -	$ 41,318	$ 14,091	$ 16,105	$ -	$ -	$ -	$ -	$ -	$ -	$ 71,514
	Business Park	0.05995154	-	-	20,576	26,070	-	-	-	-	-	-	46,646
	Commercial/Retail	0.05995154	-	-	-	-	-	18,264	-	-	-	-	18,264
	Tourist/Commercial	0.05995154	-	-	-	-	15,810	-	-	-	-	-	15,810
I-15 Corridor: Sky Country Industrial	Light Industrial	0.05995154	-	-	-	14,161	14,161	-	-	-	-	-	28,321
I-15 Corridor: Sky Country Retail Center	Commercial/Retail	0.05995154	-	-	20,397	20,397	-	-	-	-	-	-	40,795
	Hotel	0.05995154	-	-	-	7,974	-	-	-	-	-	-	7,974
Vernola Industrial	Industrial Park	0.07044153	-	-	-	-	14,865	-	-	-	-	-	14,865
ANNUAL NEW PROPERTY TAX REVENUES			**$ -**	**$ 41,318**	**$ 55,064**	**$ 84,706**	**$ 44,835**	**$ 18,264**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 244,188**
CUMULATIVE NEW PROPERTY TAX REVENUES			**$ -**	**$ 41,318**	**$ 96,383**	**$ 181,089**	**$ 225,924**	**$ 244,188**	**$ 244,188**	**$ 244,188**	**$ 244,188**	**$ 244,188**	

TABLE C-4 – SCENARIO #2: RTRP (2015$)
10-Year Commercial/Industrial Build-out Projections with RTRP

LIGHT INDUSTRIAL/BUSINESS PARK/RETAIL ABSORPTION

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**LAND USE**	**SF**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm Business Park	Light Industrial	800,925		413,483	180,806	206,636							800,925
	Business Park	540,171			338,490	201,681							540,171
	Commercial/Retail	129,635						129,635					129,635
	Tourist/Commercial	47,600					112,211						112,211
I-15 Corridor: Sky Country Industrial	Light Industrial	646,960				323,480	323,480						646,960
I-15 Corridor: Sky Country Retail	Commercial/Retail	79,400			79,400								79,400
Vernola Industrial Park	Industrial Park	54,108					54,108						54,108
ANNUAL NEW SF		**2,298,798**	**0**	**413,483**	**598,696**	**731,797**	**489,798**	**129,635**	**0**	**0**	**0**	**0**	**2,363,409**
Industrial	*Est. Annual Absorption*		*0*	*413,483*	*180,806*	*530,116*	*377,587*	*0*	*0*	*0*	*0*	*0*	*1,501,992*
	Max. Annual Absorption		*706,451*	*706,451*	*706,451*	*706,451*	*515,797*	*515,797*	*515,797*	*515,797*	*515,797*	*515,797*	
Business Park	*Est. Annual Absorption*		*0*	*0*	*338,490*	*201,681*	*0*	*0*	*0*	*0*	*0*	*0*	*540,171*
	Max. Annual Absorption		*391,680*	*391,680*	*391,680*	*391,680*	*285,975*	*285,975*	*285,975*	*285,975*	*285,975*	*285,975*	
Commercial	*Est. Annual Absorption*		*0*	*0*	*79,400*	*0*	*112,211*	*129,635*	*0*	*0*	*0*	*0*	*321,246*
	Cumulative Retail Potential		*546,321*	*546,321*	*546,321*	*466,921*	*466,921*	*354,710*	*225,075*	*225,075*	*225,075*	*225,075*	
CUMULATIVE NEW COMMERCIAL-INDUSTRIAL SF			0	413,483	1,012,179	1,743,976	2,233,774	2,363,409	2,363,409	2,363,409	2,363,409	2,363,409	

NEW COMMERCIAL-INDUSTRIAL ASSESSED VALUE

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**LAND USE**	**AV PER SF**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm	Light Industrial	$ 130	$ -	$ 53,752,790	$ 23,504,780	$ 26,862,680	$ -	$ -	$ -	$ -	$ -	$ -	$ 104,120,250
	Business Park	130	-	-	44,003,700	26,218,530	-	-	-	-	-	-	70,222,230
	Commercial/Retail	235	-	-	-	-	-	30,464,225	-	-	-	-	30,464,225
	Tourist/Commercial	235	-	-	-	-	26,371,640	-	-	-	-	-	26,371,640
I-15 Corridor: Sky Country Industrial	Light Industrial	130	-	-	-	42,052,373	42,052,373	-	-	-	-	-	84,104,746
I-15 Corridor: Sky Country Retail	Commercial/Retail	235	-	-	18,659,000	-	-	-	-	-	-	-	18,659,000
Vernola Industrial	Industrial Park	130	-	-	-	-	7,033,981	-	-	-	-	-	7,033,981
ANNUAL NEW ASSESSED VALUE			**$ -**	**$ 53,752,790**	**$ 86,167,480**	**$ 95,133,583**	**$ 75,457,994**	**$ 30,464,225**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 340,976,072**
CUMULATIVE NEW ASSESSED VALUE			**$ -**	**$ 53,752,790**	**$ 139,920,270**	**$ 235,053,853**	**$ 310,511,847**	**$ 340,976,072**	**$ 340,976,072**	**$ 340,976,072**	**$ 340,976,072**	**$ 340,976,072**	

NEW COMMERCIAL-INDUSTRIAL PROPERTY TAX REVENUES

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**LAND USE**	**CITY SHARE**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm	Light Industrial	0.05995154	$ -	$ 32,226	$ 14,091	$ 16,105	$ -	$ -	$ -	$ -	$ -	$ -	$ 62,422
	Business Park	0.05995154	-	-	26,381	15,718	-	-	-	-	-	-	42,099
	Commercial/Retail	0.05995154	-	-	-	-	-	18,264	-	-	-	-	18,264
	Tourist/Commercial	0.05995154	-	-	-	-	15,810	-	-	-	-	-	15,810
I-15 Corridor: Sky Country Industrial	Light Industrial	0.05995154	-	-	-	25,211	25,211	-	-	-	-	-	50,422
I-15 Corridor: Sky Country Retail	Commercial/Retail	0.05995154	-	-	11,186	-	-	-	-	-	-	-	11,186
Vernola Industrial	Industrial Park	0.07044153	-	-	-	-	4,955	-	-	-	-	-	4,955
ANNUAL NEW PROPERTY TAX REVENUES			**$ -**	**$ 32,226**	**$ 51,659**	**$ 57,034**	**$ 45,976**	**$ 18,264**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 205,158**
CUMULATIVE NEW PROPERTY TAX REVENUES			**$ -**	**$ 32,226**	**$ 83,884**	**$ 140,918**	**$ 186,894**	**$ 205,158**	**$ 205,158**	**$ 205,158**	**$ 205,158**	**$ 205,158**	

TABLE C-5 – SCENARIO #3: RTRP WITH SECONDARY IMPACTS TO THOROUGHBRED FARM BUSINESS PARK (2015$)
10-Year Commercial/Industrial Build-out Projections with RTRP and Secondary Impacts

LIGHT INDUSTRIAL/BUSINESS PARK/RETAIL ABSORPTION

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**LAND USE**	**SF**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm Business Park	Light Industrial	800,925		413,483	180,806	206,636							800,925
	Business Park	540,171			338,490	201,681							540,171
	Business Park	300,564					150,282	150,282					300,564
	Business Park	198,634				112,385	86,249						198,634
I-15 Corridor: Sky Country Industrial	Light Industrial	646,960				323,480	323,480						646,960
I-15 Corridor: Sky Country Retail	Commercial/Retail	79,400			79,400								79,400
Vernola Industrial Park	Industrial Park	54,108					54,108						54,108
ANNUAL NEW SF		**2,620,761**	**0**	**413,483**	**598,696**	**844,182**	**614,118**	**150,282**	**0**	**0**	**0**	**0**	**2,620,761**
Industrial	*Est. Annual Absorption*		*0*	*413,483*	*180,806*	*530,116*	*377,587*	*0*	*0*	*0*	*0*	*0*	*1,501,992*
	Max. Annual Absorption		*706,451*	*706,451*	*706,451*	*706,451*	*515,797*	*515,797*	*515,797*	*515,797*	*515,797*	*515,797*	
Business Park	*Est. Annual Absorption*		*0*	*0*	*338,490*	*314,066*	*236,531*	*150,282*	*0*	*0*	*0*	*0*	*1,039,369*
	Max. Annual Absorption		*391,680*	*391,680*	*391,680*	*391,680*	*285,975*	*285,975*	*285,975*	*285,975*	*285,975*	*285,975*	
Commercial	*Est. Annual Absorption*		*0*	*0*	*79,400*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*79,400*
	Cumulative Retail Potential		*546,321*	*546,321*	*546,321*	*466,921*	*466,921*	*466,921*	*466,921*	*466,921*	*466,921*	*466,921*	
CUMULATIVE NEW COMMERCIAL-INDUSTRIAL SF			0	413,483	1,012,179	1,856,361	2,470,479	2,620,761	2,620,761	2,620,761	2,620,761	2,620,761	

NEW COMMERCIAL-INDUSTRIAL ASSESSED VALUE

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**LAND USE**	**AV PER SF**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm	Light Industrial	$ 130	$ -	$ 53,752,790	$ 23,504,780	$ 26,862,680	$ -	$ -	$ -	$ -	$ -	$ -	$ 104,120,250
	Business Park	130	-	-	44,003,700	26,218,530	-	-	-	-	-	-	70,222,230
	Business Park	130	-	-	-	-	19,536,660	19,536,660	-	-	-	-	39,073,320
	Business Park	130	-	-	-	14,610,024	11,212,344	-	-	-	-	-	25,822,368
I-15 Corridor: Sky Country Industrial	Light Industrial	130	-	-	-	42,052,373	42,052,373	-	-	-	-	-	84,104,746
I-15 Corridor: Sky Country Retail	Commercial/Retail	235	-	-	18,659,000	-	-	-	-	-	-	-	18,659,000
Vernola Industrial	Industrial Park	130	-	-	-	-	7,033,981	-	-	-	-	-	7,033,981
ANNUAL NEW ASSESSED VALUE			**$ -**	**$ 53,752,790**	**$ 86,167,480**	**$ 109,743,607**	**$ 79,835,358**	**$ 19,536,660**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 349,035,895**
CUMULATIVE NEW ASSESSED VALUE			**$ -**	**$ 53,752,790**	**$ 139,920,270**	**$ 249,663,877**	**$ 329,499,235**	**$ 349,035,895**	**$ 349,035,895**	**$ 349,035,895**	**$ 349,035,895**	**$ 349,035,895**	

NEW COMMERCIAL-INDUSTRIAL PROPERTY TAX REVENUES

			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	**LAND USE**	**CITY SHARE**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm	Light Industrial	0.05995154	$ -	$ 32,226	$ 14,091	$ 16,105	$ -	$ -	$ -	$ -	$ -	$ -	$ 62,422
	Business Park	0.05995154	-	-	26,381	15,718	-	-	-	-	-	-	42,099
	Business Park	0.05995154	-	-	-	-	11,713	11,713	-	-	-	-	23,425
	Business Park	0.05995154	-	-	-	8,759	6,722	-	-	-	-	-	15,481
I-15 Corridor: Sky Country Industrial	Light Industrial	0.05995154	-	-	-	25,211	25,211	-	-	-	-	-	50,422
I-15 Corridor: Sky Country Retail	Commercial/Retail	0.05995154	-	-	11,186	-	-	-	-	-	-	-	11,186
Vernola Industrial	Industrial Park	0.07044153	-	-	-	-	4,955	-	-	-	-	-	4,955
ANNUAL NEW PROPERTY TAX REVENUES			**$ -**	**$ 32,226**	**$ 51,659**	**$ 65,793**	**$ 48,600**	**$ 11,713**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 209,990**
CUMULATIVE NEW PROPERTY TAX REVENUES			**$ -**	**$ 32,226**	**$ 83,884**	**$ 149,677**	**$ 198,278**	**$ 209,990**	**$ 209,990**	**$ 209,990**	**$ 209,990**	**$ 209,990**	

TABLE C-6 – SCENARIO #1: NO RTRP (2015$)

I-15 Corridor: Sky Country Retail Center Tenant Mix

Use / Store Type	Example Stores	Gross Leasable Area (SF)	Est. Taxable Sales per SF	Total Est. Annual Taxable Sales	Annual Sales Tax Revenue
Sporting Goods	Dick's, Sports Authority	45,000	$ 90	$ 4,050,000	$ 40,500
Apparel	Old Navy, Forever 21	20,000	175	3,500,000	35,000
Apparel - Off Price	Stein Mart, Burlington Coat Factory	40,000	125	5,000,000	50,000
Apparel - Off Price	Anna's Linens, Avenue	6,000	135	810,000	8,100
Warehouse-Home Improvement/ Shoes	OSH, DSW	30,000	170	5,100,000	51,000
Specialty Market	Aldi, Grocery Outlet, Sprouts	20,000	100	2,000,000	20,000
Mattress/Bedding	Sit & Sleep, Sleep Train	5,000	400	2,000,000	20,000
Tire/Automotive	Les Schwab, Big O	7,000	360	2,520,000	25,200
Theater	Krikorian, Regency	60,000	25	1,500,000	15,000
Health & Fitness	Crunch Fitness, Planet Fitness	24,000	17	408,000	4,080
Fuel & C-Store	Arco AM/PM, Chevron, Shell	4,000	1,750	7,000,000	70,000
Coffee House	Starbucks, Coffee Bean & Tea Leaf, Dunkin' Donuts	2,200	95	209,000	2,090
Restaurant - Casual Dining	BJ's, Red Robin	7,000	715	5,005,000	50,050
Restaurant - Casual Dining	Islands, Chili's	6,000	585	3,510,000	35,100
Restaurant - Fast Casual - Mexican	Café Rio, Miguel's	3,000	770	2,310,000	23,100
Restaurant - Fast Casual - Burger	Smash Burger, Grub Burger Lounge	3,000	670	2,010,000	20,100
Restaurant - Fast Casual - Pizza	Pieology, Pizza Studio	3,000	733	2,197,500	21,975
Restaurant - Quick Service - Sandwich	Firehouse Subs, Jimmy John's	1,500	470	705,000	7,050
Restaurant - Quick Service w/ Drive-Thru	Chick Fil-A, Jack-in-the-Box	2,700	630	1,701,000	17,010
	TOTAL	**289,400**		**$ 51,535,500**	**$ 515,355**

Thoroughbred Farm Business Park Tenant Mix

Planning Area	Use / Store Type	Example Stores	Gross Leasable Area (SF)	Est. Taxable Sales per SF	Total Est. Annual Taxable Sales	Annual Sales Tax Revenue
7	Drug Store / Pharmacy	Walgreens, CVS	14,500	$ 173	$ 2,501,250	$ 25,013
	Fuel & C-Store	Arco AM/PM, Chevron, Shell	4,000	1,750	7,000,000	70,000
	Restaurant - Casual Dining	BJ's, Red Robin	7,000	715	5,005,000	50,050
	Restaurant - Fast Casual - Mexican	Café Rio, Miguel's	3,000	770	2,310,000	23,100
	Restaurant -Fast Casual	Panera Bread, Smash Burger	3,000	733	2,197,500	21,975
	Restaurant - Fast Casual - Pizza	Pieology, Pizza Studio	3,000	733	2,197,500	21,975
	Coffee House	Starbucks, Coffee Bean & Tea Leaf, Dunkin' Donuts	1,100	200	220,000	2,200
		Subtotal	**35,600**		**$ 21,431,250**	**$ 214,313**
8	100-room Limited Service Hotel	Holiday Inn Express, Best Western, Extended Stay	50,000	$ 10	$ 500,000	$ 5,000
	Restaurant - Casual Dining	Islands, Chili's	6,000	585	3,510,000	35,100
	Restaurant - Casual Dining	Islands, Chili's	6,000	585	3,510,000	35,100
		Subtotal	**62,000**		**$ 7,520,000**	**$ 75,200**
6	Warehouse Grocery	Food 4 Less, Smart & Final	52,500	$ 223	$ 11,681,250	$ 116,813
	Craft-Specialty Décor	Hancock Fabrics, Jo-Ann Fabrics & Crafts	20,000	150	3,000,000	30,000
	Bath & Body	Ulta Beauty, Bath & Body Works	5,500	945	5,197,500	51,975
	Shoe Stores - Large	Boot Barn, WSS	6,000	335	2,010,000	20,100
	Health & Fitness	Crunch Fitness, Planet Fitness	24,000	17	408,000	4,080
	Restaurant - Casual Dining	BJ's, Red Robin	7,000	715	5,005,000	50,050
	Restaurant - Fast Casual - Mexican	Café Rio, Miguel's	3,000	770	2,310,000	23,100
	Restaurant - Quick Service - Sandwich	Capriottis, Firehouse Subs, Jimmy John's	1,500	470	705,000	7,050
	Cell Phones	Verizon Wireless, AT&T Mobility, T-Mobile	2,750	863	2,371,875	23,719
	Coffee House	Starbucks, Coffee Bean & Tea Leaf, Dunkin' Donuts	2,200	95	209,000	2,090
	Automotive	Discount Tire, Pep Boys	5,000	300	1,500,000	15,000
		Subtotal	**129,450**		**$ 34,397,625**	**$ 343,976**
TOTAL		**TOTAL**	**227,050**		**$ 63,348,875**	**$ 633,489**

TABLE C-7 – SCENARIO #2: RTRP (2015$)

I-15 Corridor: Sky Country Retail Center (No Change to Thoroughbred Farm Business Park) Tenant Mix

Use / Store Type	Example Stores	Gross Leasable Area (SF)	Est. Taxable Sales per SF	Total Est. Annual Taxable Sales	Annual Sales Tax Revenue
Apparel - Off Price	Stein Mart, Burlington Coat Factory	40,000	$ 125	5,000,000	50,000
Apparel - Off Price	Anna's Linens, Avenue	6,000	$ 135	810,000	8,100
Health & Fitness	Crunch Fitness, Planet Fitness	24,000	17	408,000	4,080
Coffee House	Starbucks, Coffee Bean & Tea Leaf, Dunkin' Donuts	2,200	95	209,000	2,090
Restaurant - Fast Casual - Pizza	Pieology, Pizza Studio	3,000	733	2,197,500	21,975
Restaurant - Quick Service - Sandwich	Firehouse Subs, Jimmy John's	1,500	470	705,000	7,050
Restaurant - Quick Service w/ Drive-Thru	Chick Fil-A, Jack-in-the-Box	2,700	630	1,701,000	17,010
	TOTAL	**79,400**		**$ 11,030,500**	**$ 110,305**

TABLE C-8 – SCENARIO #1: NO RTRP (2015$)

NEW TAXABLE SALES & SALES TAX REVENUES			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	LAND USE	FACTOR	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
Thoroughbred Farm Business Park	Light Industrial	Variable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Business Park	Variable	-	-	-	-	-	-	-	-	-	-	-
	Commercial/Retail	Variable	-	-	-	-	-	63,348,875	-	-	-	-	63,348,875
	Tourist/Commercial	Variable	-	-	-	-	28,951,250	-	-	-	-	-	28,951,250
I-15 Corridor: Sky Country Industrial	Light Industrial	Variable	-	-	-	-	-	-	-	-	-	-	-
I-15 Corridor: Sky Country Retail	Commercial/Retail	Variable	-	-	25,767,750	25,767,750	-	-	-	-	-	-	51,535,500
Vernola Industrial	Industrial Park	Variable	-	-	-	-	-	-	-	-	-	-	-
ANNUAL NEW TAXABLE SALES			**$ -**	**$ -**	**$ 25,767,750**	**$ 25,767,750**	**$ 28,951,250**	**$ 63,348,875**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 143,835,625**
CUMULATIVE NEW TAXABLE SALES			**$ -**	**$ -**	**$ 25,767,750**	**$ 51,535,500**	**$ 80,486,750**	**$ 143,835,625**	**$ 143,835,625**	**$ 143,835,625**	**$ 143,835,625**	**$ 143,835,625**	
CUMULATIVE NEW SALES TAX REVENUE		**1%**	**$ -**	**$ -**	**$ 257,678**	**$ 515,355**	**$ 804,868**	**$ 1,438,356**	**$ 1,438,356**	**$ 1,438,356**	**$ 1,438,356**	**$ 1,438,356**	

TABLE C-9 – SCENARIO #2: RTRP (2015$)

NEW TAXABLE SALES & SALES TAX REVENUES			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	LAND USE	FACTOR	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
Thoroughbred Farm Business Park	Light Industrial	Variable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Business Park	Variable	-	-	-	-	-	-	-	-	-	-	-
	Commercial/Retail	Variable	-	-	-	-	-	63,348,875	-	-	-	-	63,348,875
	Tourist/Commercial	Variable	-	-	-	-	28,951,250	-	-	-	-	-	28,951,250
I-15 Corridor: Sky Country Industrial	Light Industrial	Variable	-	-	-	-	-	-	-	-	-	-	-
I-15 Corridor: Sky Country Retail	Commercial/Retail	Variable	-	-	8,272,875	-		-	-	-	-	-	8,272,875
Vernola Industrial	Industrial Park	Variable	-	-	-	-	-	-	-	-	-	-	-
ANNUAL NEW TAXABLE SALES			**$ -**	**$ -**	**$ 8,272,875**	**$ -**	**$ 28,951,250**	**$ 63,348,875**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 100,573,000**
CUMULATIVE NEW TAXABLE SALES			**$ -**	**$ -**	**$ 8,272,875**	**$ 8,272,875**	**$ 37,224,125**	**$ 100,573,000**	**$ 100,573,000**	**$ 100,573,000**	**$ 100,573,000**	**$ 100,573,000**	
CUMULATIVE NEW SALES TAX REVENUE		**1%**	**$ -**	**$ -**	**$ 82,729**	**$ 82,729**	**$ 372,241**	**$ 1,005,730**	**$ 1,005,730**	**$ 1,005,730**	**$ 1,005,730**	**$ 1,005,730**	

TABLE C-10 – SCENARIO #3: RTRP WITH SECONDARY IMPACTS TO THOROUGHBRED FARM BUSINESS PARK (2015$)

NEW TAXABLE SALES & SALES TAX REVENUES			FISCAL YEAR										
			1	2	3	4	5	6	7	8	9	10	
PROJECT	LAND USE	FACTOR	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	TOTAL
Thoroughbred Farm Business Park	Light Industrial	Variable	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Business Park	Variable	-	-	-	-	-	-	-	-	-	-	-
	Business Park	Variable	-	-	-	-	-	-	-	-	-	-	-
	Business Park	Variable	-	-	-	-	-	-	-	-	-	-	-
I-15 Corridor: Sky Country Industrial	Light Industrial	Variable	-	-	-	-	-	-	-	-	-	-	-
I-15 Corridor: Sky Country Retail	Commercial/Retail	Variable	-	-	8,272,875	-		-	-	-	-	-	8,272,875
Vernola Industrial	Industrial Park	Variable	-	-	-	-	-	-	-	-	-	-	-
ANNUAL NEW TAXABLE SALES			**$ -**	**$ -**	**$ 8,272,875**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 8,272,875**
CUMULATIVE NEW TAXABLE SALES			**$ -**	**$ -**	**$ 8,272,875**	**$ 8,272,875**	**$ 8,272,875**	**$ 8,272,875**	**$ 8,272,875**	**$ 8,272,875**	**$ 8,272,875**	**$ 8,272,875**	
CUMULATIVE NEW SALES TAX REVENUE		**1%**	**$ -**	**$ -**	**$ 82,729**	**$ 82,729**	**$ 82,729**	**$ 82,729**	**$ 82,729**	**$ 82,729**	**$ 82,729**	**$ 82,729**	

Transient Occupancy Tax (TOT) Revenue Projections

TABLE C-11 – TOT CALCULATION

Rooms per Hotel	ADR	Occupancy Rate	TOT Rate	Annual TOT Revenue
100	$ 133	60%	10%	$ 291,270

TABLE C-12 – SCENARIO #1: NO RTRP (2015$)

NEW TRANSIENT OCCUPANCY TAX REVENUES	FISCAL YEAR										
	1	2	3	4	5	6	7	8	9	10	
PROJECT	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm Business Park	-	-	-	-	291,270	291,270	291,270	291,270	291,270	291,270	1,747,620
I-15 Corridor: Sky Country Retail	-	-	-	291,270	291,270	291,270	291,270	291,270	291,270	291,270	2,038,890
ANNUAL NEW TOT REVENUES	$ -	$ -	$ -	$ 291,270	$ 582,540	$ 582,540	$ 582,540	$ 582,540	$ 582,540	$ 582,540	$ 3,786,510
CUMULATIVE NEW TOT REVENUES	$ -	$ -	$ -	$ 291,270	$ 873,810	$ 1,456,350	$ 2,038,890	$ 2,621,430	$ 3,203,970	$ 3,786,510	

TABLE C-13 – SCENARIO #2: RTRP (2015$)

NEW TRANSIENT OCCUPANCY TAX REVENUES	FISCAL YEAR										
	1	2	3	4	5	6	7	8	9	10	
PROJECT	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm Business Park	-	-	-	-	291,270	291,270	291,270	291,270	291,270	291,270	1,747,620
I-15 Corridor: Sky Country Retail	-	-	-	-	-	-	-	-	-	-	-
ANNUAL NEW TOT REVENUES	$ -	$ -	$ -	$ -	$ 291,270	$ 291,270	$ 291,270	$ 291,270	$ 291,270	$ 291,270	$ 1,747,620
CUMULATIVE NEW TOT REVENUES	$ -	$ -	$ -	$ -	$ 291,270	$ 582,540	$ 873,810	$ 1,165,080	$ 1,456,350	$ 1,747,620	

TABLE C-14 – SCENARIO #3: RTRP WITH SECONDARY IMPACTS TO THOROUGHBRED FARM BUSINESS PARK (2015$)

NEW TRANSIENT OCCUPANCY TAX REVENUES	FISCAL YEAR										
	1	2	3	4	5	6	7	8	9	10	
PROJECT	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**	**TOTAL**
Thoroughbred Farm Business Park	-	-	-	-	-	-	-	-	-	-	-
I-15 Corridor: Sky Country Retail	-	-	-	-	-	-	-	-	-	-	-
ANNUAL NEW TOT REVENUES	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CUMULATIVE NEW TOT REVENUES	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	

D. EXPENDITURE FORECASTS – CASE STUDY METHODOLOGY

Police Protection Expenditure Projections

TABLE D-1 – POLICE PROTECTION EXPENDITURE CALCULATIONS BASED ON 2015 CITYWIDE STAFFING & COSTS

Position	Sworn Officers
Patrol Deputies	37
Special Enforcement Team	4
Traffic Deputies	6
Community Services Officers	2
Total	49

FY 2015-16 Sheriff Contract Costs	
Contract Cost	$ 15,843,197
Average Cost per Officer	$ 323,331

City Sworn Officer to Population/Employment Ratio	
2015 Population	98,885
2015 Employment	25,695
	x 50%
50% Employment	12,848
Service Population (100% Residents + 50% Employees)	111,733
Sworn Officers per 1,000 Service Population	0.44

	SCENARIO #1: NO RTRP	SCENARIO #2: RTRP	SCENARIO #3: RTRP WITH SECONDARY IMPACTS	SCENARIO #4: RTRP WITH POLICE COST INCREASES
Project Residents	5,896	4,807	4,807	4,807
Project Employment	3,584	3,001	3,349	3,001
	x 50%	x 50%	x 50%	x 50%
50% Employment	1,792	1,501	1,675	1,501
Service Population (100% Residents + 50% Employees)	7,688	6,307	6,481	6,307
Sworn Officers per 1,000 Service Population	0.44	0.44	0.44	0.44
Additional Sworn Officers	3.37	2.77	2.84	2.77
Cost per Sworn Officer	$ 323,331	$ 323,331	$ 323,331	*See Table D-2*
New Annual Expenditures @ Build-out	$ 1,090,156	$ 894,343	$ 919,037	$ 1,456,790

TABLE D-2
SCENARIO #4 –ANNUAL INCREASES IN POLICE CONTRACT COSTS

	ADOPTED BUDGET	FISCAL YEAR									
		1	2	3	4	5	6	7	8	9	10
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Annual Growth Factor		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Cost per Sworn Officer	$ 323,331	$ 339,497	$ 356,472	$ 374,296	$ 393,010	$ 412,661	$ 433,294	$ 454,959	$ 477,706	$ 501,592	$ 526,671
Service Population (100% Residents + 50% Employees)		345	1,197	2,615	3,825	4,795	5,231	5,537	5,844	6,150	6,307
Sworn Officers per 1,000 Service Population		0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44
Additional Sworn Officers		0.15	0.52	1.15	1.68	2.10	2.29	2.43	2.56	2.70	2.77
New Annual Expenditures @ Build-out		$ 51,321	$ 187,052	$ 429,201	$ 659,323	$ 867,757	$ 994,000	$ 1,104,833	$ 1,224,265	$ 1,352,877	$ 1,456,790

Revenue Neutrality Payment Expenditure Projections

TABLE D-3 – REVENUE NEUTRALITY PAYMENT CALCULATIONS BASED ON EXECUTED AGREEMENT WITH COUNTY OF RIVERSIDE

City Property Tax + Sales Tax Revenues	Revenue Neutrality Payment
< $15,840,000	$1,900,000
≥ $15,840,000	16% of Property Tax + Sales Tax Revenues
≥ $16,880,000	21% of Property Tax + Sales Tax Revenues
≥ $17,940,000	22% of Property Tax + Sales Tax Revenues
≥ $19,030,000	24% of Property Tax + Sales Tax Revenues

TABLE D-4 – REVENUE NEUTRALITY PAYMENT PROJECTIONS

			FISCAL YEAR									
		Base Year	1	2	3	4	5	6	7	8	9	10
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Base Property + Sales Tax	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875
SCENARIO #1: NO RTRP	New Project Property Tax	$ -	$ 30,932	$ 129,300	$ 265,173	$ 437,743	$ 574,292	$ 648,985	$ 677,777	$ 706,569	$ 735,360	$ 749,248
	New Project Sales Tax	-	-	-	257,678	515,355	804,868	1,438,356	1,438,356	1,438,356	1,438,356	1,438,356
	Subtotal	-	30,932	129,300	522,851	953,098	1,379,160	2,087,341	2,116,133	2,144,925	2,173,717	2,187,604
	Total Property + Sales Tax	-	15,401,807	15,500,175	15,893,726	16,323,973	16,750,035	17,458,216	17,487,008	17,515,800	17,544,592	17,558,479
	Revenue Neutrality Payment	1,900,000	1,900,000	1,900,000	2,542,996	2,611,836	2,680,006	3,666,225	3,672,272	3,678,318	3,684,364	3,687,281
	Net Increase in Payment	-	-	-	642,996	68,840	780,006	1,766,225	1,772,272	1,778,318	1,784,364	1,787,281
	Project Pro Rata Share of Payment	-	-	-	83,656	152,496	220,666	438,342	444,388	450,434	456,480	459,397
SCENARIO #2: RTRP	New Project Property Tax	$ -	$ 27,570	$ 111,391	$ 235,783	$ 355,083	$ 455,969	$ 501,043	$ 528,141	$ 555,239	$ 582,337	$ 596,225
	New Project Sales Tax	-	-	-	82,729	82,729	372,241	1,005,730	1,005,730	1,005,730	1,005,730	1,005,730
	Subtotal	-	27,570	111,391	318,512	437,812	828,210	1,506,773	1,533,871	1,560,969	1,588,067	1,601,955
	Total Property + Sales Tax	-	15,398,445	15,482,266	15,689,387	15,808,687	16,199,085	16,877,648	16,904,746	16,931,844	16,958,942	16,972,830
	Revenue Neutrality Payment	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	2,591,854	2,700,424	3,549,997	3,555,687	3,561,378	3,564,294
	Net Increase in Payment	-	-	-	-	-	691,854	800,424	1,649,997	1,655,687	1,661,378	1,664,294
	Project Pro Rata Share of Payment	-	-	-	-	-	132,514	241,084	322,113	327,804	333,494	336,411

SCENARIO #3: RTRP WITH SECONDARY IMPACTS		FISCAL YEAR										
		Base Year	1	2	3	4	5	6	7	8	9	10
		2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
	Base Property + Sales Tax	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875	$15,370,875
	New Project Property Tax	$ -	$ 27,570	$ 111,391	$ 235,783	$ 363,842	$ 467,352	$ 505,875	$ 532,973	$ 560,071	$ 587,169	$ 601,057
	New Project Sales Tax	-	-	-	82,729	82,729	82,729	82,729	82,729	82,729	82,729	82,729
	Subtotal	-	27,570	111,391	318,512	446,571	550,081	588,604	615,702	642,800	669,898	683,786
	Total Property + Sales Tax	-	15,398,445	15,482,266	15,689,387	15,817,446	15,920,956	15,959,479	15,986,577	16,013,675	16,040,773	16,054,661
	Revenue Neutrality Payment	1,900,000	1,900,000	1,900,000	1,900,000	1,900,000	2,547,353	2,553,517	2,557,852	2,562,188	2,566,524	2,568,746
	Net Increase in Payment	-	-	-	-	-	647,353	653,517	657,852	662,188	666,524	668,746
	Project Pro Rata Share of Payment	-	-	-	-	-	88,013	94,177	98,512	102,848	107,184	109,406

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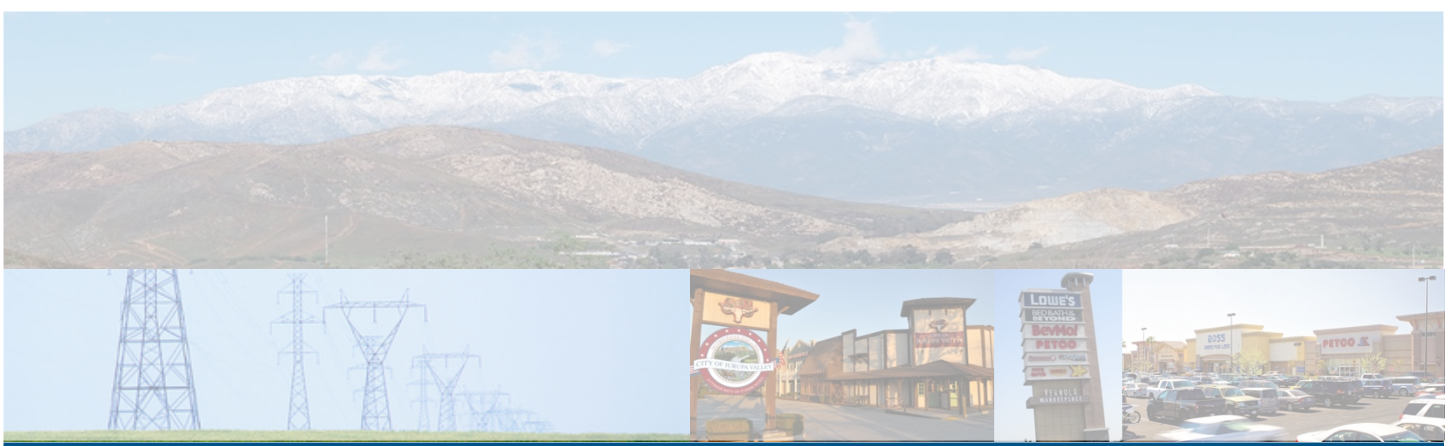
EXHIBIT M

EXHIBIT M

CITY OF JURUPA VALLEY

ECONOMIC/FISCAL IMPACT ANALYSIS: RIVERSIDE TRANSMISSION RELIABILITY PROJECT

DECEMBER 2, 2015



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Retail Properties and Sales Tax Generation

Similar to industrial properties, the E/FIA does not discount property values of the retail elements of the Sky Country Retail Center and Thoroughbred Farm Business Park. Instead, the E/FIA focuses on potential constraints the RTRP will pose to site planning and signage, particularly freeway-oriented signs along the I-15 corridor. The most significant impact is anticipated for the Sky Country Retail Center site located on the northwest quadrant of Limonite Avenue and the I-15 freeway. The impacts to this project are further described below.

RTRP IMPACT TO SCOPE OF DEVELOPMENT

Scope of Development: Sky Country Retail Center

The RTRP's most significant impact to project performance and development is its anticipated impacts to the Sky Country Retail Center site. Given the scale and scope of the existing community shopping centers on the northwest and southeast quadrants, the ability of the local market to support a third shopping center at the Sky Country Retail Center location requires product diversification to offer consumers new retail choices beyond what is already abundantly offered in the immediate trade area. As such, the E/FIA has assumed that the Sky Country Retail Center would be developed as a "Lifestyle Center," offering consumers a tenant mix within 289,560 square feet of gross leasable area focused on "national-chain specialty stores with dining and entertainment in an outdoor setting,"[1] and delivering a 100-room suite hotel.

To build a Lifestyle Center and hotel at this location, ideal site characteristics and economic conditions must exist. The RTRP is a direct threat to the Sky Country Retail Center's ability to perform due to the reduction in lot size, constraints to site planning, the aesthetic impact of the transmission towers and lines, and the RTRP ROW's impact on the location and visibility of freeway-oriented signage for the center. Based on these limitations, the E/FIA assumes that, in order for the retail project to be market viable and economically feasible, the project would need to be downgraded in classification, size, scope, and performance from a "Lifestyle Center" to a "Neighborhood Center," as classified by ICSC, and the hotel element would be eliminated. The E/FIA assumes that the remaining 21-acre balance of the property will be developed as industrial park to expand the footprint of the Sky Country Industrial Park site immediately to the north.

Key differences between the two classifications of shopping centers are outlined below.

TABLE V-B
ICSC U.S. SHOPPING CENTER CLASSIFICATIONS

Type of Shopping Center	Lifestyle Center	Neighborhood Center
Concept	National-chain specialty stores with dining and entertainment in an outdoor setting	Convenience-oriented
Average Building Size	333,411 SF	71,938 SF
Acreage Range	10 - 40 acres	3 - 5 acres
Typical Types of Anchors	Large format upscale specialty	Supermarket
Trade Area Size	8 - 12 miles	3 miles

[1] *U.S. Shopping-Center Classification and Characteristics*, International Council of Shopping Centers, August 2015

The E/FIA further assumes that the Sky Country Retail Center will perform at 75% productivity in taxable sales due to the impact of the RTRP ROW on the location and visibility of freeway-oriented signage for the project. This is consistent with Institute of Transportation Engineers ("ITE") trip generation estimates for pass-by trips, or impulse stops, for different land uses, as documented in a 2001 study prepared for the U.S. Small Business Administration -- "SIGNS: Showcasing Your Business on the Street - The Importance of Signage for Your Business." According to the study, ITE trip generation statistics estimate that 25% of all stops by shoppers at shopping centers between 100,000 and 400,000 square feet are attributable to impulse stops. This percentage goes up to 35% for shopping centers smaller than 100,000 square feet. The E/FIA assumes that the RTRP will impact the number of impulse stops at the Sky Country Retail Center due to reduced freeway visibility and exposure from the increased setback east of the RTRP ROW, away from the I-15 freeway, and ROW restrictions on signage and wayfinding.

Table V-C presents the net change in annual General Fund property tax and sales tax revenues resulting from the RTRP's impact on the Sky Country Retail Center.

TABLE V-C
RTRP IMPACTS TO SCOPE OF DEVELOPMENT: SKY COUNTRY RETAIL CENTER

	SKY COUNTRY RETAIL CENTER BUILD-OUT FY 2025-26		
	WITHOUT RTRP	**WITH RTRP**	**NET CHANGE**
Land Use / Shopping Center Classification	Lifestyle Center	Neighborhood Center + Industrial Park	
Retail SF	289,560 SF	79,400 SF	- 210,160 SF
Hotel Rooms	100 Rooms	0 Rooms	- 100 Rooms
Industrial Park SF	0 SF	320,166 SF	+ 320,166 SF
Annual General Fund Property Tax Revenue	$ 48,768	$ 36,139	$ (12,629)
Annual General Fund Sales Tax Revenue	515,355	82,729	(432,626)
Annual General Fund TOT Revenue	291,270	-	(291,270)
TOTAL	$ 855,393	$ 118,868	$ (736,526)

Scope of Development: All Projects

Table V-D provides a summary of the anticipated impacts of the RTRP on the nine projects, including: (1) direct impacts of the RTRP's 100-foot ROW width on lot size, building square footage, and dwelling unit counts; and (2) indirect impacts of the RTRP on property values and retail product performance.

TABLE V-D
RTRP IMPACTS TO SCOPE OF DEVELOPMENT: ALL PROJECTS

			WITHOUT RTRP			WITH RTRP		
Map Ref #	**Project Name**	**Land Use**	**Dwelling Units (DU) / Building SF**		**Total Residents / Employees**	**Dwelling Units (DU) / Building SF**		**Total Residents / Employees**
1	**Harmony Trails**	Single Family Residential	176	DU	674	176	DU	674
2	**Turnleaf**	Single Family Residential	111	DU	425	111	DU	425
3	**Thoroughbred Farm Business Park**	Business Park	598,504	SF	998	598,504	SF	900
		Light Industrial	917,592	SF	891	917,592	SF	778
		Commercial/Retail	129,635	SF	259	129,635	SF	259
		Tourist/Commercial	112,211	SF	224	112,211	SF	224
		Total	1,757,942	SF	2,372	1,757,942	SF	2,162
4	**I-15 Corridor: Vernola Residential West**	Single Family Residential	516	DU	1,976	484	DU	1,854
5	**I-15 Corridor: Sky Country Industrial Park**	Industrial Park	363,384	SF	353	646,960	SF	628
6	**I-15 Corridor: Sky Country Retail Center**	Scenic Highway Commercial	289,560	SF	579	79,400	SF	159
		Hotel	60,984	SF	122	0	SF	0
		Total	350,544	SF	701	79,400	SF	159
7	**I-15 Corridor: Vernola Industrial Park**	Industrial Park	162,323	SF	158	54,108	SF	53
8	**Vernola Marketplace Apartment Community**	Multifamily Residential	397	DU	1,036	182	DU	475
9	**Riverbend**	Single Family Residential	466	DU	1,785	360	DU	1,379
		Total DUs / Residents	1,666	DU	5,896	1,313	DU	4,807
		Total SF / Employees	2,634,192	SF	3,584	2,538,409	SF	3,001