ORANGE COUNTY PROPERTY SUBCOMMITTEE AGENDA

SUBCOMMITTEE MEMBERS

LARRY MCCALLON, MEMBER

PENNY LILBURN, MEMBER

RANDY HAMERLY, MEMBER

December 1, 2015
3:30 P.M.
City Council Chambers
27215 Base Line
Highland, California

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Highland is dedicated to the betterment of the individual, the family, the neighborhood and the community. The City Council and the staff of Highland are dedicated to providing the quality of public facilities and services that its citizens are willing to fund and will do so as efficiently as possible.

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Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the City of Highland to all or a majority of the [legislative or other body] less than 72 hours prior to that meeting are available for public inspection at Highland City Hall, 27215 Base Line, Highland, during normal business hours.

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ORANGE COUNTY PROPERTY SUBCOMMITTEE MEETING
December 1, 2015 – 3:30 p.m.

CALL TO ORDER

1. Review Minutes of October 22, 2014 Meeting
   ACTION:

2. Harmony Specific Plan
   ACTION:

ADJOURN

I, Elena Rodrigues, Administrative Assistant III, of the City of Highland, California, certify that I caused to be posted this Agenda on or before the 24th day of November 2015 by 5:30 p.m. on our website at www.cityofhighland.org and in the following designated areas:

City Hall 27215 Base Line	Highland Branch Library 7863 Central Avenue	Highland Fire Station No. 1 26974 Base Line

Elena Rodrigues

Elena Rodrigues, Administrative Assistant III

MINUTES
ORANGE COUNTY PROPERTY SUBCOMMITTEE
October 22, 2014 – 2:30 p.m.

CALL TO ORDER

The meeting of the Orange County Property Subcommittee of the City of Highland was called to order at 2:30 P.M. at the Upright Conference Room, 27215 Base Line, Highland, California.

ROLL CALL

Present: Larry McCallon, Mayor Pro-tem
Penny Lilburn, Councilwoman (arrived at 2:55 P.M.)
Randall Hamerly, Planning Commission Chairman
Joseph Hughes, City Manager
Chuck Dantuono, Director of Administrative Services/City Treasurer
Ernie Wong, City Engineer/Public Works Director
Lawrence A. Mainez, Community Development Director
Kim Stater, City Planner
Jim Rissmiller, Administrative Analyst
Eric Hull, County of Orange
Leon Swails, Lewis Group of Companies
Patrick Loy, Lewis Group of Companies
Scott Crawford, Lewis Group of Companies
Ben Macaluso, Lewis Group of Companies

Absent: None

ITEMS:

1. Review of Minutes of May 5, 2014
   Approved as submitted

2. Harmony Specific Plan

- City Planner Stater provided an update regarding the Specific Plan, revised Land Use Map, Recirculated Draft Environmental Impact Report, and public hearing schedule
- Community Development Director Mainez provided an overview of the Fiscal Impact Analysis
- Member Lilburn arrived at 2:55 P.M.
- Member Hamerly asked if the same inflationary percentages in the Fiscal Impact Analysis were applied to the police, fire, public and private costs and revenues
- Member Lilburn asked for a summary of the Recirculated sections of the Draft EIR
- Member McCallon asked when the fire station would be constructed
- Jim Rissmiller answered that an interim fire station must be in place by the 1000th unit and a permanent station be constructed by the 2000th unit, or no later than 3 years following establishment of the interim fire station

- Member McCallon asked what the ladder truck requirement would be considering the project would be permitted to construction buildings 3 stories or higher
- City Planner Stater answered that requirement for a ladder truck will be addressed at the time a proposal came forward for construction of the building(s) requiring the need
- Member McCallon asked if the on-site fire station would accommodate a ladder truck
- City Manager Hughes answered affirmatively. The new fire station will be equivalent in size to Fire Station #3
- Member Lilburn asked the status of bus routes through the project
- Ben Macaluso answered that they had met with Omnitrans. Omnitrans recommended the locations shown in the Specific Plan for bus stops. Discussions concerning future routes has not yet been discussed.
- Member McCallon inquired about sewer service
- Scott Crawford provided an update regarding the proposed Water Treatment Facility at Sterling and 4th Street in San Bernardino. He also gave a summary of on-site facilities for lift stations and water treatment.
- Member McCallon recommended the following amendments:
  - Table 10.4: Cluster/enclave dwelling units prohibited in the "Estate Residential"
  - Table 10.6: Remove "Mini-storage (including RV storage yard)"
  - Table 10.4: Move "Public parks/private parks, Nonlighted athletic fields and Lighted athletic fields" to table 10.7
  - Table 10.4: "Recreational vehicle parking" should include the following notation "(according to City standards)"
  - Section 11.10 Transfer of Residential Dwelling Units: … by the ~~Community Development Director~~ **City Council**
  - Section 11.17 Maintenance: …. and be maintained by the ~~City of Highland~~ **Homeowner's Association.**
- Member Hamerly asked for clarification as to the plant species studied in the RDEIR
- Member Lilburn asked that a Police Substation be provided within the proposed fire station, but that it have a separate entrance

PUBLIC COMMENT

- Clint Cogbill requested that the project provide a stub-out for vehicular access from the new Greenspot Road to Tres Lagos.

ADJOURN

There being no further business the meeting was adjourned at 4:04 P.M.

Submitted by:

Lawrence A. Mainez,
Community Development Director

Approved by:

Subcommittee Member

Memorandum

To the Orange County Property Subcommittee

DATE: December 1, 2015

FROM: Kim Stater, Assistant Community Development Director KS

SUBJECT: Harmony Specific Plan

The Orange Property Subcommittee last met on October 22, 2014, to review and discuss the Harmony Specific Plan, Environmental Impact Report, and Fiscal Impact Analysis.

At the meeting, Member McCallon requested six amendments to the Specific Plan:

- *Table 10.4* Cluster/enclave dwelling units prohibited in the "Estate Residential" (pg. 10-19)
- *Table 10.4* "Recreational vehicle parking" should include the following notation, "according to City standards" (pg. 10-20)
- *Table 10.6* Remove "Mini-storage (including RV storage yard)" (pg. 10-23)
- Sect. 11.10 Transfer of Residential Dwelling Units: … by the ~~Community Development Director~~ **City Council** (pg 11-3)
- Sect. 11.17.2.5 Maintenance…. and be maintained by the ~~City of Highland~~ **Homeowner's Association.** (pg 11-5)

These five recommendations are reflected in the revised Draft Specific Plan dated August 2015.

The sixth recommendation was to prohibit parks and athletic fields in planning areas designated as Residential, and permitted them only within planning areas designated as Open Space or Park.

- *Table 10.4* Move "Public parks/private parks, Nonlighted athletic fields and Lighted athletic fields" to Table 10.7 (pgs. 10-19, 10-20, 10-26)

The Applicant did include parks and athletic fields in the Open Space / Parks permitted use table (Table 10.7), but also retained it within the Residential permitted use table (Table 10.4). The Applicant feels that there may be an opportunity to have recreational amenities within residential areas and asks that they be permitted.

Attached for the Subcommittee's review are the most recent, updated versions of the:

1. Draft Harmony Specific Plan dated August 2015
2. Fiscal Impact Analysis
3. EIR Executive Summary

Staff will provide a verbal presentation to the Subcommittee regarding amendments and updates.

Section 1 – Executive Summary

1.1 Introduction

This Draft Environmental Impact Report (DEIR) has been prepared to inform the decision-makers and the public of the potentially significant environmental affects associated with implementation of the proposed Harmony Specific Plan. The DEIR has been prepared pursuant to the California Environmental Quality Act (CEQA) (California Public Resources Code, Sections 21000, et seq.) and the State *CEQA Guidelines* (California Code of Regulations, Sections 15000, et seq.). The City of Highland is the Lead Agency under CEQA and is responsible for the preparation of this DEIR.

1.2 Project Location and Setting

The Harmony Specific Plan (also referred to throughout this document as either "Harmony" or "Specific Plan") is a comprehensive plan for the development of a master planned community in the eastern portion of the City of Highland. The site is located on approximately 1,657 acres within the City of Highland, in San Bernardino County, California as shown in **Figure 3-1 – Regional Map**. The Project site is located approximately six miles east of the State Route 210 (SR-210) freeway, 4.5 miles north of the Interstate 10 (I-10) freeway and just north of SR-38.

As shown in **Figure 3-2 – Location Map**, the Project site is located along the base of the San Bernardino Mountains. Immediately to the north of the Project site is the San Bernardino National Forest. Mill Creek generally forms the southern and southeastern boundary of the Project site. Emerald Avenue and a portion of Tres Lagos Street are the boundaries for the southwestern portion of the Project site, and the Santa Ana River forms the boundary to the west and northwest.

1.3 Existing Site Description

The Project site is currently vacant and contains citrus trees from a former citrus orchard in the northwest portion of the site. Although this area still contains live citrus trees, the area has not been cultivated or tilled and is also filled with non-native plants and other similar vegetation. According to the County of San Bernardino, no agricultural has taken place on the Project site for over 20 years. Only the first few rows of trees on the Project site adjacent to Tres Lagos Street have been removed to maintain a fire break between the property and the adjacent residences. Remnant orchards are scattered throughout the central and eastern portion of the site. Remnants of structure foundations, aqueducts, concrete waterlines, and wells are scattered on-site and have not been completely removed.

In addition to past agricultural uses, the Project site was acquired to provide impervious materials for the construction of the Seven Oaks Dam, located approximately 0.75 miles north of the Project site. Approximately six million cubic yards of material was excavated from the Project site and conveyed to the construction site.

The Project site can be characterized as mostly gently sloping and rolling terrain in the south and west, with moderately to steeply sloping terrain in the north and northeast. The elevation of the site varies from approximately 1,800 feet above sea level along the western boundary to approximately 2,700 feet above sea level at the foothills on the northeast side of the property.

Site access is limited to Greenspot Road in the northwest corner of the site and Newport Avenue in the southwest portion of the site.

1.4 Project Description

The proposed Project is a master planned residential community that will be implemented through the adoption of the Harmony Specific Plan. The Specific Plan will establish the zoning for the Project site and include a land use plan, designation of planning areas, design and landscaping guidelines, and development standards for the development of the Project site. As shown in **Figure 3-8 – Proposed Land Use Plan** and reflected in **Table 1-A – Land Use Summary** below, the Harmony Specific Plan will consist of the following land uses:

- **Residential**: Residential land use comprises approximately 658 acres of the Project site, providing a variety of residential detached and attached housing types. The following categories of residential land use are planned for Harmony.
    - Estate Residential: 4 planning areas
    - Low Density Residential: 26 planning areas (one planning area is partially covered with a Neighborhood Commercial Overlay)
    - Medium Density Residential: 14 planning areas (two planning areas are entirely covered with a Neighborhood Commercial Overlay)
    - Medium-High Density Residential:4 planning areas
    - High Density Residential: 1 planning area (partially covered with a Neighborhood Commercial Overlay)
- **Neighborhood Commercial:** Approximately 5.7 acres of the Project site is planned for development of neighborhood commercial land uses to provide retail goods and services to the community. An additional 15.9 acres of neighborhood commercial are allowed in residential areas designated with a Neighborhood Commercial Overlay. Areas designated with a Neighborhood Commercial Overlay may develop as their underlying residential land use, as neighborhood commercial, or as a combination of residential and neighborhood commercial uses.
- **Recreation and Open Space:** Of the total Project area of 1,657 acres, approximately 830 acres, or 50% of the entire community, is planned for parks, recreation, and open spaces (natural and manufactured). Approximately 535 acres will remain in natural open space, while approximately 110.7 acres of parks and 111.8 acres of community greenway will be developed. Parks will be improved as active and passive recreational areas. Active parks could include soccer fields and baseball diamonds as well as open play areas, picnic tables, and informal gathering areas, while passive parks are designed for activities such as walking, hiking and quiet reflection. Harmony offers its residents the opportunity to connect with the natural topography of adjacent mountains and the site's drainage features along its multipurpose trails that meander through the community's greenway system. Approximately one acre of Harmony's community greenway

has been designated with an Agriculture Overlay; this area is envisioned to provide space for community gardens, stands for local farmers to sell their produce, and/or potentially recreational amenities for residents. The Harmony Specific Plan also includes the provision of approximately 4.3 acres for "The Parkhouse", a private recreation facility featuring a clubhouse, swimming pool, and other active and passive amenities.

- **Community Public Facilities:** The Harmony Specific Plan provides for the development of one elementary school on an 8.3-acre site. The elementary school site is adjacent to a 5.0-acre joint-use neighborhood park at the center of the community to ensure equitable access for all Harmony residents. The elementary school will be accessible by pedestrians and bicyclists via the proposed multipurpose trail network. The Specific Plan also identifies a 1.5-acre site for the development of a new fire station. Additional public facilities totaling 18.5 acres could include water reservoirs, a water treatment facility, sewage treatment plant, or pump station.

Table 1-A – Land Use Summary

Land Use	Without NC Overlay		With NC Overlay	
	Adjusted Gross Acreage	Target Units/Square Footage	Adjusted Gross Acreage	Target Units/Square Footage
Residential				
Estate Residential, ER (0-2.0 du/ac	84.4	81	84.4	81
Low Density Residential, LDR (2.1-6.0 du/ac)	382.1	1,630	381.1	1,624
Medium Density Residential, MDR (6.1-12.0 du/ac)	146.4	1,188	132.5	1,049
Medium-High Density Residential, MHDR (12.1-20.0 du/ac)	34.4	518	34.4	518
High Density Residential, HDR (20.1-30.0 du/ac)	10.7	215	9.7	195
Residential Subtotal	*658.0 (40%)*	*3,632*	*642.1(39%)*	*3,467*
Neighborhood Commercial				
Neighborhood Commercial, NC (0.23-0.25 FAR)	5.7	62,073 sf	21.6	225,423 sf
Neighborhood Commercial Subtotal	*5.7 (0.3%)*	*62,073 sf*	*21.6 (1.5%)*	*225,423 sf*

Land Use	Without NC Overlay		With NC Overlay	
	Adjusted Gross Acreage	Target Units/Square Footage	Adjusted Gross Acreage	Target Units/Square Footage
Recreation and Open Space				
Parks, P	110.7	-	110.7	-
Community Greenway, CG with 1.0 acre Agriculture Overlay (0.20 FAR)	111.8	8,712	111.8	8,712
Private Recreation, PR	4.3	-	4.3	-
Natural Open Space, NOS	535.2	-	535.3	-
Manufactured Open Space, MOS	72.0	-	72.0	-
Recreation And Open Space Subtotal	*834.0 (50%)*	*8,712*	*834.0 (50%)*	*8,712*
Community Public Facilities				
Elementary School, S (0.20 FAR)	8.3	72,310 sf	8.3	72,310 sf
Public Facilities, PF	20.0	-	20.0	-
Right-of-Way, ROW	131.4	-	131.4	-
Community Public Facilities Subtotal	*159.7 (9.5%)*	*72, 310 sf*	*159.7 (9.5%)*	*72,310 sf*
PROJECT TOTALS	**1,657.3**	**3,632 units and 143,095 sf**	**1,657.3**	**3,467 units and 306,445 sf**

Source: Harmony Specific Plan, March 2014 p. 4.3.

1.5 Areas of Controversy and Issues to be Resolved

The Harmony Specific Plan Project has been in the planning/due diligence stage since 2008. Over that period of time, the applicant and City of Highland have initiated contact with local groups, residents-particularly neighbors, and agencies which might have an interest in the Project approval. Based on early consultations, responses from the Notice of Preparation, and as a result of the Scoping Session held for the Project, the following is a brief listing of the areas of controversy related to the Project approval:

- The proximity of the Project site to the San Bernardino National Forest
- Proximity to commercial agriculture (citrus and bee keeping operations) to the south and west of Project site and related agricultural operations use of pesticides, fertilizers, and loud equipment which will impact the residential components of the Project
- Biological impacts to threatened and endangered species, habitat, and wildlife movement

- Aesthetical impacts to rural and natural hillsides, including lighting
- Air quality and greenhouse gas impacts
- Traffic impacts, especially impacts to SR-38 and impacts to any affected local and regional transportation facilities.
- Impacts to water quality to Mill Creek and the Santa Ana River from stormwater and urban runoff
- Impacts due to water reclamation and waste disposal
- Impacts to life and property as a result of earthquake, flooding, wildland fires and/or water quality.

Section 15123(b)(3) of the CEQA Guidelines requires that an EIR identify issues to be resolved. This includes choices among alternatives and whether or how to mitigate significant impacts. The major issues to be resolved for the Project include decisions by the City of Highland as to whether:

- This DEIR adequately describes the potential environmental impacts of the proposed Project;
- The recommended mitigation measures should be adopted or modified;
- Additional mitigation measures need to be identified;
- The Project should or should not be approved as proposed; or
- The Project should be modified based on the alternatives considered in this DEIR.

1.6 Environmental Analysis

The following table, **Table 1-B – DEIR Impact Summary Matrix**, provides a summary of impacts related to the proposed Project. The table identifies significant environmental impacts resulting from the Project along with applicable mitigation, pursuant to State *CEQA Guidelines* Section 15123(b) (1).

Table 1-B – DEIR Impact Summary Matrix

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
Aesthetics	The proposed Project has the potential to result in a substantial adverse effect on a scenic vista, or substantially degrade existing visual character or quality of the site and its surroundings.	**MM AES 1:** To avoid the creation of an aesthetically offensive site open to public view, all water reservoir tank(s) to be located within the Project site shall be screened using paint colors or landscaping buffers that blend in with the surrounding hills. Any landscape screening plans shall be submitted to East Valley Water District for approval prior to approval of final construction documents for the water tank(s)/reservoirs.	Less than significant.
	The proposed Project would not substantially damage scenic resources, including but not limited to trees, rock outcroppings, and historic buildings within a state scenic highway.	No mitigation is required.	Less than significant.
	The proposed Project would not create a new source of substantial light or glare which would adversely affect day or nighttime views in the area.	No mitigation is required.	Less than significant.
Agricultural and Forestry Resources	The proposed Project would not convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance, as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Department of Conservation, to non-agricultural use.	No mitigation is required.	Less than significant.
	The proposed Project would not conflict with an existing agricultural use, or Williamson Act Contract.	No mitigation is required.	No impact.
	The proposed Project would not conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220 (g)),	Not mitigation is required.	No impact.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Resources Code section 51104 (g))		
	The proposed Project would not result in the loss of forest land or conversion of forest land to a non-forest use.	No mitigation is required.	No impact.
	The proposed Project has the potential to involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland to non-agricultural use.	**MM AG 1:** To reduce impacts due to incompatibility between agricultural uses (existing bee keeping east of the Project on land owned by San Bernardino County Flood Control District) and future development, proposed residences, school buildings, and commercial retail structures shall maintain a minimum buffer of 400 ~~300~~ feet from existing active bee keeping. The 400 ~~300~~-foot buffer area may include parks, open space, public road rights-of-way, parking lots, and service or maintenance areas. Water features that provide consistent sources of water, including but not limited to, lakes, ponds, pools, spas, or fountains shall not be permitted within the buffer area. The 400 ~~300~~-foot buffer area, and the uses proposed, shall be identified on development applications submitted to the City of Highland for implementing projects for which any portion of such a project's boundary is within 400 ~~300~~ feet of active bee keeping. The requirement for a 400 ~~300~~ foot buffer is not applicable for any new bee keeping activities that commence after approval of the Harmony Specific Plan.	Less than significant.
Air Quality	The proposed Project would not conflict with or obstruct implementation of an applicable air quality plan.	No mitigation is required.	Less than significant.
	The proposed Project has the potential to violate air quality standards or contribute substantially to an existing or projected air quality violation.	**MM AQ 1:** During construction, the developer or construction contractor shall ensure mobile construction equipment is maintained in good condition and properly tuned per manufacturer's specifications. Equipment maintenance records and equipment design specification data sheets shall be available during construction. Compliance with this measure shall be subject to periodic inspections by the City. **MM AQ 2:** During construction, the developer or construction contractor shall ensure electricity from power poles shall be used instead of from temporary diesel- or gasoline-powered generators where economically and physically feasible. Approval will be required	Significant and Unavoidable. A Statement of Overriding Considerations is required prior to Project approval.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		by the City prior to issuance of grading permits. **MM AQ 3:** During construction, the developer or construction contractor shall submit a traffic control plan that shall minimize vehicle and truck idling time during construction through the implementation of traffic control measures (e.g., including turn lanes during construction activities, scheduling of construction activities to minimize congestion, parking configuration to minimize traffic interference). **MM AQ 4:** During construction, the construction contractor shall implement dust control measures in accordance with SCAQMD Rule 403. The construction contractor shall include in construction specifications the fugitive dust control measures in accordance with SCAQMD Rule 403, with construction controls being at least as effective as the following, which were incorporated in the construction emissions estimates: • Watering active construction areas at least ~~twice~~ three times daily to minimize fugitive dust emissions;[1] • Maintaining soil stabilization of inactive construction areas with exposed soil via water, non-toxic soil stabilizers, or replaced vegetation; • Covering all haul trucks and ~~or~~ maintaining at least six inches of freeboard • Suspending earthmoving operations or increasing watering to meet Rule 403 criteria if winds exceed 25 mph; • Post contact information outside the property for the public to call if specific air quality issues arise, the individual charged with receipt of these calls shall response to the caller within 24-hours and resolution of the air quality issue, if valid, will occur as soon as possible. • Minimizing track-out emissions using the allowable methods; and, • Limiting vehicle speeds to 15 miles per hour or less in staging	

[1] Note that the control efficiency of watering is dependent on numerous variables such as soil/ground conditions, temperature, and vehicle travel specifics. For unpaved roads, increased frequency and/or water amounts are expected to improve the control efficiency.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		areas and on haul roads. **MM AQ 5:** During construction, all developers shall use construction equipment (i.e., excavators, graders, scrapers, dozers, tractor/loader/backhoes, pavers, rollers, cranes, etc.) that is CARB/U.S. Environmental Protection Agency Tier 3 certified. Proof of compliance shall be reviewed by the City of Highland's Building Division prior to issuance of grading permit. ~~one of the following scenarios shall be applied:~~ ~~• A maximum of 15,700 horsepower hours per day for the off-road equipment shall be used and the off-road equipment shall have Tier 2 engines or higher.~~ ~~• A maximum of 12,100 horsepower hours per day for the off-road equipment shall be used.~~ **MM AQ 6:** During construction, all forklifts shall be electric or natural gas powered. **MM AQ 7:** Where transport refrigeration units (TRUs) are in-use, electrical hook-ups shall be installed at all loading docks in order to allow TRUs with electric standby capabilities to use them.	
	The proposed Project has the potential to result in a cumulatively considerable net increase in criteria pollutant emissions for which the region is non-attainment.	See **MM AQ 1** through **MM AQ 47**, above.	Significant and Unavoidable. A Statement of Overriding Considerations is required prior to Project approval.
	The proposed Project has the potential to expose sensitive to substantial pollutant concentrations.	See **MM AQ 1** through **MM AQ 47**, above.	Significant and Unavoidable. A Statement of Overriding Considerations is required prior to Project approval.
	The proposed Project would not create objectionable odors that would affect a substantial number of people.	No mitigation is required.	Less than significant.
Biological Resources	The proposed Project has the potential to result in a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California	**MM BIO 1:** Several areas with sensitive habitats on the Project site will not be developed: 43.8 acres of the RAFSS habitat supporting Santa Ana River Woollystar along the site's western boundary as well as the riparian habitats in Morton Canyon. Access to these areas will be restricted. An appropriate barrier/fence shall be installed to prevent unauthorized use. The designs for such barriers/fencing will be addressed in a Natural Resources Management Plan and shall allow	Less than significant.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	Department of Fish and Wildlife or the U.S. Fish and Wildlife Service.	for wildlife movement. The Natural Resource Management Plan will also contain adaptive management measures to ensure its success. Educational signage shall also be posted to educate residents of the sensitivity of biological resources in each area, as well as the presence of a federal and state mandated conservation area to the west of the Project site, including the woolly star preserve area and the pending Upper Santa Ana River Wash and HCP. **MM BIO 2**: In order to reduce potential direct impacts to SBKR from the loss of 61.0 acres of RAFSS habitat and indirect impacts from the release of storm water into the RAFSS habitat, the loss of 24.3 acres intermediate RAFSS shall be mitigated at a 2:1 ratio and the loss of 36.7 acres of Mature RAFSS shall be mitigated at a 1:1 ratio through the preservation and/or restoration and enhancement of ~~the~~ a minimum of 85.3 ~~86.4~~ acres of low quality RAFSS habitat to high quality RAFSS habitat to the southeast of the Project boundary or within the Mill Creek corridor shown on FEIR Attachment C, Exhibit 1. The preservation and/or restoration and enhancement of the 85.3 ~~86.4~~ acres of low quality, primarily intermediate RAFSS habitat ~~between the Project site and~~ along Mill Creek will provide a biologically superior preservation alternative to the existing mature RAFSS habitat on-site. The restoration and enhancement of RAFSS habitat will be detailed in a Habitat Mitigation and Monitoring Plan (HMMP) that will be prepared as part of the regulatory permitting process for impacts to jurisdictional waters and RAFSS habitat under jurisdiction of USACE and CDFW, as well as part of an Individual Take Permit (ITP) needed to address the loss of SBKR critical habitat through a Section 7 Consultation between the USACE and USFWS. The HMMP and ITP will include a management plan for all RAFSS habitat found along the Harmony project site's southern boundary and will be coordinated with the conservation planning efforts currently being finalized under the Upper Santa Ana River Wash Plan HCP. If at the time mitigation is implemented, there is not 85.3 acres of RAFSS habitat within the above specified areas, then the shortfall in acreage shall be achieved through purchase of RAFSS habitat within the Cajon Creek Conservation Bank or other approved mitigation bank and/or payment into the Riverside-Corona Resource Conservation District in-lieu fee program (or other approved in-lieu fee program) established for RAFSS habitat, subject to the approval of USACE, USFWS and CDFW.	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		MM BIO 3: Nesting birds are protected pursuant to the Migratory Bird Treaty Act (MBTA) and California Fish and Wildlife Code. Vegetation clearing and removal activities during the nesting season will be avoided to the extent feasible. If ground-disturbing activities or removal of any trees, shrubs, or any other potential nesting habitat are scheduled within the avian nesting season (nesting season generally extend from January ~~February~~ 1 – September 15~~August 31~~, but can vary from year to year based upon seasonal weather conditions), a pre-construction clearance survey for nesting birds, shall ~~should~~ be conducted within 3~~7~~ days prior to any vegetation clearing and ground disturbing activities to determine if active nests are present within the construction zone. If active nests are located within the construction zone, the qualified biologist will establish an appropriate buffer, generally between 100 and 500 feet. No construction activities shall take place within the established buffer zone until the nest is no longer active (i.e., the juveniles are surviving independent from the nest). This will ensure that no nesting birds will be disturbed during construction. **MM BIO 7**: In order reduce direct impacts to LBVI resulting from the loss of 2.4 acres of southern willow scrub/mulefat scrub, acquisition of an Individual Take Permit (ITP) from both the CDFW and USFWS shall be required prior to development within the area. As part of preparing ITPs (Section 7 Consultation under the Federal Endangered Species Act and Section 2081 under the California Endangered Species Act), biologically equivalent LBVI habitat will be preserved and managed in perpetuity, either on-site and/or within the general vicinity to offset impacts from the loss of this 2.4-acres of LBVI occupied riparian habitat. Potential suitable locations include the existing LBVI habitat along Mill Creek, south the Project site, and along the Santa Ana River, west of the Project site. Additionally, existing riparian habitats along the upper end of the Santa Ana River, west of the Project, as well as LBVI occupied habitats within Morton Canyon in the northern portion of the Project site, could be enhanced. A Habitat Management Plan(s), as well as a Property Analysis Record (PAR), shall be prepared documenting all required management actions and defining funding requirements to ensure the long-term management of all identified	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		mitigation site(s). All sites considered for potential mitigation will be evaluated to determine if they are biologically equivalent in size and habitat quality to existing conditions: • Vegetation within the mitigation site will consist of riparian plants representative of southern willow scrub and mulefat scrub. • Each selected mitigation site(s) will be evaluated for its management ability and long-term conservation value. • Selected sites should be acceptable to CDFW and USFWS as part of the conservation requirements of their ITP applications. • Several potential mitigation areas are available and include: o Entrance to Morton Canyon off of the Santa Ana River o Morton Canyon o Riparian Habitats along Mill Creek at the southwest corner of the Project site o Riparian Habitats along the Santa Ana River west of the Project site o Riparian Habitats along the Santa Ana River at its confluence with Mill Creek o Creation of riparian areas within the flood control facilities along the Project site's southern and western boundaries. The mitigation site shall be selected and presented to CDFW and USFWS for approval prior to disturbance within this area. The Project applicant shall purchase the selected mitigation site, if necessary, within one year of approval of the site by CDFW and USFWS. **MM BIO 8:** In order to reduce direct impacts to western spadefoot toad breeding habitat, the Project applicant will replace the loss of 1.02 acres of breeding habitat through the construction of on-site	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		replacements ponds prior to the removal of Detention Basin East shown on Figure 5.4-4 of the DEIR to provide a nearby breeding pool for emerging western spadefoot toads and a translocation site for tadpoles. A Replacement Breeding Pool Plan shall be prepared by a qualified biologist that identifies the location of a replacement pool, dimensions of the pool and specifications for construction demonstrating that stormwater can be effectively retained in the pool for at least 30 days. A one-time yearly monitoring survey during the breeding season (March 1 through May 31) shall be conducted for the first five years of the Project to inspect the pond for western spadefoot eggs and tadpoles to ensure successful ponding and breeding. The Replacement Breeding Pool Plan shall be reviewed and approved by CDFW prior to removal of the Detention Basin East.	
	The proposed Project has the potential to result in a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Wildlife or US Fish and Wildlife Service.	**MM BIO 2**, above. **MM BIO 4**: In order to reduce impacts from the loss of approximately 1.29 acres of waters of the US to less than significant levels this loss shall be mitigated by one or a combination of the following subject to USACE approval: • purchase of mitigation credits at a 2:1 ratio, or the USACE agreed upon ratio, from an USACE approved Mitigation Bank; • payment into the Riverside-Corona Resource Conservation District in-lieu fee program (or other approved in-lieu fee program) established for the loss of waters of the US at the agreed upon ratio; • and/or the enhancement, conservation, and long-term management of onsite waters of the US at the agreed upon ratio. If restoration and enhancement of onsite ephemeral stream habitat is a selected option, implementation shall be detailed in a Habitat Mitigation and Monitoring Plan (HMMP) that shall be prepared, reviewed and approved by USACE as part of the 404 permitting process. **MM BIO 5**: In order to reduce impacts from the loss of approximately 31.48 acres of RWQCB jurisdictional waters and 31.17 acres of CDFW streambeds as well as the 88.8 acres of RAFSS habitat (38.1 acres of intermediate RAFSS habitat an d 50.7 acres of mature RAFSS habitat) under CDFW jurisdiction to less than significant levels this loss shall be mitigated by one or a combination of the following subject to CDFW	Less than significant

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		and RWQCB approval: • purchase of streambed and associated riparian habitat at a 2:1 ratio from the Cajon Creek Conservation Bank; • payment into the Riverside-Corona Resource Conservation District in-lieu fee program established for the loss of streambed and associated riparian vegetation at a 2:1 ratio; • restoration and long-term management of onsite streambeds and associated riparian vegetation at a 2:1 ratio; • and/or restoration and long-term management of off-site low quality streambed and associated riparian vegetation to high quality habitat at a 2:1 ratio. If restoration and enhancement of riparian habitat is a selected option, implementation shall be detailed in an HMMP that shall be prepared, reviewed, and approved by CDFW/RWQCB as part of the Streambed Alteration Agreement and Porter-Cologne Act review process.	
	The proposed Project would not have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means.	No mitigation required.	Less than significant
	The proposed Project has the potential to interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites.	See **MM BIO 1**, above. **MM BIO 6**: In order to reduce Project impacts to wildlife movement, the proposed wildlife movement corridor (selected in cooperation with local wildlife biologist) shall be developed in the eastern portion of the Project site that shall meet the following requirements: • Provide connectivity between the San Bernardino Mountains and Crafton Hills, two areas of naturally occurring habitats that were once contiguous wildlife habitat prior to human development in the region, including Highway 38; • Provides ~~a~~ needed avenue for genetic interchange, both for wildlife, as well as plant species; • Identifies a conduit or wildlife movement corridor in response to	Less than significant

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		environmental changes and natural disasters; and • Provides a source of individuals of a species to re-colonize an area such as the Crafton Hills if they may become extirpated in that area. The size and shape of a corridor can directly impact the effectiveness of the corridor for wildlife movement. Although there are no hard guidelines for corridor design, the following performance standards were used to select the locations and shall continue to be used to finalize its design, as well as to implement an effective monitoring/adaptive management program to ensure its long-term suitability for providing movement opportunities and connectivity for wildlife between the San Bernardino Mountains and the Crafton Hills. These performance standards follow the six-step checklist outlined by Beier and Loe (1992): 1. The width of wildlife corridors should be based on an assessment of existing site conditions, use of the site by targeted wildlife species, a review of existing scientific literature on wildlife corridor and coordination with local experts on wildlife movement. A comprehensive review of the scientific literature on wildlife corridors by the state of Oregon's Metro Sustaining Center (2010) found that effective movement corridor widths can range in width from a few feet to over a thousand feet. They found that several studies on general wildlife corridors recommend that corridors be at least 328 feet (100 meters) wide to provide opportunity for most wildlife movement and habitat functions. Carnivores and large mammals tend to require wider corridors. Therefore, the proposed wildlife corridor will be 900 feet at a minimum up to a maximum of 1,800 feet along the eastern boundary, which is wide enough to accommodate the likely users of the wildlife corridor, including mule deer, mountain lions, bobcats, American badger, and small mammals. 2. Habitat quality is an important corridor attribute and can be crucial in contributing to the corridor's functionality. The proposed corridor is currently vegetated with a naturally occurring	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		Riversidean Sage Scrub plant community that provides plant species similar to those areas in the San Bernardino Mountains and in the Crafton Hills being connected by the corridor. This vegetative structure will be maintained so that it continues to attract the target species and encourage their movement through the corridor. 3. The target species that require movement opportunities between the San Bernardino Mountains and Crafton Hills include mule deer, mountain lion, bobcat, American badger, and black-tailed jackrabbit. The proposed wildlife corridor has been designed for the large mammal species, mountain lion and mule deer, and will be sufficient in width and location to support the demand for wildlife movement for the above species between the San Bernardino Mountains and the Crafton Hills. Currently, various impediments to wildlife movement exist on the Project site, including dirt roads, off-highway vehicle uses, lack of cover, lack of water, and ongoing site disturbances. The dedicated wildlife corridor will improve wildlife movement opportunities as compared to existing conditions by reducing most human interferences and providing ample cover for traveling animals. 4. The corridor location and design will ensure that: a. Large mammals are expected to be able to encounter and use the corridor. The entrance to the proposed corridor is a continuation of the existing corridor from the San Bernardino Mountains already in use. With the preservation of the existing topography and the plant communities, wildlife movement between the San Bernardino Mountains and the Crafton Hills will not be interrupted. b. The habitat within the corridor will remain in its natural condition except some areas that will need to be re-vegetated after initial grading. The site will continue to attract the target species and encourage their	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		movement through the corridor. c. The large width, up to 1,800 feet, of the corridor, as well as the preservation of the natural habitats within the corridor will continue to provide sufficient shelter, food and water for wildlife to move through the corridor. Enhancement and restoration measures such as re-vegetation to restore baseline conditions, documented at the opening of the corridor, following flood events and wild fires will be included in a long-term management plan. d. The corridor has been designed to reduce impediments to the use of the corridor such as human activity, road crossings, fencing, and stream channelization. Two existing roads have existed for decades within the eastern portion of the Project site and have not impeded wildlife movement through the area. These two existing at grade roads will be included in the proposed corridor in order to provide access to residences east of the Project site. The long-term management plan will include guidelines for maintaining these two at grade roads while continuing to recognize the movement of wildlife through the area. 5. Long-term management guidelines will be specified and will include: a. Maximize land uses adjacent to the corridor that reduce human impacts to the corridor; b. Do not allow housing or other impacts to project into the corridor to form impediments to movement and increase harmful edge effects; c. Strict lighting restrictions for houses adjacent to the corridor to prevent light pollution into the corridor will	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		be imposed. Lights must be directed downward and away from the corridor; d. No domestic pets, off-road vehicles, or recreational activities will be allowed in the corridor; e. No feeding of wildlife animals will be allowed; and f. Landowners adjacent to the corridor will be educated about the presence of the wildlife corridor and restrictions regarding the use of the area. 6. A monitoring program shall be included to ensure the selected/implemented corridor is functioning and providing wildlife movement opportunities. The monitoring program shall assess animal use of the corridor both before and post construction of the Project for a period not to exceed five years after Project completion. The monitoring program will be funded for five years by the Project Applicant. The monitoring program shall be overseen by the City and an Advisory Committee of 5, including City designee, and Applicant designee, the Project biologist, and additional members mutually selected by the City and Applicant that have appropriate experience (i.e., biologists with at least 10 years' experience conducting wildlife studies for large and small mammals and is familiar with wildlife corridor principles including corridor ecology, landscape ecology, wildlife tracking and monitoring, and adaptive management principles). The Advisory Committee shall submit annuals reports to the City. If a majority of the Advisory Committee members determine that the wildlife corridor is not functioning in accordance with the performance standards listed below, the Advisory Committee may require the implementation of adaptive management provisions, which shall be selected by a majority of the Advisory Committee members, in consultation with the City and the Project Applicant. The City shall have ultimate authority on Advisory Committee matters. Biological monitoring will ensure consistency and will be measured	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		against the following performance standards: ▪ Exotic vegetation within the wildlife corridor will not be allowed to exceed 30 percent as measured against the baseline conditions documented at the opening of the corridor. ▪ The overall plant structure and diversity within the corridor will be maintained at baseline levels and should not deviate from baseline conditions by over 20 percent. ▪ Wildlife entry into corridor and movement through the corridor should continue or exceed baseline levels as measured against the baseline conditions documented at the opening of the corridor. A drop of 20 percent in use of the corridor should be investigated to explain the observed decrease and/or to develop corrective actions for impacts that occur within the property. ▪ Openness of vegetation in the corridor should be maintained at baseline levels. An increase or decrease in plant density that exceeds 10 percent from baseline levels will be investigated to explain the observed change in density/openness and to determine if corrective measures are needed. ▪ External factors such as lighting and the use of the two existing at grade road crossings that must remain in place to provide access for residences to the east will be assessed annually against movement levels through the corridor to determine if lighting and the use of the existing at grade roads are having an adverse effect on wildlife use of the corridor. A decrease of 20 percent will be investigated to explain the decrease and/or to develop corrective actions that can be feasibly implemented.	
	The proposed Project would not conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance.	No mitigation required.	Less than significant
	The proposed Project would not conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community	No mitigation required.	Less than significant

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	Conservation Plan, or other approved local, regional, or state habitat conservation plan.		
Cultural Resources	The proposed Project has the potential to create a substantial adverse change in the significance of an historical resource as defined in Section 15064.5.	**MM CR 1**: To reduce impacts to historical cultural resources, including ~~and~~ archaeological resources (as defined by State *CEQA Guidelines*, Section 15064.5), prior to any ground disturbing activities within the Project site, a pre-grade meeting with a qualified historic archaeologist shall be held. The historic archaeologist will explain the likelihood for encountering historic and/or unique archaeological resources, what resources may be discovered, and the methods that will be employed if anything is discovered. A qualified historic archaeological monitor shall be present full-time during all initial ground disturbing activities within the sensitive areas identified in the *Phase I Cultural Resources Investigation*. The remainder of the Project area shall be monitored on a part-time basis as determined by the archaeological monitor and scheduled once a proposed Project is defined. The archaeological monitor shall be empowered to halt any activities impacting potentially significant resources in the vicinity of the resource and work with the Project proponent and the City of Highland in addressing these resources as follows: 1. Historic resources shall be documented. Documentation shall consist of: evaluation of the resource, photographs of the resource; preparation of a DPR-523 form (or forms); and filing of the DPR-523 form(s) with the City of Highland and the South Central Coastal Information Center, ~~San Bernardino County Museum, Archaeological Information Center~~ preparation of a technical study and/or any other ~~unless another~~ form of documentation ~~is~~ deemed to be ~~sufficient~~ necessary by a qualified historic archaeologist. 2. Unique archaeological resources, as defined by Public Resources Code, Section 21083.2(g), shall be mitigated as set forth in Public Resources Code, Section 21083.2(b). Mitigation may take the form of, in no order of preference: avoidance of the resource, capping or covering the site with a layer of soil prior to any building on the site, testing, or excavation. Excavation shall be limited to those portions of the unique archaeological resource that would be damaged by the Project. A report documenting the results of the testing or excavation shall be prepared and filed with the City of Highland and the South Central Coastal Information Center ~~San~~	Less than significant

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		~~Bernardino County Museum~~. 3. Non-unique archaeological resources shall be recorded and filed with the City of Highland. No further consideration of non-unique archaeological resources is required per Public Resources Code, Section 21083.2(h). The monitoring program shall be supplemented with daily field notes and a photographic record. The extent, duration, and number of monitors would be dependent upon the proposed Project development schedule(s). In the event evidence of prehistoric and/or historic period Native American cultural resources is identified at any time during Project construction, a Native American monitor of Serrano or Gabrieliño descent shall be incorporated into the Project's monitoring program.	
		MM CR 2: To mitigate potential impacts to the Bear Valley Highline Canal/Aqueduct: 1. A qualified historic archaeological monitor (Monitor) shall be present full-time during all initial ground disturbing activities or soils testing that entails excavation or boring in proximity to the alignment of the Bear Valley Highline Canal/Aqueduct once present north of Newport Road as shown on **Figure 5.5-1 – USGS Map** of the DEIR. If evidence of any previously unidentified portion of the Bear Valley Highline ~~Aqueduct~~ is found, the Monitor shall halt all ground-disturbing activities the area of this resource and the resource shall be documented and evaluated as follows:~~.~~ a. Historic resources shall be documented. Documentation shall consist of: evaluation of the resource, photographs of the resource; preparation of updated DPR-523 form(s); and filing of DPR-523 form (or forms) with the City of Highland and the South Central Coastal Information Center, ~~San Bernardino County Museum, Archaeological Information Center~~ preparation of a technical study and/or any other ~~unless another~~ form of documentation ~~is~~ deemed to be ~~sufficient~~ necessary by a qualified historic archaeologist. b. Unique archaeological resources, as defined by Public Resources Code, Section 21083.2(g), shall be mitigated as set forth in Public Resources Code, Section 21083.2(b). Mitigation may take the form of, in no order of preference: avoidance of	Less than significant

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		the resource, capping or covering the site with a layer of soil prior to any building on the site, testing, or excavation. Excavation shall be limited to those portions of the unique archaeological resource that would be damaged by the Project. A report documenting the results of the testing or excavation shall be prepared and filed with the City of Highland and the South Central Coastal Information Center. c. Non-unique archaeological resources shall be recorded and filed with the City of Highland. No further consideration of non-unique archaeological resources is required per Public Resources Code, Section 21083.2(h). 2. The identified portion of the Bear Valley Highline Canal/Aqueduct will be avoided by Project development. Nonetheless, p~~P~~rior to any earthmoving, excavation, or boring, along the identified portion of the Bear Valley Highline Aqueduct in Section 15 (south of Newport Road) this resource shall be documented. Documentation shall consist of: photographs of the resource; preparation of scaled drawings of the bridge crossing on the access road leading from Newport Avenue to Mill Creek, the undercrossing at the bridge, and at periodic locations along the exposed aqueduct; preparation of updated DPR-523 form(s); and filing of the updated DPR-523 form(s) with the City of Highland and the South Central Coastal Information Center ~~San Bernardino County Museum, Archaeological Information Center~~.	
		MM CR 3: To mitigate potential impacts to the previously unidentified Redlands Canal (Redlands Aqueduct), a qualified historic archaeological monitor (Monitor) shall be present full-time during all initial ground disturbing activities or soils testing that entails excavation or boring in proximity to the historic alignment of the Redlands Canal (Redlands Aqueduct) as shown on **Figure 5.5-1 – USGS Map** of the DEIR. If evidence of any portion of this resource is found, the Monitor shall halt all ground-disturbing activities in the area of this resource and the resource shall be documented and evaluated as follows: 1. Historic resources shall be documented. Documentation shall consist of: evaluation of the resource, photographs of the resource; preparation of a DPR-523 form (or forms); and filing of the DPR-523 form(s) with the City of Highland and the South Central Coastal Information Center, ~~San~~	Less than significant with mitigation measures incorporated

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		~~Bernardino County Museum, Archaeological Information Center~~ preparation of a technical study and/or any other ~~unless another~~ form of documentation ~~is~~ deemed to be ~~sufficient~~ necessary by a qualified historic archaeologist. 2. Unique archaeological resources, as defined by Public Resources Code, Section 21083.2(g), shall be mitigated as set forth in Public Resources Code, Section 21083.2(b). Mitigation may take the form of, in no order of preference: avoidance of the resource, capping or covering the site with a layer of soil prior to any building on the site, testing, or excavation. Excavation shall be limited to those portions of the unique archaeological resource that would be damaged by the Project. A report documenting the results of the testing or excavation shall be prepared and filed with the City of Highland and the South Central Coastal Information Center. 3. Non-unique archaeological resources shall be recorded and filed with the City of Highland. No further consideration of non-unique archaeological resources is required per Public Resources Code, Section 21083.2(h).	
	The Project has the potential to cause a substantial adverse change in the significance of an archaeological resource as defined in Section 15064.5.	See **MM CR 1** through **MM CR 3**, above.	Less than significant
	The Project has the potential to directly or indirectly destroy a unique paleontological resource, or site or unique geologic feature.	**MM CR 4**: To reduce impacts to potential paleontological resources, prior to any earthmoving activities within the Project area, a Paleontological Resources Impact Mitigation Plan (PRIMP) shall be prepared by a qualified paleontologist and approved by the City of Highland. Once the PRIMP is approved by the City of Highland, earthmoving and construction activities may commence under the provision of the PRIMP. The PRIMP shall include the following: 1. Pre-grade meeting with a qualified paleontologist. The paleontologist will explain the likelihood for encountering paleontological resources, what resources may be discovered, and the methods that will be employed if anything is discovered. 2. A qualified vertebrate paleontological monitor shall be present during earthmoving activities identified in the PRIMP. The monitor	Less than significant

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		shall inspect fresh cuts and/or spoils piles to recover paleontological resources. The monitor shall be empowered to temporarily divert construction equipment away from the immediate area of the discovery. 3. If the qualified paleontologist is not present when fossil remains are uncovered by earthmoving activities, these activities shall be stopped and a qualified paleontologist shall be called to the site immediately to evaluate the significance of the fossil remains. 4. It is recommended that native sediments occasionally be spot-screened through one-eighth to one-twentieth-inch mesh screens to determine whether microfossils are present. 5. If microfossils are encountered, additional sediment samples as determined by the paleontological monitor shall be collected and processed to recover additional fossils. 6. If the qualified paleontologist determines that insufficient fossil remains have been found after fifty percent of earth moving activities have been completed, monitoring can be reduced or discontinued. 7. Any recovered specimens shall be prepared to the point of identification and permanent preservation, which may include the picking of any washed mass samples to recover small invertebrate and vertebrate fossils, if present, the removal of surplus sediment from around larger specimens to reduce the volume of storage for the repository and the hardeners/stabilizers to fragile specimens. 8. Specimens shall be identified to the lowest taxonomic level possible and curated at an institutional repository approved by the City of Highland and the County of San Bernardino. 9. Fill dirt shall be free of cultural resources. Fill dirt from off-site resources shall be certified by the provider as being free of cultural or paleontological resources. 10. A report shall be prepared that details the methods and results of the monitoring program, even if the results are negative. If applicable, this shall include an appended itemized inventory of identified specimens. This report shall be submitted by the project paleontologist to the City of Highland, prior to the issuance of the final grading inspection for all grading permits in areas where	

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		grading activities reached a depth of 4-feet or greater.	
	The Project has the potential to disturb unknown human remains, including those interred outside of formal cemeteries.	**MM CR 5**: To mitigate impacts to unknown human remains, if human remains are encountered, State Health and Safety Code Section 7050.5 states that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin. Further, pursuant to Public Resource Code Section 5097.98(b) remains shall be left in place and free from disturbance until a final decision as to the treatment and disposition has been made. If the San Bernardino County Coroner determines the remains to be Native American, the Native American Heritage Commission shall be contacted within the period specified by law. Subsequently, the Native American Heritage Commission shall identify the "Most Likely Descendant." The Most Likely Descendant shall then make recommendations and engage in consultation with the County and the property owner concerning the treatment of the remains as provided in Public Resources Code Section 5097.98. Human remains from other ethnic/cultural groups with recognized historical associations to the Project area shall also be subject to consultation between appropriate representatives from that group and City Planning Director.	Less than significant
Geology and Soils	The proposed Project has the potential to expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving: i) rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault; ii) strong seismic ground shaking; iii) seismic-related ground failure, including liquefaction; iv) landslides.	**MM GEO 1:** No structure intended for human occupancy, as defined by the State of California, shall be located within a 50-foot structural setback area beginning 50 feet (measured perpendicularly) southwest of the "area of investigation" line and extending north to the Project boundary as shown on **Figure 5.6-3 – Structural Setback** until and unless a geologic report prepared in accordance with the Alquist-Priolo Earthquake Fault Zoning Act (California Public Resources Code, Division 2, Chapter 7.5, Section 2623) and approved by the City of Highland, defines and delineates any hazard of surface fault rupture sufficiently to prevent the placement of structures for human occupancy across the trace of active faults. The geologic report shall be signed by a Certified Engineering Geologist licensed to practice in the State of California in accordance with the Geologist and Geophysicist Act (California Business and Professions Code, Chapter 12.5). The State of California defines a structure for human occupancy as any structure that is expected to have a human occupancy rate of more than 2,000 person-hours per year. Structures for human occupancy include, but are not limited to, residences, office buildings, retail stores, parking garages, and clubhouses. Other structures, such as, but not limited to, roadways, parks, parking lots, swimming pools, may	Less than significant

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		generally be constructed within the structural setback area. The final determination of which structures may be located within setback areas shall be made by the City of Highland based on future development plans for implementing projects within the Harmony Specific Plan and subsequent implementing project-specific geotechnical investigations as required by mitigation measure **MM GEO 2**.	
		MM GEO 2: Prior to issuance of a grading permit on any implementing project, an updated geotechnical report reviewing the most current development plan shall be prepared to analyze on-site soil conditions and slope stability and include appropriate measures to provide foundation stability, seismic design, and limit damage from erosion in accordance with City of Highland Municipal Code Title 15 and the current California Building Code. The required geotechnical report shall be signed by a Professional Geologist licensed to practice in the State of California in accordance with the Geologist and Geophysicist Act (California Business and Professions Code, Chapter 12.5) and a Professional Engineer licensed to practice in the State of California in accordance with the Professional Engineers Act (California Business and Professions Code, Chapter 7). The implementing project-specific geotechnical report(s) and any measures recommended therein that provide foundation stability, seismic design, and limit damage from erosion shall be reviewed and approved by the City of Highland. Each implementing project shall incorporate all City-approved measures with regards to foundation stability, seismic design, and limiting damage from erosion.	Less than significant
	The proposed Project is not expected to result in substantial soil erosion or the loss of topsoil. However, **MM GEO 2** also requires and updated geotechnical study which will include measures to limit damage from erosion	See **MM GEO 2**, above.	Less than significant
	The proposed Project has the potential to be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the Project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse.	See **MM GEO 2**, above.	Less than significant
	The proposed Project has the potential to	See **MM GEO 2**, above.	Less than significant

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	be located on expansive soil, as defined in Table 18-1B of the Uniform Building Code (1994), creating substantial risks to life or property.		
	The proposed Project ~~would not~~ will have a sewer system installed. Therefore, the proposed Project will not use septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water.	~~No~~t mitigation required.	No impact.
Greenhouse Gas Emissions	The proposed Project is not expected to generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment.	~~No~~t mitigation required.	Less than significant
	The proposed Project would not conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases.	~~No~~t mitigation required.	Less than significant
Hazards and Hazardous Materials	The proposed Project would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials.	No mitigation is required.	Less than significant.
	The proposed Project has the potential to create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment	**MM HAZ 1**: Prior to the removal, demolition, or disposal of any structures or debris from the Project site, the structures and debris shall be assessed to determine the presence of asbestos, lead-based paint, or any other hazardous materials are present. Any structure or debris containing asbestos, lead-based paint, or any other hazardous materials shall only be removed by state-licensed, qualified personnel in accordance with applicable rules and regulations. Removal, demolition, and disposal of structures and debris, including but not limited to: earthen dams, under-and aboveground storage tanks, septic systems, water wells, irrigation pipes, smudge pots, shipping containers, construction equipment, automotive tires, wood, metal, concrete, asphalt, furniture, appliance, paint buckets, used oil containers, empty 55-gallon drums, and produce boxes, shall conform to all federal, state, and local agency regulations, specifically with those required by the City of Highland and the Hazardous Materials Division of the San Bernardino County Fire Department.	Less than significant.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		MM HAZ 2: Prior to any ground disturbing activities on the Project site, to the extent not previously prepared and to properly assess and identify the presence of agricultural chemical residues in the surface and subsurface soils within areas of the Project site that had been used for agricultural purposes, a Phase II Environmental Site Assessment (ESA) shall be performed by a registered environmental assessor (REA) and submitted to the City of Highland for review. If the Phase II ESA identifies any soils with chemical residues in excess of regulatory thresholds, a remediation plan shall be prepared and submitted to the City of Highland and any other regulatory agency with oversight for review and approval. No grading permit shall be issued for any portion of the Project site containing soils with chemical residues in excess of regulatory thresholds until that portion of the site has been remediated. If remediation entails removal of the contaminated soils, such soils shall be transported off site to a licensed disposal facility. Because the surficial soils of the southeast portion of the Property identified as being used for the Seven Oaks Dam borrow site appear to have been significantly disturbed, or removed from the Property, concentrations of agricultural chemical residues are not anticipated to be above thresholds of concern in these areas. No further assessment of the former Seven Oaks Dam borrow site is required.	Less than significant.
		MM HAZ 3: If, while performing any Project-related site preparation or excavation, material that is believed to be hazardous waste as defined in Section 25117 of the California Health and Safety Code is discovered, the developer shall contact the City of Highland and the Hazardous Materials Division of the San Bernardino County Fire Department. Work in the area of the discovered material shall be stopped until the material has been tested and the absence of hazardous waste has been confirmed. If hazardous waste is determined to be present, such materials shall be removed and disposed of pursuant to applicable provisions of federal, state, and local law.	
	The proposed Project would not emit hazardous emissions or handle hazardous or acutely hazardous materials, substances or waste within one-quarter mile of an existing or proposed school.	No mitigation is required.	Less than significant.
	The proposed Project has the potential to be located on a site which is included on a	See **MM HAZ 1** through **MM HAZ 3**, above.	Less than significant.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	list of hazardous materials sites compiled pursuant to Government Code Section 65962.5, but is listed on an orphan site, as a result, would it create a significant hazard to the public or the environment.		
	The proposed Project is not located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would result in a safety hazard for people residing or working in the project area.	No mitigation is required.	No impact.
	The proposed Project is not within the vicinity of a private airstrip, result in a safety hazard for people residing or working in the project area.	No mitigation is required.	No impact.
	The proposed Project would not impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan.	No mitigation is required.	Less than significant.
	The proposed Project would not expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands unless implementation of mitigation measures are incorporated.	No mitigation is required.	Less than significant.
Hydrology/Water Quality	The Project would not violate any water quality standards or waste discharge requirements.	No mitigation is required.	Less than significant.
	The Project would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned	No mitigation is required.	Less than significant.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	uses for which permits have been granted).		
	The Project has the potential to substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site; or substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site.	**MM HYD 1:** Prior to issuance of any grading permit or recordation of the first tentative tract map (excluding a map for finance or conveyance purposes) a detailed Master Drainage Plan (MDP) shall be submitted and approved by the City of Highland. The MDP shall define rates of storm water runoff for pre and post development conditions, identify the size and location of proposed improvements and demonstrate compliance with the latest applicable MS4 permit. **MM HYD 2:** Prior to issuance of any grading permit or recordation of the first tentative tract map (excluding a map for finance or conveyance purposes), a detailed hydrology analysis including basin routing will be prepared to verify flows from the development being released to the existing conveyance channels west of Emerald Street are at or below the existing condition discharges. The analysis will include target discharge values for the 2, 5, 10, 25 and 100-year storm events to be conveyed from the project to the downstream natural conveyances.	Less than significant.
	The Project has the potential to create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff;	See **MM HYD 1** and **MM HYD 2**, above.	Less than significant.
	The Project would not otherwise substantially degrade water quality.	No mitigation is required.	Less than significant.
	The Project has the potential to place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map; or place within a 100-year flood hazard area structures which would impede or redirect flood flows.	**MM HYD 3:** Prior to issuance of any grading permit or recordation of the first tentative tract map (excluding a map for finance or conveyance purposes) containing lots which lie within Zone A (100yr flood plain) of the most current FEMA flood zone maps, the applicant shall provide evidence to the City of Highland that a Conditional Letter of Map Revision (CLOMR) has been received from FEMA acknowledging that the proposed improvements remove the subject area from the flood plain. Prior to issuance of a building permit for any lot previously identified in Zone A of the most current FEMA flood zone maps, the applicant shall provide evidence that a Letter of Map Revision (LOMR) has been issued by FEMA.	Less than significant.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	The Project has the potential to expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam.	**MM HYD 4**: Design plans and preliminary design reports (PDRs) shall consider the wastewater treatment plant with respect to the dam inundation zone and incorporate design features to reduce flooding, resulting scour, and other inundation-related liabilities.	Less than significant.
	The Project would not be subject to inundation by seiche, tsunami, or mudflow.	No mitigation is required.	Less than significant.
Land Use and Planning	The proposed Project would not physically divide an established community.	No mitigation is required	No impact.
	The proposed Project would not conflict with any applicable land use plan, policy, or regulation of an 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.	No mitigation is required	Less than significant.
	The proposed Project would not conflict with any applicable habitat conservation plan or natural community conservation plan.	No mitigation is required	Less than significant.
Mineral Resources	The proposed Project would not result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state.	No mitigation is required	Less than significant.
	The proposed Project would not result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan.	No mitigation is required	Less than significant.
Noise	The proposed Project has the potential to result in the exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies and result in a substantial permanent increase in ambient noise levels in the project vicinity	**MM NOI 1**: Prior to approval of final design plans for individual developments within the Harmony Specific Plan, a Final Noise Impact Analysis shall be prepared for each development based on precise grading plans and architectural plans that will allow for detailed noise modeling. The Final Noise Impact Analysis shall be utilized to: (i) confirm the findings of the Noise Impact Analysis included in Appendix K of the Draft EIR; (ii) confirm compliance with City of Highland's noise standards; and (iii) identify what, if any, noise shielding, attenuation,	Less than significant.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	above levels existing without the Project.	or mitigation may be required. Potential noise attenuation or mitigation measures include, but are not limited to: walls, fences, alternative pavement surfaces, set-backs, sound insulation for affected residences, changes in screening materials, complete enclosure of noise generating equipment (at the non-residential uses), increased setbacks, reorienting parking lots, or other measures as deemed appropriate by the City. With the appropriate combination of mitigation measures, which will be documented and specified in this study, all potential units will be mitigated below the level of significance.	
	The Project would not result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels.	No mitigation is required	Less than significant.
	The Project would not result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project; However, **MM NOI 2** will further reduce construction-related noise.	**MM NOI 2**: During construction, the following measures shall be implemented to reduce potential construction noise impacts on nearby noise-sensitive receptors: • During all site excavation and grading, the Project construction contractor(s) shall equip all construction equipment, fixed or mobile, with properly operating and maintained mufflers consistent with manufacturers' standards; • The Project construction contractor(s) shall place all stationary construction equipment so that emitted noise is directed away from sensitive receptors nearest to the Project site; • The Project construction contractor(s) shall locate equipment staging in areas that will create the greatest practical distance between construction-related noise sources and noise-sensitive receptors nearest to the Project site during all Project construction; and The Project construction contractor(s) shall provide the City of Highland Building Division a name and phone number of a contact person in the event that noise levels become disruptive. The name and phone number shall also be posted on site, informing the public who to contact. The City of Highland Building Division shall monitor compliance.	Less than significant.
	The proposed Project is not located within an airport land use plan or, where such a	No mitigation is required.	No impact.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels.		
	The proposed Project is not located within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels.	No mitigation is required.	No impact.
Population and Housing	The proposed Project would not induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure).	No mitigation is required.	Less than significant.
	The proposed Project would not displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere.	No mitigation is required.	No impact.
	The proposed Project would not displace substantial numbers of people, necessitating the construction of replacement housing elsewhere.	No mitigation is required.	No impact.
Public Services	The proposed Project has the potential to result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for fire protection, but would not substantially result in impacts to police protection, schools, or other public facilities.	**MM PS 1**: To reduce the risks associated with fire response time, the following services shall be implemented: 1. A fully-functional interim fire facility shall be provided at a location that may be different from the final location (subject to the approval of the City), inclusive of the necessary furnishings and equipment such as one ICS Type I‡ fire engine (or functionally equivalent fire engines approved by the City). The interim fire facility shall be constructed and fully functional prior to the issuance of the 1,000th building permit. 2. At the time the interim fire station is opened, the developer would have to reimburse the City for the costs of a Wildland Fire Protection Agreement that the City would enter into with Cal-fire, which includes provision of fire engines, hand crews, bulldozers, fixed and rotor wing aircraft, and overhead personnel to suppress	Less than significant.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		any wildland fire at no additional cost to the City. 3. The final fire station within Planning Area H shall be constructed and fully functional prior to the issuance of the 2,000th Certificate of Occupancy or the end of the 3rd year following the issuance of the 1,000th building permit, whichever occurs first, unless the City approves other functionally-equivalent fire service measures. The fire station size shall be generally equivalent to the size of the City's Station No. 3 located at 9th Street and Sterling Avenue inclusive of necessary furnishings and equipment~~; and provide one (1) ICS Type I Fire Engine (or functionally equivalent fire engines approved by the City) including all necessary equipment; and ensure a long-term funding mechanism is in place to support three (3) fire personnel for one of the Fire Engines seven days a week~~.	
Recreation	The Project would not increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated.	No mitigation is required.	Less than significant.
	The Project does not include recreational facilities or requires the construction or expansion of recreational facilities which might have an adverse physical effect on the environment.	No mitigation is required.	Less than significant.
Transportation/Traffic	The Project has the potential to conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit; or conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards	**MM TRANS 1**: Prior to issuance of a building permit for implementing development projects, the developer shall participate in the cost of off-site improvements through payment of development impact fees or "fair share" fees. The improvements are set forth in the Traffic Impact Analysis and listed under the column "Total Improvements Required" in **Table 5.16-J – Summary of Required Intersection Improvements**.	Significant and unavoidable direct and cumulative impact. A Statement of Overriding Considerations required prior to Project approval.
		In addition to the required improvements set forth in the Traffic Impact Analysis and mitigation measures **MM TRANS 1**, the developer shall also be responsible for the construction or payment of fair share towards the following off-site improvements, as directed by the City of Highland~~:~~. The developer shall be responsible for construction of the following off-site improvements (1-5): 1. Garnet/SR-38 intersection ~~–ultimate street and traffic~~	Significant and unavoidable direct and cumulative impact. A Statement of Overriding Considerations is required prior to Project approval.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	established by the county congestion management agency for designated roads or highways.	~~improvements.~~ Construct ultimate street ~~and traffic~~ improvements and a traffic signal. Minimum lane configuration includes (i) a southbound exclusive right-turn lane, exclusive left-turn lane, through lane, and a right-turn overlap phase, (ii) an eastbound exclusive left-turn lane and a shared through/right lane, and (iii) a west bound through lane, shared through/left lane, exclusive right turn lane, and a right turn overlap phase. Construct improvements west of Garnet Street to transition from two westbound lanes to one westbound lane. 2. Garnet/Newport intersection –improvement and realignment of Garnet Street to curve northeasterly to Newport Road, eliminating the need for northbound traffic on Garnet Street to make a right-angle right turn to go east to the project via Newport Road, and creating the need for northbound traffic on Garnet Street to make a right-angle left turn to continue to go north. Construct a new traffic signal and turn pockets at the new location of the Garnet/Newport intersection, or other such alternative acceptable to the City of Highland and County of San Bernardino. 3. Unless otherwise constructed by the County of San Bernardino, remove the existing Garnet Street Bridge over Mill Creek, and install a new bridge with adequate width to accommodate 2 travel lanes, ~~bike lanes~~ a two-way left turn lane, sidewalks and barrier rails. 4A. Removal of the existing pavement and reconstruction and widening of Garnet Street to 40' between Newport Avenue and SR-38 with an adequate roadway structural section or other such alternative acceptable to the City of Highland and County of San Bernardino. 4B. Widen Garnet Street to 52' between Newport Avenue and SR-38 with an adequate roadway structural section. 5. Removal of the existing pavement and reconstruct and widen Newport Avenue to 40' between Garnet Street and the project with an adequate roadway structural section or other such alternative acceptable to the City of Highland and County of San Bernardino. The developer shall be responsible for payment of development impact fees towards the following improvement (6) located in the	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		City of Highland: 6. Removal of the existing pavement ~~and reconstruction and widening of Greenspot Road to 40'~~ between the "S" curve and the west limit of the Greenspot Road Realignment project and reconstruction and widening of Greenspot Road to 52" from west of the "S" curve to the new Greenspot Road Bridge ~~Project currently under construction by the City of Highland~~. The developer shall be responsible for payment of fair share towards the following improvements (7-13) located in the City of Highland: 7. Palm Avenue and Fifth Street ~~Greenspot Road~~ – construct a northbound exclusive right-turn lane and add a right-turn overlap phase. The existing shared through/right land will become a through lane. 8. SR-210 Eastbound Ramps and Greenspot Road - widen and restripe the north leg of the intersection to accommodate two exclusive southbound left turn lanes and a southbound shared through/right lane. Widen and restripe the west leg of the intersection to accommodate four eastbound thru lanes, one exclusive eastbound right turn lane, and two westbound receiving lanes. Widen and restripe the east leg of the intersection to accommodate two westbound thru lanes, two westbound left turn lanes, three eastbound thru receiving lanes and one eastbound thru receiving lanes. 9. SR-210 Westbound Ramps and Greenspot Road - widen and restripe the west leg of the intersection to accommodate three eastbound thru lanes, one eastbound left turn lane, two westbound receiving left turn lanes, and two westbound thru lanes. Widen and restripe the east leg of the intersection to accommodate two exclusive westbound right turn lanes, four westbound thru lanes, and three westbound receiving thru lanes. 10. Boulder Avenue and Greenspot Road - restripe Greenspot Road west of Boulder Avenue to add a third eastbound through lane. Construct improvements on Greenspot Road east of Boulder Avenue to transition from three eastbound lanes to two eastbound lanes. Add a northbound right-turn overlap phase. Construct a third westbound through lane east of Boulder Avenue.	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		11. Church Street and Greenspot Road - add a southbound right-turn overlap phase. Construct an exclusive westbound right-turn lane. The existing shared through/right lane will become a through lane. 12. Weaver Street and Greenspot Road - construct a traffic signal. 13. Alta Vista and Greenspot Road - construct a traffic signal. And the developer shall also be responsible for payment of fair share towards the following improvements (14-25) located outside the City of Highland. The City of Highland shall collect the fair share payment amount and contribute such amount towards future construction of improvements by other public agencies. 14. Orange Street and SR-38 - construct a second westbound through lane. Construct improvements west of Orange Street to transition from two westbound lanes to one westbound lane. Construct a second northbound through lane. Construct improvements north of SR-38 to transition from two northbound lanes to one northbound lane. Construct a second westbound exclusive left-turn lane. 15. University Street/Central Avenue/I-10 Westbound ~~Eastbound~~ On-Ramp - construct a traffic signal. Construct an exclusive southbound left-turn lane and two exclusive northbound left-turn lanes. Construct freeway ramp improvements west of the intersection necessary to transition from two lanes to one lane. 16. University Street and I-10 Eastbound Off-Ramp - construct a traffic signal. 17. Bryant Street and SR-38 - construct a traffic signal. Construct an exclusive eastbound right-turn lane. The existing shared through/right lane will become a through lane. 18. Bryant Street and Oak Glen Road - construct an exclusive southbound right-turn lane and add a right-turn overlap phase. The existing shared through/right lane will become a through lane. 19. Sand Canyon Road, 14th Street, and Yucaipa Boulevard - convert northbound/southbound split phase to protected phase. Construct an exclusive northbound left-turn lane and restripe the northbound shared left/through lane to a through lane. Restripe the southbound shared left/through lane to a through lane.	

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		Construct an exclusive westbound right-turn lane and add a right-turn overlap phase. The existing shared through/right lane will become a through lane. 20. I-10 Eastbound Eureka Street Off-Ramp – construct a second off-ramp lane from the ramp diverge area. 21. I-10 Eastbound University Street Off-Ramp – construct a second off-ramp lane from the ramp diverge area. 22. I-10 Westbound Live Oak Canyon Road On-Ramp – construct a second on-ramp lane up to the ramp merge area. 23. SR-210 Westbound Ramps/San Bernardino Avenue – Restriping of the dedicated eastbound right turn lane to a shared eastbound through-right turn lane, construction of improvements to transition from two eastbound lanes to one eastbound lane, and the addition of a westbound through lane. 24. Orange Street / Pioneer Avenue – construct a traffic signal. 25. SR-210 Eastbound Ramp/San Bernardino Avenue – restriping of the dedicated eastbound right-turn lane to a shared eastbound through/right-lane and construction necessary to increase the lane length. Furthermore, the City of Highland will require the Project to pay development impact fees to mitigate Project-related traffic at locations within the City not analyzed specifically in the Project-specific Traffic Impact Analysis, but are analyzed in the City of Highland's development impact fee program. The amount of the development impact fee will be reduced based on the City's established development impact fee credit policy.	
	The proposed Project will not result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks.	No mitigation is required.	No Impact.
	The Project has the potential to substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment).	**MM TRANS 2:** Prior to issuance of grading permits for implementing development projects, the developer or contractor shall include truck routes in the construction specifications that require trucks access to the Project site through the City of Highland.	Less than significant.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
		See **MM AQ 3**, above.	
	The proposed Project will not result in inadequate emergency access.	No mitigation is required.	Less than significant.
	The proposed Project will not conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities.	No mitigation is required.	Less than significant.
Utilities and Service Systems	The proposed Project will not exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board.	No mitigation is required.	No Impact.
	The proposed Project will not require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects.	No mitigation is required.	Less than significant.
	The proposed Project will not require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects.	No mitigation is required.	Less than significant.
	The proposed Project will have sufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed.	No mitigation is required.	Less than significant.
	The proposed Project will not result in a determination by the wastewater treatment provider which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments.	No mitigation is required.	Less than significant.
	The proposed Project will not be served by a landfill with insufficient permitted	No mitigation is required.	Less than significant.

Impact Category	Impact	Mitigation Measure	Impact After Mitigation
	capacity to accommodate the project's solid waste disposal needs.		
	The proposed Project will comply with federal, state, and local statutes and regulations related to solid waste.	No mitigation is required.	No impact.
	The proposed Project will not increase demand for other utility and service systems, the construction of which could cause significant environmental effects.	No mitigation is required.	Less than significant.

1.7 Summary of Project Alternatives

State *CEQA Guidelines* Section 15126.6 identifies the parameters within which consideration and discussion of alternatives to a proposed project should occur. As stated in this section of the guidelines, alternatives must focus on those that are reasonably feasible and which attain most of the basic objectives of a project. Each alternative must be capable of avoiding or substantially lessening any significant effects of the proposed project. The rationale for selecting the alternatives to be evaluated and a discussion of the "no project" alternative are also required, pursuant to Section 15126.6.

This DEIR evaluates 1) a No Project Alternative and 2) Existing Land Use Designation, 3) Existing Entitlements / Sunrise Ranch, 4) Smaller Project; and 5) Eastern Mitigation Bank.

Table 1-C – Comparison of Alternatives Matrix, gives a summary of all Project alternatives considered in detail in the DEIR and identifies the areas of potential environmental effects per CEQA and ranks each alternative as better than, the same or less than the proposed Project with respect to each area.

Table 1-C – Comparison of Alternatives Matrix

Environmental Issue	Proposed Project	Alternative 1 No Project/No Development	Alternative 2 Existing Land Use Designation	Alternative 3 Existing Entitlements / Sunrise Ranch	Alternative 4 Smaller Project	Alternative 5 Eastern Mitigation Bank
Aesthetics	The Project would not have a substantial adverse effect on the scenic vista (with implementation of the identified mitigation measure); substantially damage scenic resources, including but not limited to trees, rock outcroppings, and historic buildings within a state scenic highway; substantially degrade the existing visual character or quality of the site and its surroundings; or create a new source of substantial light or glare which would adversely affect day or nighttime views in the area. Less than significant impacts with mitigation.	**Less** – This Alternative would retain the Project site's existing conditions. No impacts would occur.	**Same** – This Alternative would result in the development of the Project site in accordance the existing General Plan Land Use designation. Impacts would be the same as the proposed Project. Impacts would be less than significant, but could require similar mitigation measures as the Project.	**Same** – This Alternative would result in the development, albeit a lesser area of the Harmony Project site, in accordance with the approved Sunrise Ranch project and include mitigation measures. Thus, impacts would be the same as the proposed Project. Impacts would be less than significant with mitigation.	**Same** – This Alternative would result in the development of the western portion of the Project site. Impacts would be the same as the proposed Project. Impacts would be less than significant, but could require similar mitigation measures as the Project.	**Same** – This Alternative would result in the development of the western portion of the Project site. Impacts would be the same as the proposed Project. Impacts would be less than significant, but could require similar mitigation measures as the Project.
Agricultural and Forestry Resources	The Project will not result in a significant impact regarding the conversion of Farmland to non-agricultural use; and involving other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forest land to non-forest use. The Project will not conflict with existing zoning for agricultural use, a Williamson Act contract; existing zoning for, or cause rezoning of, forest land, timberland, or timberland zoned Timberland Production; or result in the loss of forest land or conversion of forest land to non-forest use. Impacts would be less than significant with mitigation.	**Same** – No loss of existing agricultural uses or Farmland. No impacts would occur.	**Same** – Development of the site does not result in a significant impact regarding the conversion of Farmland to non-agricultural use because no agricultural production currently exists. The site does not contain forest land. Impacts would be less than significant with mitigation.	**Same** –Development of the site does not result in a significant impact regarding the conversion of Farmland to non-agricultural use because no agricultural production currently exists. The site does not contain forest land. Impacts would be less than significant with mitigation.	**Same** –Development of the site does not result in a significant impact regarding the conversion of Farmland to non-agricultural use because no agricultural production currently exists. The site does not contain forest land. Impacts would be less than significant with mitigation.	**Same** –Development of the site does not result in a significant impact regarding the conversion of Farmland to non-agricultural use because no agricultural production currently exists. The site does not contain forest land. Impacts would be less than significant with mitigation.
Air Quality	The Project would violate air quality standards or contribute substantially to an existing or projected air quality violation; would result in a cumulatively considerable net increase of any criteria pollutant for which the Project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions which exceed quantitative thresholds for ozone precursors); but would not conflict an air quality plan; or expose sensitive receptors to substantial pollutant concentrations; or create objectionable odors affecting substantial number of people. Significant impacts after mitigation.	**Less** – Impacts on air quality from construction and operation would be avoided due to the lack of development. No impacts would occur.	**Less** – Air quality impacts would be less than that of the proposed Project due to the change in land use and associated reductions in vehicle trips, but would not be reduced to less than significant levels. Significant impacts after mitigation.	**Same** – Air quality impacts from the short-term construction and long-term emissions would exceed SCAQMD thresholds. Significant impacts after mitigation.	**Less** – Air quality impacts would be less than that of the proposed Project due to the change in land use and associated reductions in vehicle trips, but would not be reduced to less than significant levels. Significant impacts after mitigation.	**Less** – Air quality impacts would be less than that of the proposed Project due to the change in land use and associated reductions in vehicle trips, but would not be reduced to less than significant levels. Significant impacts after mitigation.
Biological Resources	With implementation of the identified mitigation measures	**Less**–No loss of land to	**Greater** –This	**Greater** – This	**Less** – designating the	**Less** – designating the

Environmental Issue	Proposed Project	Alternative 1 No Project/No Development	Alternative 2 Existing Land Use Designation	Alternative 3 Existing Entitlements / Sunrise Ranch	Alternative 4 Smaller Project	Alternative 5 Eastern Mitigation Bank
	the Project will not have a substantial adverse effect on sensitive species or their habitat, on riparian or other sensitive natural community, on federally protected wetlands. With implementation of the identified mitigation measures the Project will not interfere substantially with a wildlife corridor. The Project will not conflict with any local policies or ordinance protecting biological resources, or with provisions of an adopted Habitat Conservation Plan or Natural Community Conservation Plan. With implementation of identified mitigation measures potential impacts to sensitive species and their habitat are reduced to less than significant levels.	development and all open space is retained thus, no loss of foraging habitat, no encroachment into SBKR Critical Habitat. No impacts would occur.	alternative would not preserve 535 acres of natural open space which provides suitable habitat for sensitive species and 72 acres of manufactured open space which provide for wildlife movement corridor opportunities through the Project site. Although less Project residents would be expected to access sensitive areas, trespassing by non-Project residents would not change.	alternative would not include the preservation of almost half of the site for open space and does not incorporate mitigation capable of reducing impacts to less than significant levels.	eastern portion of the Project as Natural Open Space would avoid any conflict with the existing Crafton Hills Linkage wildlife corridor. This alternative would also minimize impacts to jurisdictional features, disturbed RSS and RAFSS and minimize encroachment into SBKR critical habitat. Impacts would be less than significant with implementation of similar mitigation measures to the Project, albeit to a lesser degree due to a reduced development footprint.	eastern portion of the Project as a Mitigation Bank would avoid any conflict with the existing Crafton Hills Linkage wildlife corridor. This alternative would also minimize impacts to jurisdictional features, disturbed RSS and RAFSS and minimize encroachment into SBKR critical habitat. In addition, overtime the biological value of the eastern portion of the site would improve as development projects pay to restore on-site habitat on a project by project and therefore incremental basis. Impacts would be less than significant, with implementation of similar mitigation measures as the Project, albeit to a lesser degree due to a reduced development footprint.
Cultural Resources	With implementation of the identified mitigation measures for each threshold, the Project would not create a substantial adverse change in the significance of a historical resource as defined in Section 15064.5; cause a substantial adverse change in the significance of an archaeological resource as defined in Section 15064.5; directly or indirectly destroy a unique paleontological resource or site or unique geologic feature; or disturb any human remains, including those interred outside of formal cemeteries. Less than significant impacts with mitigation.	**Less** – This Alternative would not involve additional or deeper grading of the Project site and would have no impact upon unknown and potentially buried cultural resources. No impacts would occur.	**Same** – This Alternative may impact unknown buried resources similar to that of the proposed Project. Impacts would be less than significant, and could require similar mitigation measures as the Project.	**Same** – This Alternative may impact unknown buried resources similar to that of the proposed Project, albeit to a lesser degree due to the smaller footprint, and would likely be subject to similar regulations and mitigation measures if	**Same** – This Alternative may impact unknown buried resources similar to that of the proposed Project, albeit to a lesser degree due to the smaller footprint, and would likely be subject to similar regulations and mitigation measures if	**Same** – This Alternative may impact unknown buried resources similar to that of the proposed Project, albeit to a lesser degree due to the smaller footprint, and would likely be subject to similar regulations and mitigation measures if

Environmental Issue	Proposed Project	Alternative 1 No Project/No Development	Alternative 2 Existing Land Use Designation	Alternative 3 Existing Entitlements / Sunrise Ranch	Alternative 4 Smaller Project	Alternative 5 Eastern Mitigation Bank
				implemented. Impacts would be less than significant, but would likely require mitigation measures to avoid potential impacts.	implemented. Impacts would be less than significant, but would likely require mitigation measures to avoid potential impacts.	implemented. Impacts would be less than significant, but would likely require mitigation measures to avoid potential impacts.
Geology and Soils	With implementation of the identified mitigation measures for each threshold, the Project would not expose people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving: fault rapture, strong seismic ground shaking, seismic-related ground failure, landslides; result in substantial soils erosion or loss of topsoil; be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the Project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse; be located on expansive soil, creating substantial risks to life or property. The Project would have no impact regarding soils incapable of adequately supporting the use of septic tanks or alternative waste water disposal systems where sewers are not available for the disposal of waste water. Less than significant impacts with mitigation.	**Less** – This Alternative would not involve the development on the site so no structures, grading or soils disturbance. No impacts would occur.	**Same** – This Alternative would require similar geotechnical design considerations as the existing conditions are the same and the proposed land use is similar. Impacts would be less than significant, and could require similar mitigation measures as the Project.	**Same** – This Alternative would require similar geotechnical design considerations and mitigation as the proposed Project if implemented. Impacts would be less than significant with mitigation.	**Same** – This Alternative would require similar geotechnical design considerations and mitigation as the proposed Project if implemented. Impacts would be less than significant with mitigation.	**Same** – This Alternative would require similar geotechnical design considerations and mitigation as the proposed Project if implemented. Impacts would be less than significant with mitigation.
Greenhouse Gas Emissions	The Project would not generate GHG emissions, either directly or indirectly, that may have a cumulatively significant impact on the environment, the Project would not conflict with an applicable plan, policy, or regulation adopted for the purpose of reducing the emissions of greenhouse gases. Less than significant impacts.	**Less** – GHG emissions would remain at existing levels; new construction and operational emissions on the site would be avoided. No impacts would occur.	**Greater** – This Alternative would greatly reduce GHG emissions due to the reduction in dwelling units compared to the proposed Project, but would likely not meet the AB 32 reduction target of 28.5 percent because it would not include the Project's design features aimed at reducing GHG emissions. Impacts would potentially be significant.	**Same** – Although GHG emissions were not evaluated in the Sunrise Ranch EIR, it is reasonable to assume that similar amounts of GHG emission would be generated by development of this alternative based on the total amount of dwelling units and non-residential uses proposed. Impacts could potentially be less than significant with mitigation.	**Greater** – This Alternative would greatly reduce GHG emissions due to the reduction in dwelling units compared to the proposed Project, but would likely not meet the AB 32 reduction target of 28.5 percent because it would not include the Project's design features aimed at reducing GHG emissions. Impacts would potentially be significant.	**Greater** – This Alternative would greatly reduce GHG emissions due to the reduction in dwelling units compared to the proposed Project, but would likely not meet the AB 32 reduction target of 28.5 percent because it would not include the Project's design features aimed at reducing GHG emissions. Impacts would potentially be significant.

Environmental Issue	Proposed Project	Alternative 1 No Project/No Development	Alternative 2 Existing Land Use Designation	Alternative 3 Existing Entitlements / Sunrise Ranch	Alternative 4 Smaller Project	Alternative 5 Eastern Mitigation Bank
Hazards and Hazardous Materials	The Project would not create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials; emit hazardous emissions or handle hazardous or acutely hazardous materials, substances or waste within one-quarter mile of an existing or proposed school; result in a safety hazard for people residing or working in the project area near an airport; impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan. With implementation of the identified mitigation measures, the Project would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment; result in the creation of a significant hazard to the public or the environment due to location; expose people or structures to a significant risk of loss, injury, or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands. Less than significant impacts with mitigation.	**Less** – Under this Alternative the Project site would remain vacant and idle. It would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. No impacts would occur.	**Same** – The existing conditions would remain as the Project site is the same and the proposed land use under this Alternative is similar to the Project's proposal. The resulting impacts would also be similar. Impacts would be less than significant, and could require similar mitigation measures as the Project.	**Same** – The existing conditions would remain as the Project site is largely similar and the proposed land use under this Alternative is also similar to the Project's proposal. Moreover, current regulatory conditions and mitigation measures would apply if implemented. Impacts would be less than significant with mitigation.	**Same** – The existing conditions would remain as the Project site is the same and the proposed land use under this Alternative is similar to the Project's proposal. The resulting impacts would also be similar. Impacts would be less than significant, and could require similar mitigation measures as the Project.	**Same** – The existing conditions would remain as the Project site is the same and the proposed land use under this Alternative is similar to the Project's proposal. The resulting impacts would also be similar. Impacts would be less than significant, and could require similar mitigation measures as the Project.
Hydrology / Water Quality	The Project would not violate any water quality standards or waste discharge requirements; substantially deplete groundwater supplies; otherwise substantially degrade water quality; expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam. With implementation of the identified mitigation measures for each threshold, the Project would not substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site; substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site; create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map; inundation by seiche, tsunami, or mudflow; or place within a 100-year flood hazard area structures which	**Greater** – The existing condition regarding hydrology and water quality would continue on site; however, the Project's beneficial design and BMPs would not be realized, which may contribute to greater long-term impacts than the proposed Project. Impacts would be less than significant.	**Same** – Construction of this Alternative would require preparation and implementation of a project specific WQMP, SWPPP, and compliance with NPDES permit requirements. Adherence to these regulatory requirements, and similar mitigation measures as the Project due to the similarity in proposed land uses, would reduce potential impacts to less than significant similar to the proposed Project. Impacts would be less than significant and could require similar mitigation measures as	**Same** – Construction of this Alternative would require preparation and implementation of a project specific WQMP, SWPPP, and compliance with NPDES permit requirements, as required in the current regulatory environment. Adherence to these regulatory requirements, and likely additional mitigation measures similar to the Project's that also would be required if implemented to date, would reduce potential impacts to less than significant similar to the proposed Project.	**Same** – Construction of this Alternative would require preparation and implementation of a project specific WQMP, SWPPP, and compliance with NPDES permit requirements. Adherence to these regulatory requirements, and similar mitigation measures as the Project due to the similarity in proposed land uses, would reduce potential impacts to less than significant similar to the proposed Project. Impacts would be less than significant and could require similar mitigation measures as	**Same** – Construction of this Alternative would require preparation and implementation of a project specific WQMP, SWPPP, and compliance with NPDES permit requirements. Adherence to these regulatory requirements, and similar mitigation measures as the Project due to the similarity in proposed land uses, would reduce potential impacts to less than significant similar to the proposed Project. Impacts would be less than significant and could require similar mitigation measures as

Environmental Issue	Proposed Project	Alternative 1 No Project/No Development	Alternative 2 Existing Land Use Designation	Alternative 3 Existing Entitlements / Sunrise Ranch	Alternative 4 Smaller Project	Alternative 5 Eastern Mitigation Bank
	would impede or redirect flood flows; Less than significant impacts with mitigation.		the Project.	Impacts would be less than significant with mitigation.	the Project.	the Project.
Land Use and Planning	The Project would not physically divide an established community; conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project adopted for the purpose of avoiding or mitigating an environmental effect; or conflict with any applicable habitat conservation plan or natural community conservation plan. Impacts would be less than significant.	**Greater** – The site would remain vacant and underutilized and thus, not meet the goals and policies of the City General Plan. Impacts would be less than significant.	**Same** – This Alternative would be consistent with City of Highland General Plan land use designations, proposed zoning and surrounding land use designations and zoning. Impacts would be less than significant.	**Greater** – This Alternative is not consistent with the General Plan land use designation for the site, whereas the Project is consistent. Impacts would be significant and unavoidable.	**Same** – This Alternative would be consistent with City of Highland General Plan land use designations, proposed zoning and surrounding land use designations and zoning. Impacts would be less than significant.	**Same** – This Alternative would be consistent with City of Highland General Plan land use designations, proposed zoning and surrounding land use designations and zoning. Impacts would be less than significant.
Mineral Resources	The Project would not result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state; or result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan. Impacts would be less than significant.	**Same** – This existing conditions at the site involve the diminished to nullified potential for the area to be utilized for mineral resources due to previous extraction activity during construction of the Seven Oaks Dam. No impacts would occur.	**Same** – This Alternative would include the same Project site, and thus, the same existing conditions, which include the previous extraction of mineral resources at the site for the construction of the Seven Oaks Dam. Impacts would be less than significant.	**Same** – This Alternative would include largely the same Project site as Harmony, and thus, the same existing conditions, which include the previous extraction of mineral resources at the site for the construction of the Seven Oaks Dam. Impacts would be less than significant.	**Same** – This Alternative would include the same Project site, and thus, the same existing conditions, which include the previous extraction of mineral resources at the site for the construction of the Seven Oaks Dam. Impacts would be less than significant.	**Same** – This Alternative would include the same Project site, and thus, the same existing conditions, which include the previous extraction of mineral resources at the site for the construction of the Seven Oaks Dam. Impacts would be less than significant.
Noise	The Project would not result in exposure of persons to or generation of excessive groundborne vibration or groundborne noise levels; for a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels; for a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels. With implementation of the identified mitigation measures for each threshold, the Project would not result in exposure of persons to or generation of noise levels in excess of standards	**Less** – This Alternative would not involve construction of the Project site and would not increase traffic on area roadways. No impacts would occur.	**Less** – This Alternative would result in decreased construction activity and fewer vehicle trips during operation. Thus, less noise from construction equipment and traffic-generated noise. Impacts are would be less than significant, but could require similar mitigation measures as	**Less** – This Alternative would result in decreased construction activity and fewer vehicle trips during operation. Thus, less noise from construction equipment and traffic-generated noise. Impacts are would be less than significant, but could require similar mitigation measures as	**Less** – This Alternative would result in decreased construction activity and fewer vehicle trips during operation. Thus, less noise from construction equipment and traffic-generated noise. Impacts are would be less than significant, but could require similar mitigation measures as	**Less** – This Alternative would result in decreased construction activity and fewer vehicle trips during operation. Thus, less noise from construction equipment and traffic-generated noise. Impacts are would be less than significant, but could require similar mitigation measures as

Environmental Issue	Proposed Project	Alternative 1 No Project/No Development	Alternative 2 Existing Land Use Designation	Alternative 3 Existing Entitlements / Sunrise Ranch	Alternative 4 Smaller Project	Alternative 5 Eastern Mitigation Bank
	established in the local general plan or noise ordinance, or applicable standards of other agencies; a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project; a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project. Less than significant impacts with mitigation.		the Project.	the Project.	the Project.	the Project.
Population / Housing	The Project would not substantially induce population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure. The Project would not displace substantial numbers of existing housing; or displace substantial numbers of people. Impacts would be less than significant.	**Greater** – This Alternative would not result in any population growth since no development would occur. Because growth was accounted for in both the General Plan and larger Regional Plans, the goals of these plans may no longer be met and greater impacts may result.	**Same** – This Alternative would directly induce population growth, but the resulting growth would not exceed the General Plan's estimations for the City. Impacts would be less than significant.	**Same** – The Sunrise Ranch would develop fewer residential dwelling units and generate less residents than the Project, which would lessen, but would be similar to the growth projections used in the SCAG RTP/SCS. Impacts would be less than significant.	**Greater** – This Alternative would develop fewer residential dwelling units and generate less residents than the Project, which may make it more difficult to achieve the necessary reductions contained in the SCAG RTP/SCS. Impacts would be potentially significant.	**Greater** – This Alternative would develop fewer residential dwelling units and generate less residents than the Project, which may make it more difficult to achieve the necessary reductions contained in the SCAG RTP/SCS. Impacts would be potentially significant.
Public Services	The Project would not result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, need for new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services: Fire protection (with implementation of the identified mitigation measure); Police protection; Schools; Parks; and/or Other public facilities. Less than significant impacts with mitigation.	**Less** – This Alternative not result in increased demand for fire or police protection services, school services, or library services. No impacts would occur.	**Same** – The Alternative proposes residential uses, which will result in increased demand, albeit at a much lesser intensity, on public services than the Project. Impacts would be less than significant.	**Same** – The Alternative would increase demand for fire and police protection and library services, which would be offset through development impact fees and likely require the same mitigation measure as the Project. Impacts would be less than significant with mitigation.	**Same** – The Alternative proposes residential uses, which will result in increased demand, albeit less intense, on public services than the Project. Impacts would be less than significant.	**Same** – The Alternative proposes residential uses, which will result in increased demand, albeit less intense, on public services than the Project. Impacts would be less than significant.
Recreation	The Project would not result in the increased use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated; or to recreational facilities or requires the construction or expansion of recreational facilities which might have an adverse physical effect on the environment. Less than significant impacts	**Greater** – The Project's parks and recreational facilities would not be built, which would improve the parkland-to-resident service ratios in the city. Impacts would be less than significant.	**Greater** – This Alternative does not propose the development of parks and recreational facilities, which further exasperates the parkland-to-resident service level ratios in the City.	**Greater** – The Alternative would develop park and recreational facilities on site to serve the increased demand of the development; however it would be to a lesser degree than the Project.	**Same** – This Alternative would generate less park land requirements due to the reduction in dwelling units, but would still include private recreation areas in addition to increased Natural Open Space. Impacts would be less	**Same** – This Alternative would generate less park land requirements due to the reduction in dwelling units, but would still include private recreation areas. Impacts would be less than significant.

Environmental Issue	Proposed Project	Alternative 1 No Project/No Development	Alternative 2 Existing Land Use Designation	Alternative 3 Existing Entitlements / Sunrise Ranch	Alternative 4 Smaller Project	Alternative 5 Eastern Mitigation Bank
			Impacts would be significant.	Impacts would be less than significant.	than significant.	
Transportation / Traffic	The Project would not result in a change in air traffic patterns; substantially increase hazards due to a design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment); result in inadequate emergency access; or conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities. With implementation of the identified mitigation measures, the Project would not conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit; conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways; Less than significant Project-specific impacts with mitigation; significant cumulative impacts due to uncertain construction timing.	**Less** – No generation of new daily trips. No impacts would occur.	**Less** – This Alternative would generate fewer vehicle trips thus, less impact to level of service on area-wide streets. Mitigation measures similar to the Project's will likely be required, but to a lesser, more applicable scale. Project level impacts would be less than significant, but could require similar mitigation measures as the Project; cumulative impacts would remain significant due to unknown timing of improvements.	**Less** – This Alternative would generate less vehicle trips, thus resulting in lessened impacts to levels of service on area-wide streets. Newer/revised mitigation measures would likely be required of this Alternative to address existing and projected roadway and freeway conditions. Less than significant Project level impacts with mitigation; cumulative impacts would remain significant due to unknown timing of improvements.	**Less** – This Alternative would generate fewer vehicle trips thus, less impact to level of service on area-wide streets. Mitigation measures similar to the Project's will likely be required, but to a lesser, more applicable scale. Less than significant Project level impacts with mitigation; cumulative impacts would remain significant due to unknown timing of improvements.	**Less** – This Alternative would generate fewer vehicle trips thus, less impact to level of service on area-wide streets. Mitigation measures similar to the Project's will likely be required, but to a lesser, more applicable scale. Less than significant Project level impacts with mitigation; cumulative impacts would remain significant due to unknown timing of improvements.
Utilities / Service Systems	The Project would not exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board; result in insufficient water supplies available to serve the project from existing entitlements and resources; result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments; be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs; comply with federal, state, and local statutes and regulations related to solid waste; require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects; increase demand for other utility and service systems, the construction of which could cause significant environmental effects; or require or result in the construction of new water or	**Less** – This Alternative would not increase demand for water or sewer service, electricity or cabling infrastructure, and would not result in increases to solid waste amounts. No impacts would occur.	**Less** – This Alternative would still require the extension of utility and service system infrastructure to the Project site. However, demand for potable water, sewer, solid waste, and electricity would be lesser than that of the Project's. Impacts would be less than significant.	**Less** – This Alternative would require less potable water and electricity, and generate less sewer wastewater and solid waste than the proposed Project. Less than significant impacts.	**Less** – This Alternative would still require the extension of utility and service system infrastructure in the west end of the Project site. However, demand for potable water, sewer, solid waste, and electricity would be lesser than that of the Project's. Impacts would be less than significant.	**Less** – This Alternative would still require the extension of utility and service system infrastructure in the west end of the Project site. However, demand for potable water, sewer, solid waste, and electricity would be lesser than that of the Project's. Impacts would be less than significant.

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	wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects. Less than significant impacts.					
Environmentally Superior to Proposed Project?	***Not applicable***	**Yes**	**No**	**No**	**No**	**No**
~~Meets Project Objectives?~~	~~**Yes**~~	~~**No** – With no development proposed, this Alternative does not meet any of the objectives of the proposed Project.~~	~~**No** – This Alternative does not meet the majority of Project objectives because it only contemplates one housing type and density. No additional public facilities would be constructed on-site and the recreational opportunities would not be realized.~~	~~**No** – This Alternative does not meet the majority of Project objectives; it is an outdated development pattern that does not provide the mix of housing types and amenities offered by the Project nor does it protect natural open space as to emphasize the natural setting.~~	~~**No** – This Alternative does not meet the majority of Project objectives, because it does not provide the mix of housing types and amenities offered by the Project and would generate fewer funds to the County of Orange due to less revenue-generating uses.~~	~~**No** – This Alternative does not meet the majority of Project objectives, because it does not provide the mix of housing types and amenities offered by the Project and would likely restrict public access in the mitigation bank area for trail use.~~

HARMONY SPECIFIC PLAN
FISCAL IMPACT ANALYSIS OVERVIEW
(November 5, 2015)

As part of the Specific Plan Application, the City required the Applicants (Lewis Group of Companies and Orange County Flood Control District) provide a detailed Fiscal Impact Analysis (FIA). The FIA is used as an *"analytical and decision-making tool"* to evaluate the potential implications of the private development project on the City's existing level of service as identified in its existing Budget, and therefore is a critical component of the development review process in the City of Highland. The overarching purpose of the FIA, is to provide the Planning Commission and City Council with a "snap shot" of capital, maintenance, and service costs of the private development proposal (Harmony) and to illustrate that those costs will not or could be the burden of the City over the build-out of the Project, as well as during some foreseeable future after build-out.

It is important to note that a FIA contains recurring revenues and cost impacts that should not be considered to be a "financial forecast" or a "financial projection". The word "projection" used within the FIA relates to broad expectations of future events or market conditions. Furthermore, the FIA represents a collective best estimate using a "snap shot in time" that includes a variety of assumptions based upon costs and values in 2011 and actual revenues and expenditures are likely to differ.

FIA SUMMARY:

The following is a summary of the October 2015 FIA which reflects comments made by City staff on street maintenance and the inclusion of a service CFD at .10% (1/10th of 1%) of residential home values, and it amends the June 16, 2014 FIA prepared by *Development Planning & Financing Group, Inc.* (DPFG) for the Harmony Specific Plan. The Project is anticipated to be fully developed over a period of thirteen (13) years.

ASSUMPTIONS

In determining whether Harmony can or will be fiscally self-sufficient (i.e. sustainable from a fiscal perspective), the FIA analyzed the following two (2) realistic *Assumptions* that could significantly impact the fiscal viability of the Project:

1. **Commercial Acreage/Square Footage**. The FIA must include an assumption when calculating revenues from commercial development. Commercial acreage is estimated between 6 acres (or 62,000 square feet of retail space) and 21 acres (or 225,000 square feet of retail space) built at the third year of the project development. The assumption is the 6 acres of Project's commercial acreage will be developed at the third year of development, but the remaining estimated 13 to 16 acres referred to as a "Commercial Overlay" is anticipated only if the demand and market exists during build-out. If not, the "Commercial Overlay" will be developed as housing.

2. **Active Parks Maintenance**. The FIA must include an assumption as to which entity will fund the maintenance of park land; the City or a Homeowner's Association. The 32 acres of Active Parks

over the life of the Project, inclusive of the Community Park proposed in Planning Area 44 which is proposed to be a public park have significant costs associated with long-term maintenance (excluding the Harmony Clubhouse site/facilities).

ALTERNATIVE SCENARIOS

Considering the two (2) Assumptions described above, the FIA estimated the conclusions, and revenues/expenses projected for the Project based on the following three (3) *Alternative Scenarios*.

1. **Alternative A**: Construction of 6 acres of commercial retail uses, without the additional "Commercial Overlay" (or 13 - 16 acres), and Parks maintained by the Homeowner's Association.
2. **Alternative B**: Construction of 21 acres of commercial retail uses, inclusive of the "Commercial Overlay" (13 - 16 acres), and the City maintaining the 32 acres of Active Parks (excluding the Harmony Clubhouse site/facilities).
3. **Alternative C**: Construction of 21 acres of commercial retail uses, inclusive of the "Commercial Overlay" (13 - 16 acres), and the 32 acres of Active Parks maintained by the Homeowner's Association.

All of the Alternatives described above produce a net surplus (revenues exceeding costs) to the City of Highland at build-out, ranging from $2,073,361 - $3,117,681 per year (see Exhibit-A below).

EXHIBIT A –Alternative Scenario Summary ("Build-out")

Scenario Exhibit in Detailed Report Analysis Date	Alternative A B-1 (Adj) 10/27/2015	Alternative B B-2 (Adj) 10/27/2015	Alternative C B-3 (Adj) 10/27/2015
Key Assumptions:			
1. 20 Acre Commercial Overlay	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
2. Park Maintenance	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year	No Added Cost to City (HOA Maintained)
3. Offsetting Fire and Paramedic Revenues	Includes 111 Units from Outside of Project	Includes 111 Units from Outside of	Includes 111 Units from Outside of Project
I. GENERAL FUND			
Recurring Revenues	$ 4,953,830	$ 5,435,946	$ 5,435,946
Total Recurring Costs	3,480,336	4,509,177	3,464,857
Surplus/(Deficit)	**$ 1,473,494**	**$ 926,768**	**$ 1,971,088**
II. FIRE FUND			
Recurring Revenues	$ 1,192,171	$ 1,181,811	$ 1,181,811
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Surplus/(Deficit)	**$ (20,519)**	**$ (29,964)**	**$ (29,964)**
III. PARAMEDIC FUND			
Recurring Revenues	$ 70,177	$ 68,837	$ 68,837
Total Recurring Costs	-	-	-
Surplus/(Deficit)	**$ 70,177**	**$ 68,837**	**$ 68,837**
IV. COMBINED FIRE FUND & PARAMEDIC FUND			
Recurring Revenues	$ 1,262,348	$ 1,250,647	$ 1,250,647
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Surplus/(Deficit)	**$ 49,658**	**$ 38,872**	**$ 38,872**
V. COMBINED NET FISCAL IMPACT b/4 CFD			
Recurring Revenues	$ 6,216,178	$ 6,686,593	$ 6,686,593
Total Recurring Costs	4,693,026	5,720,952	4,676,632
Total Surplus/(Deficit)	**$ 1,523,152**	**$ 965,641**	**$ 2,009,961**
VI. COMBINED NET FISCAL IMPACT with Services CFD			
Services CFD Special Tax Revenue	$ 1,142,230	$ 1,107,720	$ 1,107,720
Total Surplus/(Deficit)	$ 2,665,382	$ 2,073,361	$ 3,117,681

(Source: DPFG Memo Exhibit A dated October 2015, page 1 or 64)

The first Assumption differentiating the proposed Alternatives is the Park Maintenance. Alternative A has the Homeowner's Association maintaining the Parks at no cost to the City. This produces a higher surplus of $2,665,382 per year. Alternative B has the City paying to maintain the Parks with a surplus of $2,073,361. At the time of this report, the City and the Applicant have agreed that the Homeowner's Association will maintain all parks inclusive of the Community Park planned for Planning Area 44, but excluding the Harmony Clubhouse and related facilities. A shell Landscape Maintenance District or Development Agreement Term has been proposed as a means to mitigate any fiscal impact on the City's General Fund in the event the Homeowner's Association becomes insolvent or opts out of the park maintenance requirement in the future.

The second Assumption involves the amount of Commercial Land to be developed within the Harmony Specific Plan. As noted above, the Harmony Specific Plan includes a 13-16 acre "Commercial Overlay" zone. So, with the understanding that the Homeowner's Association will maintain the parks, the City only needs to consider the two remaining Alternatives relative to the amount of commercial land - Alternative A and C. Alternative A includes the commercial development on 6 acres built at the third year, and Alternative C includes an additional 13-16 acres of commercial for a total of 21 acres built at the third year. These Alternatives produce different surpluses, $2,665,382 at built-out in the year 2027 for Alternative A and $3,117,681 at build-out in 2027 for Alternative C.

Interim FIA deficits:

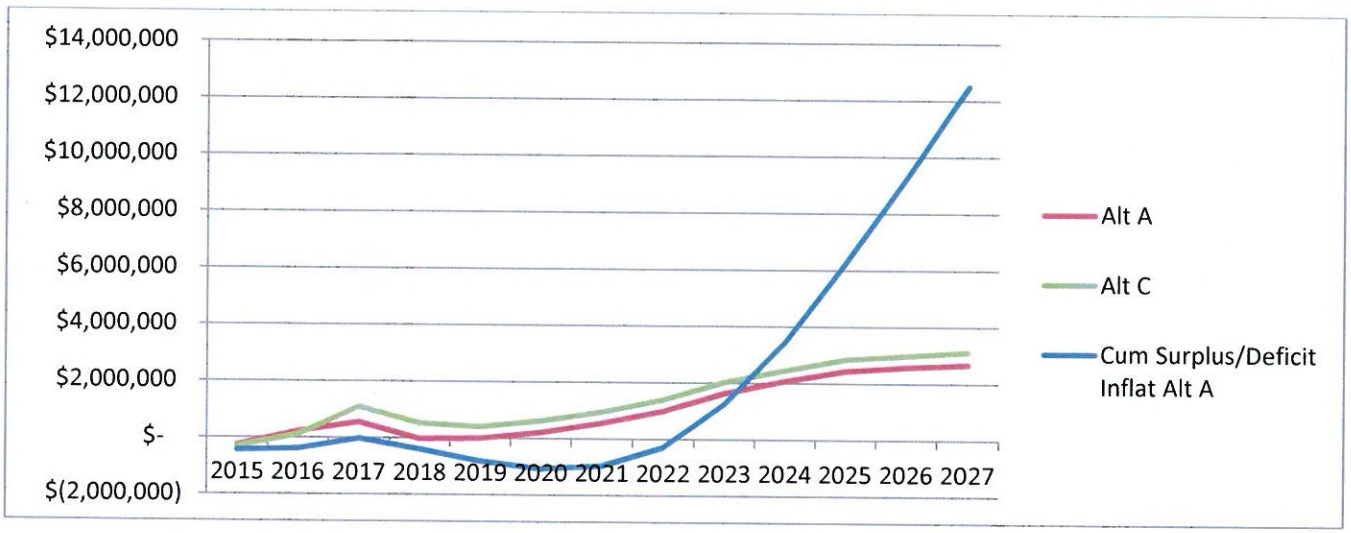
As illustrated above, under all Alternatives the Project produces a surplus at the assumed build-out year 2027. However, based on Alternative selected there are differing interim deficits in the early Project years totaling$300,901 - $1,279,642. Since a preliminary determination has been made between the City staff and the Applicant to have the Homeowner's Association maintain the parks in the Project, Alternative B will be excluded from further consideration. Therefore, the interim deficits in the early Project years total $300,901 for Alternative A and $323,532 for Alternative C.

The interim deficits illustrated under Alternative A occurs during the first year contributable to construction activity as a result of anticipated police and fire calls for service and other ancillary work by public works staff (estimated at $269,812 *source: DPFG dated October 2015 , Exhibit B-1, Alternative A, Table 11, page 14 or 64*), and later during the fourth and fifth years of development when the temporary/permanent Fire Station facility is completed and staffed by fire personnel (estimated at $30,419 and $670 respectively, source: DPFG dated *October 2015 Exhibit B-1, Alternative A, Table 11, page 14 of 64*). As additional phases of construction are completed with new housing units sold including the occupancy of new commercial development, the revenue generated appears sufficient to eliminate the deficit during the build-out of the Project.

In addition to the standard FIA, the City also requested a "**Supplemental Inflated FIA**" be conducted to include the impact of cost and revenue inflation, inclusive of maintenance and replacement cost items. Utilizing the most conservative option (Alternative A), the "supplemental analysis" illustrated an interim deficit could occur during the first year contributable to construction activity as a result of anticipated police and fire calls for service, other ancillary work by public works staff and street maintenance costs. (estimated at $450,055 *source: DPFG dated October 29, 2015 memo, Exhibit D-1, page 1 or 3*), and later during the fourth, fifth and sixth years of development when the temporary/permanent Fire Station facility is

completed and staffed by fire personnel (estimated at $373,206, $415,331, and $257,556 respectively, *source: DPFG dated October 29, 2015 memo, Exhibit D-1, page 1 of 3*). As additional phases of construction are completed with new housing units sold including the occupancy of new commercial development, the revenue generated increases significantly to eliminate the deficit during the build-out of the Project, and estimated to generate a surplus of approximately $12.9million at build-out (see Exhibit-B below).

EXHIBIT-B, Interim Deficits and Surplus (with and without inflation)



City Budgeting and Fire Fund Deficit:

It is important to point out that the FIA assumes that the City's current budgeting practice can be altered to achieve annual positive outcomes. In other words, the City's current budgeting practice accounts for the Fire Fund and Paramedic Fund separately in the City Budget and only expend funds up to the amount collected through the City-wide Fire and Paramedic property tax assessments, and not backfilled with General Fund allocations.

Taking into account current City budgeting procedures, the FIA illustrates that there will be a Fire Fund deficit in the fourth year (at the time the fire station is fully constructed and operational) estimated to peak on the fourth year at $740,000 and the fifth year at $600,000 (Alternative A and C respectively, *source, DPFG dated October 2015 , pages 14 of 64, and 52 of 64*) and diminishing each year as new units are constructed with a deficit of $21,000 at build-out in 2027 for Alternative A, and a deficit of $30,000 at build-out in 2027 for Alternative C.

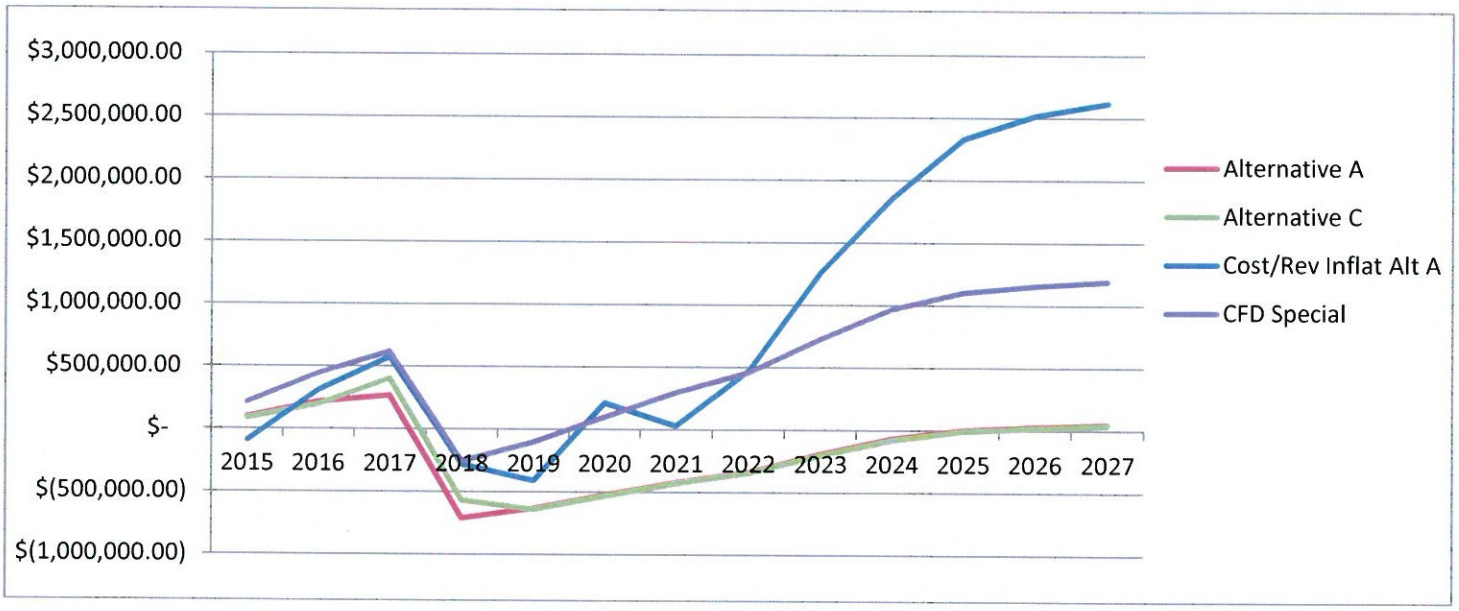
These projections with or without an inflationary factor are indeed alarming to say the least, and specifically as it relates to the annual deficit in the fire fund (i.e. fire fund shortfall).

Resolving the Interim Fire/Paramedic Fund Shortfall:

To eliminate the projected fire/paramedic fund shortfall (taking into consideration the City's current budgeting practices), the Harmony Development Agreement has been proposed to include a public safety services component of the CFD tax in the approximate amount of 1/10th of 1%. This approach is anticipated to generate funds to mitigate the projected shortfall for Fire/Paramedic, and will include

Police costs attributable to the Harmony Specific Plan project. As illustrated below in Exhibit–C, the FIA projected an estimated CFD special tax revenue to close the shortfall significantly from the time the permanent fire station comes on-line (although there could remain a shortfall of $254,700 in 2018 and a shortfall of $103,000 in 2019) and ultimately resulting in approximately $1.1 million in new revenue at build-out (See Exhibit C below).

Exhibit – C, Fire/Paramedic Fund Only (with and without inflation) and CFD Special Tax



FISCAL IMPACT ANALYSIS

FOR

THE HARMONY PLANNED COMMUNITY

October 2015 Update

(dated November 9, 2015)

Prepared For:

County of Orange / LCD Greenspot, LLC

Prepared By:

DPFG

DEVELOPMENT PLANNING & FINANCING GROUP, INC.

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1. Purpose of Fiscal Impact Analysis Update

Development Planning & Financing Group prepared the June 19, 2014 Fiscal Impact Analysis ("FIA") to determine the estimated fiscal impacts on the City of Highland ("City") in connection with the proposed development of the Harmony Planned Community ("Project"). This Fiscal Impact Analysis update (October 2015 Update") has been prepared to describe changes to the analysis related to:

- Adjusted street maintenance costs based on feedback from the City (as described below in Section 7.8 and Exhibits C-1 and C-2)
- Inclusion of a CFD special tax for services on residential property at .10% of the projected assessed value. See discussion in Section 6.13.

The reader should be aware that the FIA contains estimates or projections of the Project's future revenue and cost impact on the City, and actual fiscal results may vary from estimates because events and circumstances can occur in a manner different than described in the FIA.

This FIA contains a description of the Project, calculation methodologies, conclusions, and revenues and expenses projected for the Project's alternative scenarios: Alternative A, Alternative B, and Alternative C ("Alternative Scenarios"). The differences among the Alternative Scenarios are as follows:

Assumptions	Alternative A	Alternative B	Alternative C
20 Acre Commercial Overlay	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
Park Maintenance	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
Offsetting Fire and Paramedic Revenues	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project

The summary of the Alternative Scenarios is attached as Exhibit A. Detailed calculations, attached as Exhibit B-1, Exhibit B-2, and Exhibit B-3, are organized as follows:

Table	Description	Alternative (Page)		
		A	B	C
	Scenario Summary	1-2		
1	Fiscal Impact Analysis Summary	3	22	41
2	Post-ERAF Share of the Basic Tax Calculation	4	23	42
3	Land Use Assumptions	5	24	43
4	Property Tax Calculations	6	25	44
5	Sales and Use Tax Calculations	7	26	45
6	General Fund and MVLF Revenue Calculations	8-9	27-28	46-47
7	General Fund Cost Calculations	10	29	48
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Table	Description	Alternative (Page)		
		A	B	C
10	Street Maintenance Revenue and Cost Calculations	13	32	51
11	Phased Fiscal Impact Analysis Summary	14	33	52
12	Residential Land Use Absorption Schedule	15	34	53
13	Phased Residential Assessed Value Additions	16	35	54
14	Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues	17	36	55
15	Phased General Fund Recurring Revenues Continued	18	37	56
16	Phased General Fund Recurring Costs	19	38	57
17	Phased General Fund Recurring Costs and Fire Fund and Paramedic Fund Impact	20	39	58
18	Police Phasing Analysis	21	40	59
C-1	Street Maintenance Cost Calculations	60		
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D-1	Map of Firestation 4 Service Area Outside of Project	63		
D-2	Calculation of Units Outside of Project	64		

2. Project Description

The County of Orange owns the Project and has engaged LCD Greenspot, LLC ("Developer") to assist with entitling the Project for development, the Project is anticipated to be developed over a period of 13 years.

Encompassing approximately 1,658 acres of land in the City of Highland, the table below shows the total residential units developed in a wide variety of unit types and sizes as well as the total acres of neighborhood commercial land use that the Project is anticipated to provide.

Assumptions	Alternative A	Alternative B	Alternative C
Residential Units	3,632	3,515	3,515
Neighborhood Commercial Acres	5.7	20.7	20.7

3. Limiting Conditions

The FIA is subject to the following limiting conditions:

- The FIA contains an analysis of recurring revenues and costs to the City from development of the Project. The FIA is based on estimates, assumptions and other information developed from DPFG's research, interviews, meetings, and correspondences with City and County staff, California Department of Finance, and information from DPFG's database which was collected through fiscal impact analyses previously prepared by DPFG and others.

- The sources of information and basis of the estimates are stated herein. While we believe the sources of information are reliable, DPFG does not express an opinion or any other form of assurance on the accuracy of such information.

- The analysis of recurring revenues and cost impacts to the City contained in the FIA is not considered to be a "financial forecast" or a "financial projection" as technically defined by the American Institute of Certified Public Accountants. The word "projection" used within this report relates to broad expectations of future events or market conditions.

- Since the analyses contained herein are based on estimates and assumptions which are inherently subject to uncertainty and variation depending on evolving events, DPFG cannot represent that results will definitely be achieved. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur; therefore, the actual results achieved may vary from the projections.

4. General Sources of Information and Methodologies Used in FIA

The FIA was prepared to estimate the allocable revenue and cost impacts to the City's general fund ("General Fund"), fire fund ("Fire Fund") and paramedic fund ("Paramedic Fund") as a result of the Project's development. The FIA uses a combination of case study methods and multiplier methods to estimate Project impacts. When projecting fiscal impacts using a multiplier method, the FIA determines per capita/employee impacts by applying the appropriate per capita, per employee and per equivalent resident factors ("Factors") to the Project's land use assumptions. The FIA calculates equivalent residents by adding residential population plus 50% of employees. Employment is reduced by 50% to account for the estimated less frequent use of City public services by employees than residents. Factors were calculated using the City of Highland Fiscal Years 2011-2013 Adopted Budget ("Budget"). Cost and revenue Factors are projected in 2011 dollars, and are not adjusted for inflation.

Information used in preparing the FIA was obtained from the following sources:

1. City of Highland Fiscal Years 2011-2013 Adopted Budget
2. City of Highland
3. California Department of Forestry and Fire Protection ("Cal Fire")
4. San Bernardino County Sheriff
5. LCD Greenspot, LLC (land use information)
6. The California Department of Finance (population information)
7. The California Employment Development Department (employment information)
8. San Bernardino County Auditor-Controller's Office (fiscal year 2011-12 share of the basic tax information)
9. The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute (sales tax generation data)

10. Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011 (household income data)
11. U.S. Department of Labor (household expenditure data)

The following table shows selected assumptions used in the FIA:

City Residential Population (a)	53,444
Residents Per Household (a)	3.45
City Employment (b)	19,200
City Share of the Basic Tax (c)	24.8448%
Share of Property Tax Retained in the General Fund (d)	58.33%
Share of Property Tax Retained in the Fire Fund (d)	41.67%
Average Household Income (e)	$96,400
Commercial Sales Tax Generation per Sq. Ft. (f)	$377

(a) Per the California Department of Finance as of January 1, 2011.
(b) Per the California Employment Development Department, November 2011.
(c) Per San Bernardino County Auditor/Controller, See Exhibit B-1, Exhibit B-2, and Exhibit B-3, Table 2.
(d) Per information provided by City staff. See Exhibit B-1, Exhibit B-2, and Exhibit B-3, Table 4.
(e) Per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.
(f) Per the Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

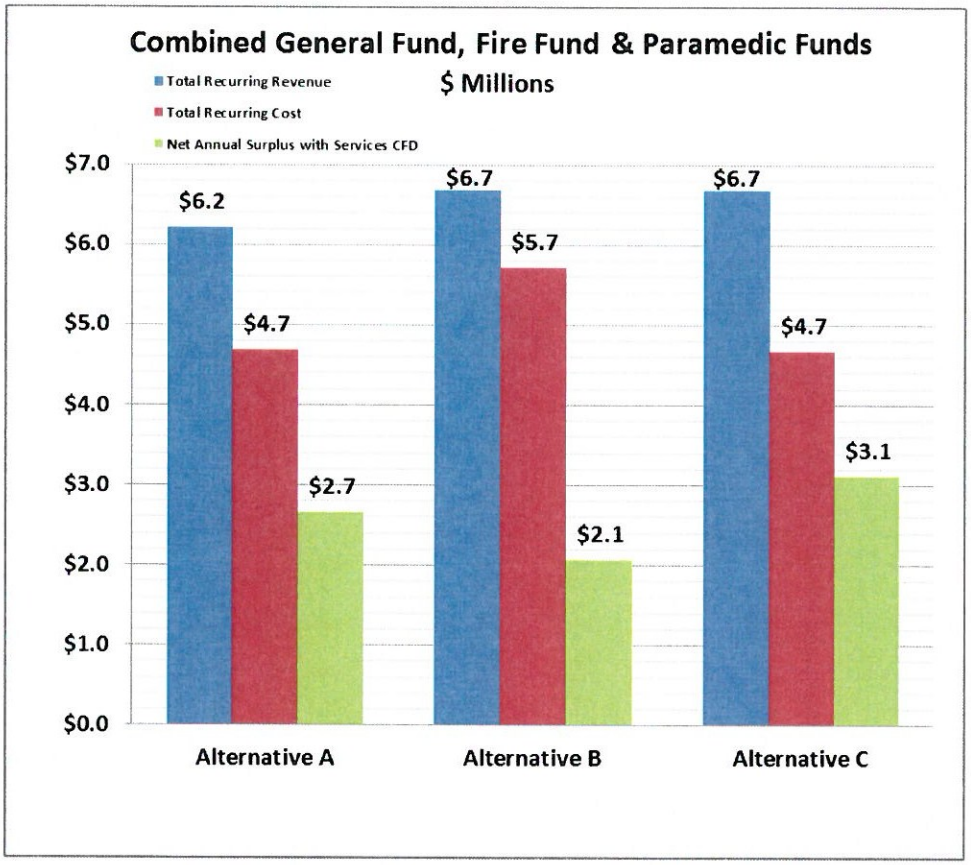
5. FIA Summary and Conclusions

The FIA examines the financial impact the Project will have on the General Fund, Fire Fund and Paramedic Fund. The Project will generate additional revenue for the General Fund primarily through increased property taxes, vehicle license fees, sales tax, gas tax, and franchise fees. The additional costs incurred to the General Fund consist primarily of police, and public works services costs. The Project's direct impact to the General Fund, Fire Fund, and Paramedic Fund is summarized in the table below.

At buildout, the Project is anticipated to generate a surplus to the City on an annual basis under each of the Alternative Scenarios.

Assumptions	Report Section	Alternative A	Alternative B	Alternative C
Exhibit Reference		B-1	B-2	B-3
20 Acre Commercial Overlay	1	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
Park Maintenance	1	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
Offsetting Fire and Paramedic Revenues	8	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project
General Fund				
Recurring Revenues	6	$ 4,953,830	$5,435,946	$5,435,946
Recurring Costs	7	$ 3,480,336	$ 4,509,177	$ 3,464,857
Surplus / (Deficit)		$1,473,494	$926,768	$1,971,088
Fire Fund				
Recurring Revenues	8	$1,192,171	$1,181,811	$1,181,811
Recurring Costs	8	$ 1,212,690	$ 1,211,775	$ 1,211,775
Surplus / (Deficit)		$(20,519)	$(29,964)	$(29,964)
Paramedic Fund				
Recurring Revenues	9	$70,177	$68,837	$68,837
Recurring Costs	9	$ -	$ -	$ -
Surplus / (Deficit)		$70,177	$68,837	$68,837
Combined Fire Fund & Paramedic Fund				
Recurring Revenues		$1,262,348	$1,250,647	$1,250,647
Recurring Costs		$ 1,212,690	$ 1,211,775	$ 1,211,775
Surplus / (Deficit)		$49,658	$38,872	$38,872
Combined Net Fiscal Impact without CFD				
Recurring Revenues		$6,216,178	$6,686,593	$6,686,593
Recurring Costs		$ 4,693,026	$ 5,720,952	$4,676,632
Surplus / (Deficit)		$1,523,152	$965,641	$2,009,961
Combined Net Fiscal Impact with Services CFD				
Services CFD Special Tax Revenue		$1,142,230	$1,107,720	$1,107,720
Total Surplus (Deficit)		$2,665,382	$2,073,361	$3,117,681

The chart below shows the total recurring revenues, total recurring costs and net annual surpluses the Project is anticipated to generate at buildout under each of the Alternative Scenarios.



The FIA now includes the impact of a Community Facilities District for services at .10% of residential values. The actual CFD tax will be based ~~be based~~ on a per unit amount, square footage category basis, or other measurement to meet requirements of state law.

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List of Exhibits

A. Scenario Summary
B-1. Alternative A Fiscal Impact Analysis
B-2. Alternative B Fiscal Impact Analysis
B-3. Alternative C Fiscal Impact Analysis
C-1. Street Maintenance Cost Calculations
C-2. Hypothetical Street Maintenance Schedule
C-3. Storm Drainage Reserve Calculation
D-1. Service Area for Fire Station 4 Outside the Project
D-2. Calculation of Units Outside Project

6. Recurring Revenues

6.1 Property Tax

In addition to other ad valorem charges imposed by various local agencies, land owners in the State of California ("State") are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each county in California is divided into various tax rate areas ("TRA" or "TRAs"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRAs. Table 2 of Exhibits B-1 through B-3 shows the share of the basic tax applicable to each of the four TRAs that are within the Project.

In 1992, to meet its obligations to fund education at specific levels under Proposition 98, the State enacted legislation that shifted partial financial responsibility for funding education to local governments (cities, counties, and special districts). The State did this by instructing county auditors to shift the allocation of local property tax revenues to educational revenue augmentation funds ("ERAF") to support schools. As such, the FIA calculates a weighted average share of the basic tax after the shift of revenue to ERAF.

As shown in Table 2 of Exhibits B-1 through B-3, the Project is within four different tax rate areas, but tax rate area 104002 is excluded from the share of the basic tax calculations since this tax rate area does not appear to contribute a share of its property tax to the City. The FIA calculates the Project's weighted average post-ERAF share of the basic tax to be 24.8448%.

Revenue amounts are determined assuming the calculated 24.8448% weighted average share of the basic tax. This number is then adjusted based on the City's historical General Fund vs. Fire Fund split. Per information provided by City staff, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

Revenue amounts are calculated after adjusting for the 58.33% that is retained in the General Fund. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

6.2 Property Transfer Tax

The City receives property transfer tax revenue as new or existing property is sold and ownership is transferred. In accordance with California Revenue and Taxation Code Section 11911, a county may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A city within the county that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the county and city levy the transfer tax, a credit shall be allowed against the amount imposed by the county in the amount of tax that is imposed by the city. The City's share of the tax is $0.55 per $1,000 of value transferred. The FIA assumes a residential turnover rate of 14.00% of total assessed value per year (i.e. properties change ownership every 7 years on average) and a non-residential turnover rate of 10.00% of total assessed value per year (i.e. properties change ownership every 10 years on average). Revenue amounts are calculated using these assumptions. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

6.3 Sales and Use Tax

Under the California Sales and Use Tax Law, the sale of tangible personal property is subject to sales or use tax unless exempt or otherwise excluded. When the sales tax applies, the use tax does not apply and the opposite is also true. The sales tax is imposed on all retailers for the privilege of selling tangible personal property in the State and is measured by the retailer's gross receipts. Use tax is imposed on purchasers of tangible personal property from any retailer for the purpose of storage, use, or other consumption in the State and is measured by the sales price of the property purchased. If an out-of-state retailer is engaged in business in this state, it is required to register with the State and collect the use tax from the purchaser at the time of making the sale. Purchases made over the Internet or out-of-state are the most common transactions subject to a use tax.

There is a 7.50% statewide sales and use tax base rate that is collected by the State. Since January 1, 2013, the State government has received 6.50% of the 7.50% and local governments receive the remaining 1% which is transferred to the local government's general fund.

6.3.1 Property Tax In-Lieu Sales Tax

This analysis assumes that 0.25% of sales and use tax is redirected to property tax per the Sales Tax Triple Flip ("Triple Flip"). In March 2004, voters approved Proposition 57, the California Economic Recovery Bond Act which allowed the State to purchase bonds to reduce the State budget deficit. The legislature enacted provisions that changed how sales and use taxes and other revenues are distributed to schools and local governments on and after July 1, 2004. These changes will remain in effect until the State Director of Finance notifies the Board of Equalization that the State's bond obligations have been satisfied.

Under the new revenue "swapping" procedures commonly referred to as the Triple Flip, the local government portion of the statewide sales tax rate will decrease by 0.25%, and the state portion will increase by 0.25%. The County Auditor in each county uses property tax revenues to reimburse the county and cities within the county. County Auditors set aside some funds from the County Educational Revenue Augmentation Fund and place them in a Sales and Use Tax Compensation Fund. In January and May of each year, the State Director of Finance instructs County Auditors to allocate revenues from the Compensation Fund to the county and to the cities within the county. Revenue amounts are calculated based on the on-site and off-site sales tax calculations. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

6.3.2 Off-Site Sales and Use Tax

The City will receive sales tax revenue from taxable purchases made within the City but outside the Project area by the Project's residents ("Off-Site Sales"). The FIA assumes that households within the Project will have an average annual income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011. The FIA assumes that 32% of household income is spent on retail taxable expenditures per information obtained from the Bureau of Labor Statistics, and that 25% of retail taxable expenditures are captured through Off-Site Sales within the City. After calculating the Project's total taxable Off-Site Sales captured in the City, the FIA assumes the City receives sales tax revenue of 1% of taxable sales. Revenue amounts are calculated applying this methodology. See detailed calculations in Table 5 of Exhibits B-1 through B-3. This analysis assumes use tax revenue at 10.5% of sales tax revenue.

6.3.3 On-Site Sales and Use Tax

The FIA assumes that the City will receive sales tax revenue from taxable purchases made within the Project. The FIA assumes that retail land use will generate approximately $377 of total sales per building square foot per the Dollars & Cents of Shopping Centers, published by the Urban Land Institute, and that 80% of the sales will be taxable. Revenue amounts are calculated applying this methodology. See detailed calculations in Table 5 of Exhibits B-1 through B-3. This analysis assumes use tax revenue at 10.5% of sales tax revenue.

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6.4 Property Tax In-Lieu of Vehicle License Fees ("VLF")

Revenue amounts are calculated on a valuation basis. See detailed calculations in Table 6 Section II of Exhibits B-1 through B-3.

6.5 Franchise Fees

The City receives utility franchise fee revenue from utility franchises which service the local area and the Project. Revenue amounts are calculated based on various applicable per capita and per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.6 Business License Fee

A business license fee is a fee paid annually for the privilege of conducting business within the City. Revenue amounts are calculated based on a per employee multiplier determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.7 Licenses and Permits

Revenue amounts are calculated based on various applicable per capita multipliers calculated determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.8 Fines & Forfeitures

Revenue amounts are calculated based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.9 Miscellaneous Revenue

Revenue amounts are calculated based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.10 Intergovernmental Revenue

For purposes of the FIA, there are no intergovernmental revenues anticipated to be generated as a result of the Project.

6.11 Gas Tax Revenue

Revenue amounts are calculated based on the per capita multiplier determined from a 5-year average of the budgets from Fiscal Year 2007-08 to Fiscal Year 2011-12 provided by City staff. See detailed calculations in Table 10 of Exhibits B-1 through B-3.

6.12 Charges for Services

Revenue amounts are calculated based on various applicable per capita and per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.13 Services CFD

The FIA now includes the impact of a Community Facilities District for services at .10% of residential values. The actual CFD tax will likely be based on a per unit amount, square footage category basis, or other measurement to meet requirements of State law. See detailed calculations in Table 3 of Exhibits B-1 through B-3.

7. Recurring Costs

7.1 City Council

Per the Budget, the city council, which consists of the mayor, mayor pro-term, and three council members, serves as the policy making body of the City.

The FIA assumes a 50% marginal increase as City council costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.2 City Clerk

The office of the City clerk is a service department that fulfills the responsibilities of an election official, legislative administrator and record manager for the City.

The FIA assumes a 50% marginal increase as City clerk costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.3 General Government

General government services include the operations of the City manager and administrative services. The City manager serves as the chief administrative officer of the City and is responsible for the management of all municipal affairs. Administrative services include providing contract maintenance, major purchase analysis, and staff support as required by the City manager and City council.

The FIA assumes a 50% marginal increase as general government costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.4 Personnel

The personnel department is responsible for human resources functions such as recruitment, training programs, employee benefits monitoring, compensation studies and employee relations.

The FIA assumes a 50% marginal increase as personnel costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.5 Finance

The finance department administers all financial recording and reporting functions and prepares the fiscal budget and financial statements for the City.

The FIA assumes a 50% marginal increase as finance costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.6 Police Department

The City contracts with the San Bernardino County Sheriff's Department for police protection services.

Cost amounts are calculated per the adjusted phased police department budget by Lieutenant Anthony DeCecio dated February 12, 2014. See detailed calculations in Table 18 of Exhibits B-1 through B-3. Table 18 also contains a phasing plan as provided by Lieutenant Anthony DeCecio.

7.7 Animal Control

The City contracts with San Bernardino County for animal care, animal control and shelter services.

Cost amounts are based on a per capita multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.8 Public Works

The public works department consists of two divisions: maintenance services and public services. Maintenance services include street maintenance, weed abatement, traffic signal maintenance, storm drain maintenance, street sweeping, striping/traffic signage, tree trimming, building and grounds maintenance, and parkway maintenance. Public

services include crossing guards, bus shelter contract, graffiti abatement, and assessment district administration.

Cost amounts are based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3..

Pursuant to an email dated October 14, 2015 from Ernie Wong, City Engineer, DPFG updated FIA and street maintenance cost calculations to reflect increased costs factors and revised street maintenance frequency. Exhibits C-1 and C-2 contain the detailed calculation. Based on this, the costs per lane mile increase from $3,750 to $10,077 per lane mile.

7.9 Engineering

The engineering department provides engineering services through contracts with a number of engineering firms under the direction of the Public Works Director/City Engineer. This department is responsible for the conditioning, plan checking and inspection of grading, street, traffic and storm drain improvements associated with development projects.

The FIA assumes a marginal increase of 47% per information obtained from the City's Community Development Director on April 14, 2014. Cost amounts are calculated after adjusting for the 47% marginal increase and are based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.10 Planning

The planning department is part of the Community Development Department and primarily serves as the City's Planning Agency. To assist the public through the land use entitlement and development process the department meets weekly with various individuals and developers and is the clearinghouse for general statistical information regarding past current and proposed development. This department has a responsibility to oversee maintenance and ensure implementation of the General Plan and Land Use Development Code and makes recommendations for revisions as appropriate to meet the changing vision of the City.

The FIA assumes a marginal increase of 51% per information obtained from the City's Community Development Director on April 14, 2014. Cost amounts are calculated after adjusting for the 51% marginal increase and are based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.11 Public Services

The public services department serves as the program manager and coordinator of several state and federal mandated programs. The public service department manages solid waste, the City's National Pollution Discharge Elimination System Program, and the household hazardous waste program.

The FIA assumes a 50% marginal increase as public services costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.12 Code Enforcement

The code enforcement division enforces City municipal codes and State laws. Code enforcement staff responds to concerns related to land use, public nuisance, vehicle abatement, substandard housing, street vendors, and business license requirements.

The FIA assumes a 50% marginal increase as code enforcement costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.13 Parks

Alternative A and Alternative C assume the Project's parks and open space are maintained by an HOA. The FIAs for Alternative A and Alternative C, assume 0% marginal increase as it is not anticipating the City's park costs will increase as a result of the Project.

Alternative B assumes that parks are maintained by the City. The Alternative B FIA assumes park maintenance costs of $32,635 per acre for maintenance of 32 acres.

7.14 Graffiti

The Graffiti Abatement Program is currently staffed by one full-time employee who removes graffiti primarily from public property and some private properties.

Cost amounts are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.15 Trails

The trails budget provides for the maintenance of various public trails within the City.

Cost amounts are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.16 Drainage Basins

Cost amounts are based on the assumption that drainage basins are maintained by the City at drainage basin maintenance costs of $1,980 per acre for maintenance of 15 acres.

7.17 Storm Drainage Replacement

Replacement cost amounts for storm drainage are based on a reserve calculation that has been prepared and included as Exhibit C-3.

8. Recurring Fire Fund Fiscal Impact

The City contracts with Cal Fire for fire protection services. Table 8 of Exhibits B-1 through B-3, summarizes the Project's fiscal impact on the Fire Fund.

The Fire Fund is primarily funded by property tax revenue. Revenue amounts are calculated assuming a 24.8448% weighted average share of the basic tax. See detailed calculations in Table 4 of Exhibits B-1 through B-3. Per City staff, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

Revenue amounts are calculated after adjusting for the 41.67% that is retained in the Fire Fund. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

This FIA assumes that the Project will require one additional fire station. The FIA currently attributes 100% of the estimated operating cost of the fire station to the Project. The additional fire station will service residents outside of the Project area that will contribute to the station's operating budget. Per Larry Mainez at the City of Highland, there will be additional revenue generated from within the service area for the additional fire station outside the Project. 111 units outside of the Project will provide additional revenue to offset the cost of operating the fire station. The offsetting revenues of the 111 units outside of the Project assumes an equivalent fire and paramedic revenue per unit to the units in the Harmony Project. Jim Rissmiller at the City of Highland has reviewed the appropriate service area in determining potential development areas for these assumptions. See map of the service area and detailed calculations in Exhibits D-1 and D-2.

The FIA uses the case study method to calculate recurring costs to the Fire Fund. Per Jim Rissmiller, the cost to staff and operate a fire station in the City of Highland, including paramedic staffing and operation costs, is approximately $1,237,379 annually. Jim Rissmiller also provided us with anticipated annual Wildland Fire Protection Agreement costs of $25.77 per wildland acre. See detailed calculations in Tables 8 and 17 of Exhibits B-1 through B-3.

9. Recurring Paramedic Fund Fiscal Impact

The City contracts with Cal Fire for paramedic services. See detailed calculations in Table 9 of Exhibits B-1 through B-3.

Revenue amounts are calculated based on a citywide paramedic tax from homeowners and from businesses as well as a transfer in from the Fire Department. The FIA calculates revenue amounts based on a per equivalent resident determined from the Budget. See detailed calculations in Table 9 of Exhibits B-1 through B-3.

The FIA assumes that additional paramedics required to serve the Project will operate out of the Project funded fire station. As discussed in Section 8, paramedic staffing and operation costs are included in the Fire Fund cost estimates.

At buildout, the Project is projected to have a positive annual fiscal impact on the Paramedic Fund.

10. Glossary of Selected Defined Terms and Acronyms

Budget	City of Highland Fiscal Years 2011-2013 Adopted Budget
Cal Fire	California Department of Forestry and Fire Protection
City	City of Highland
Developer	LCD Greenspot, LLC
DPFG	Development, Planning & Financing Group
ERAF	Educational Revenue Augmentation Fund
Factors	Per Capita, Per Employee, and Per Equivalent Resident Factors
FIA	Fiscal Impact Analysis
General Fund	City of Highland General Fund
Fire Fund	City of Highland Fire Fund
Paramedic Fund	City of Highland Paramedic Fund
Project	Harmony Planned Community
State	State of California
Triple Flip	Revenue "Swapping" Procedures
TRA	Tax Rate Area
VLF	Vehicle License Fees

Exhibit A
Scenario Summary
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Scenario Exhibit in Detailed Report Analysis Date	Alternative A B-1 (Adj) 10/27/2015	Alternative B B-2 (Adj) 10/27/2015	Alternative C B-3 (Adj) 10/27/2015
Key Assumptions:			
1. 20 Acre Commercial Overlay	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
2. Park Maintenance	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
3. Offsetting Fire and Paramedic Revenues	Includes 111 Units from Outside of Project	Includes 111 Units from Outside of Project	Includes 111 Units from Outside of Project
I. GENERAL FUND			
Recurring Revenues	$ 4,953,830	$ 5,435,946	$ 5,435,946
Total Recurring Costs	3,480,336	4,509,177	3,464,857
Surplus/(Deficit)	**$ 1,473,494**	**$ 926,768**	**$ 1,971,088**
II. FIRE FUND			
Recurring Revenues	$ 1,192,171	$ 1,181,811	$ 1,181,811
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Surplus/(Deficit)	**$ (20,519)**	**$ (29,964)**	**$ (29,964)**
III. PARAMEDIC FUND			
Recurring Revenues	$ 70,177	$ 68,837	$ 68,837
Total Recurring Costs	-	-	-
Surplus/(Deficit)	**$ 70,177**	**$ 68,837**	**$ 68,837**
IV. COMBINED FIRE FUND & PARAMEDIC FUND			
Recurring Revenues	$ 1,262,348	$ 1,250,647	$ 1,250,647
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Surplus/(Deficit)	**$ 49,658**	**$ 38,872**	**$ 38,872**
V. COMBINED NET FISCAL IMPACT b/4 CFD			
Recurring Revenues	$ 6,216,178	$ 6,686,593	$ 6,686,593
Total Recurring Costs	4,693,026	5,720,952	4,676,632
Total Surplus/(Deficit)	**$ 1,523,152**	**$ 965,641**	**$ 2,009,961**
VI. COMBINED NET FISCAL IMPACT with Services CFD			
Services CFD Special Tax Revenue	$ 1,142,230	$ 1,107,720	$ 1,107,720
Total Surplus/(Deficit)	$ 2,665,382	$ 2,073,361	$ 3,117,681
Inflated	$ 12.9	$ 7.5	$ 18.2

Scenario TIME PHASED NET FISCAL IMPACT - No Inflation	Res. Absorption	Alternative A	Alternative B	Alternative C
Total Through 2027	3,632	**$ 13,577,207**	**$ 9,233,304**	**$ 18,191,611**
Sum of Deficits Through 2027		**$ (300,901)**	**$ (1,279,642)**	**$ (323,532)**
2015	324	$ (269,812)	$ (323,532)	$ (323,532)
2016	305	221,032	113,593	113,593
2017	419	553,645	1,099,719	1,099,719
2018	355	(30,419)	(309,322)	522,870
2019	245	(670)	(429,824)	402,369
2020	311	212,504	(216,964)	615,228
2021	300	545,933	116,259	948,452
2022	254	986,748	556,941	1,389,134
2023	392	1,624,426	1,187,691	2,019,884
2024	348	2,068,001	1,620,504	2,452,696
2025	205	2,426,513	1,801,171	2,845,491
2026	106	2,573,923	1,943,707	2,988,027
2027	68	2,665,382	2,073,361	3,117,681

Exhibit A
Scenario Summary
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Scenario	Alternative A	Alternative B	Alternative C
Exhibit in Detailed Report	B-1 (Adj)	B-2 (Adj)	B-3 (Adj)
Analysis Date	10/27/2015	10/27/2015	10/27/2015
I. GENERAL FUND			
A. Recurring Revenues			
Property Tax	$ 1,668,811	$ 1,654,308	$ 1,654,308
Property Transfer Tax	88,464	87,154	87,154
Property Tax In Lieu of Sales Tax	116,813	237,684	237,684
Off-Site Sales and Use Tax	239,485	231,771	231,771
On-Site Sales and Use Tax	160,015	581,109	581,109
Property Tax-Vehicle License Fee	1,882,769	1,866,407	1,866,407
Franchise Fees	297,564	290,743	290,743
Business License Fee	938	3,405	3,405
Licenses & Permits	27,738	26,844	26,844
Fines & Forfeitures	23,992	23,534	23,534
Miscellaneous Revenue	9,997	9,806	9,806
Intergovernmental Revenue	-	-	-
Charges for Services	79,779	77,232	77,232
Gas Tax and Traffic Safety Fund Revenue	357,465	345,949	345,949
Total Recurring Revenues	**$ 4,953,830**	**$ 5,435,946**	**$ 5,435,946**
B. Recurring Costs			
City Council	$ 14,535	$ 14,258	$ 14,258
City Clerk	24,359	23,894	23,894
General Government	65,004	63,763	63,763
Personnel	7,268	7,129	7,129
Finance	48,400	47,476	47,476
Police Department	1,793,496	1,793,496	1,793,496
Animal Control	110,523	106,963	106,963
Public Works	1,149,221	1,144,679	1,144,679
Engineering	60,453	59,299	59,299
Planning	68,059	66,759	66,759
Public Services	43,428	42,599	42,599
Code Enforcement	29,857	29,287	29,287
Parks	-	1,044,320	-
Graffiti	21,838	21,421	21,421
Trails	3,079	3,020	3,020
Drainage Basins	29,700	29,700	29,700
Storm Drainage Replacement	11,115	11,115	11,115
Total Recurring Costs	**$ 3,480,336**	**$ 4,509,177**	**$ 3,464,857**
General Fund Surplus/(Deficit)	**$ 1,473,494**	**$ 926,768**	**$ 1,971,088**
II. FIRE FUND			
Recurring Revenues	1,192,171	1,181,811	1,181,811
Total Recurring Costs	$ 1,212,690	$ 1,211,775	$ 1,211,775
Fire Fund Surplus/(Deficit)	**(20,519)**	**(29,964)**	**(29,964)**
III. PARAMEDIC FUND			
Recurring Revenues	$ 70,177	$ 68,837	$ 68,837
Total Recurring Costs	-	-	-
Paramedic Fund Surplus/(Deficit)	**$ 70,177**	**$ 68,837**	**$ 68,837**
IV. COMBINED FIRE FUND & PARAMEDIC FUND	-	-	-
Recurring Revenues	$ 1,262,348	$ 1,250,647	$ 1,250,647
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Fire Fund & Paramedic Fund Surplus/(Deficit)	**$ 49,658**	**$ 38,872**	**$ 38,872**
V. COMBINED NET FISCAL IMPACT b/4 CFD	-	-	-
Recurring Revenues	$ 6,216,178	$ 6,686,593	$ 6,686,593
Total Recurring Costs	4,693,026	5,720,952	4,676,632
Total Surplus/(Deficit)	**$ 1,523,152**	**$ 965,641**	**$ 2,009,961**
VI. COMBINED NET FISCAL IMPACT with Services CFD			
Services CFD Special Tax Revenue	$ 1,142,230	$ 1,107,720	$ 1,107,720
Total Surplus/(Deficit)	**$ 2,665,382**	**$ 2,073,361**	**$ 3,117,681**
Increased Road Maintenance	**$ 572,210**	**$ 572,210**	**$ 572,210**

Exhibit B-1: Alternative A
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. GENERAL FUND	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
A. Recurring Revenues					
Property Tax	4	$ 1,668,811	$ 459.47	$ 132.40	33.7%
Property Transfer Tax	4	88,464	24.36	7.02	1.8%
Property Tax In Lieu of Sales Tax	4	116,813	32.16	9.27	2.4%
Off-Site Sales and Use Tax	5	239,485	65.94	19.00	4.8%
On-Site Sales and Use Tax	5	160,015	44.06	12.69	3.2%
Property Tax-Vehicle License Fee	6	1,882,769	518.38	149.37	38.0%
Franchise Fees	6	297,564	81.93	23.61	6.0%
Business License Fee	6	938	0.26	0.07	0.0%
Licenses & Permits	6	27,738	7.64	2.20	0.6%
Fines & Forfeitures	6	23,992	6.61	1.90	0.5%
Miscellaneous Revenue	6	9,997	2.75	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	79,779	21.97	6.33	1.6%
Gas Tax and Traffic Safety Fund Revenue	10	357,465	98.42	28.36	7.2%
Total Recurring Revenues		**$ 4,953,830**	**$ 1,363.94**	**$ 393.02**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,535	$ 4.00	$ 1.15	0.4%
City Clerk	7	$ 24,359	6.71	1.93	0.7%
General Government	7	$ 65,004	17.90	5.16	1.9%
Personnel	7	$ 7,268	2.00	0.58	0.2%
Finance	7	$ 48,400	13.33	3.84	1.4%
Police Department	7	$ 1,793,496	493.80	142.29	51.5%
Animal Control	7	$ 110,523	30.43	8.77	3.2%
Public Works	7	$ 1,149,221	316.42	91.17	33.0%
Engineering	7	$ 60,453	16.64	4.80	1.7%
Planning	7	$ 68,059	18.74	5.40	2.0%
Public Services	7	$ 43,428	11.96	3.45	1.2%
Code Enforcement	7	$ 29,857	8.22	2.37	0.9%
Parks	7	$ -	-	-	0.0%
Graffiti	7	$ 21,838	6.01	1.73	0.6%
Trails	7	$ 3,079	0.85	0.24	0.1%
Drainage Basins	7	$ 29,700	8.18	2.36	0.9%
Storm Drainage Replacement	7	$ 11,115	3.06	0.88	0.3%
Total Recurring Costs		**$ 3,480,336**	**$ 958.24**	**$ 276.12**	**100.0%**
General Fund Surplus/(Deficit)		**$ 1,473,494**	**$ 405.70**	**$ 116.90**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,192,171	$ 328.24	$ 94.58	
Total Recurring Costs	8	1,212,690	333.89	96.21	
Fire Fund Surplus/(Deficit)		**$ (20,519)**	**$ (5.65)**	**$ (1.63)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 70,177	$ 19.32	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 70,177**	**$ 19.32**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,262,348	$ 347.56	$ 100.15	
Total Recurring Costs		1,212,690	333.89	96.21	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 49,658**	**$ 13.67**	**$ 3.94**	
VI. COMBINED NET FISCAL IMPACT B/4 cfd					
Recurring Revenues		$ 6,216,178	$ 1,711.50	$ 493.17	
Total Recurring Costs		4,693,026	1,292.13	372.33	
Total Surplus/(Deficit)		**$ 1,523,152**	**$ 419.37**	**$ 120.84**	
VI. COMBINED NET FISCAL IMPACT with Services CFD					
Services CFD Special Tax Revenue		$ 1,142,230	$ 314.49	$ 90.62	
Total Surplus/(Deficit)		**$ 2,665,382**	**$ 667.78**	**$ 192.42**	

Exhibit B-1: Alternative A
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-1: Alternative A
Table 3 - Land Use Assumptions
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation	Services CFD Tax CFD Rate 0.10% Per Unit	Services CFD Tax Amount
I. Residential Land Use		(a)	(a)	(a)		(d)	
Condo Apartments	40	5	215	$ 210,000	$ 45,150,000	$ 210	$ 45,150
Paired	26	2	173	230,000	39,790,000	230	39,790
Paired	43A	3	130	230,000	29,900,000	230	29,900
HDD	15	2	208	250,000	52,000,000	250	52,000
HDD	25	3	110	250,000	27,500,000	250	27,500
HDD	33	4	105	250,000	26,250,000	250	26,250
6 Pack	27	2	115	250,000	28,750,000	250	28,750
6 Pack	43B	3	99	250,000	24,750,000	250	24,750
4 Pack L	21	2	115	290,000	33,350,000	290	33,350
4 Pack S	22	2	80	270,000	21,600,000	270	21,600
4 Pack S	23	3	77	270,000	20,790,000	270	20,790
SFD - 3,000 Sq. Ft.	3	1	141	310,000	43,710,000	310	43,710
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000	310	17,360
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000	330	30,030
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000	330	31,020
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000	330	35,970
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000	330	37,950
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000	330	14,850
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000	350	12,600
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000	350	16,450
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000	350	22,050
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000	350	54,950
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000	350	53,900
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000	350	18,200
SFD - 4,000 Sq. Ft.	35	4	31	350,000	10,850,000	350	10,850
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000	350	28,350
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000	360	18,360
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000	360	12,960
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000	360	42,120
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000	360	54,720
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000	380	50,540
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000	380	45,220
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000	410	5,330
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000	410	34,440
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000	430	8,170
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000	430	11,610
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000	430	16,770
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000	430	13,330
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000	430	13,330
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000	460	12,880
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000	460	10,580
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000	460	6,900
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000	460	6,900
Total/Weighted Average			3,632	$ 314,491	**$ 1,142,230,000**	$ 314	**$1,142,230**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	-	-	500	-	150.00	-
Neighborhood Commercial	3	0.25	-	-	500	-	150.00	-
Neighborhood Commercial	40	0.25	-	-	500	-	150.00	-
Total			5.70	62,073		124		**$ 9,310,950**

III. Total Residential and Non-Residential **$ 1,151,540,950**

IV. Population Summary

Residential Units	[1]	**3,632**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,543**
Employees	[4]	**124**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	62
Total Equivalent Residents	[3]+[5]=[6]	**12,605**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.
(d) Per discussions with City

Exhibit B-1: Alternative A
Table 4 - Property Tax Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,151,540,950
Basic Rate			1.000%
Basic Tax Paid		$	11,515,410
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,860,982**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,668,811**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,192,171**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,142,230,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	159,912,200
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	87,952
B. Non-Residential			
Non-Residential Assessed Value	3	$	9,310,950
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	931,095
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	512
Total Property Transfer Tax	[1]+[2]	**$**	**88,464**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	70,025
On-Site Sales Tax Redirected to Property Tax (e)	5		46,788
Total Property Tax In-Lieu of Sales Tax		**$**	**116,813**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-1: Alternative A
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	350,124,800
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	112,039,936
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	28,009,984
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 280,100
Use Tax @10.50% of sales tax	10.50%	8	29,410
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(70,025)
Total Off-Site Sales Tax Revenue		$ 85	**$ 239,485**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	-	377	80%	-
Neighborhood Commercial	3	-	-	377	80%	-
Neighborhood Commercial	40	-	-	377	80%	-
Subtotal Taxable Sales for Retail Land Use			62,073			$ 18,715,258
Total Taxable Sales						$ 18,715,258
Sales Tax @1% of taxable sales					1.00%	187,153
Use Tax @10.50% of sales tax (c)					10.50%	19,651
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(46,788)
Total On-Site Sales Tax Revenue						**$ 160,015**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-1: Alternative A
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,882,769**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,605	$ 26,391
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,605	55,981
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,543	86,834
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,605	113,962
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,605	14,395
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 297,564**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	124	**$ 938**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,181,271
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,543	$ 25,977
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,543	1,760
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 27,738**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,605	$ 5,998
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,605	3,999
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,605	8,997
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,605	4,998
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,992**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,605	$ 7,997
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,605	1,999
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,997**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,543	23,938
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,543	39,709
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,543	3,520
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,543	352
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,605	1,699
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,543	10,561
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 79,779**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,322,777

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.

(d) Assumes Project will have a de minimis impact on these revenue sources.

(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.

(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(g) See Section II of Table 6.

Exhibit B-1: Alternative A
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05		FY 2011-12			Change
Property Tax Vehicle License Fees (VLF)	$ (a)	2,624,088	$ (b)	3,800,000	[1]	1,175,912
City Assessed Valuation	(c)	1,992,355,699	(d)	2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase					=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV					[3]	$ 1,635

Property Tax in Lieu of MVLF:			
Total Residential and Non-Residential Assessed Value (Table 3)	[4]	$	1,151,540,950
Assessed Valuation / 1,000,000	[5]	$	1,152
VLF Increase per $1,000,000 increase in AV	[3]		1,635
Property Tax in Lieu of MVLF	=[3]*[5]	$	1,882,769

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-1: Alternative A
Table 7 - General Fund Cost Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,605	**$ 14,535**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,605	**24,359**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,605	**65,004**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,605	**7,268**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,605	**48,400**
F. Police Department	156	6,819,830	100%	See Footnote (g)					**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,543	**110,523**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,605	$ 32,302
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,605	13,064
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,605	102,226
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	See Footnote (d)					
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,605	25,960
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,605	300
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,605	300
Street Maintenance	164	100,000	100%	See Table 16					911,330
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,605	200
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,605	1,999
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,605	9,997
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,605	41,986
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,605	960
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,605	600
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,605	7,997
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 1,149,221**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,605	**60,453**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,605	**68,059**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,605	**43,428**
L. Building & Safety	181	412,890	0%	See Footnote (d)					
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,605	**29,857**
N. Parks	188	-	0%	See Footnote (e)					**-**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,605	**21,838**
P. Community Volunteer Services	192	57,545	0%	See Footnote (f)					
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,605	**3,079**
R. Drainage Basins		-	0%	See Footnote (i)					**29,700**
S. Storm Drainage Replacement		-	0%	See Footnote (j)					**11,115**
TOTAL GENERAL FUND COSTS		$ 14,282,410		$ 3,592,834			$ 58.33		$ 3,480,336

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. The development of the Harmony Planned Community ("Project") is not anticipated to increase the City's maintenance cost for these parks. Parks to be developed within the Project are anticipated to be HOA maintained.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-1: Alternative A
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	----------	See Calculation in Table 4	----------			$ 1,192,171
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	----------	See Footnote (e)	----------			
Building Permits - Plan Check Fees	83	33,225	0%	----------	See Footnote (e)	----------			
Interest	83	35,000	0%	----------	See Footnote (e)	----------			
Pass-Thru Fire Department	83	180,000	0%	----------	See Footnote (e)	----------			
Fire Department Fees	83	473,000	0%	----------	See Footnote (e)	----------			
Total Other Fire Fund Revenue									$ -
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,192,171**
Fire Fund Revenue per Unit								[9]	$ 328.24
II. FIRE FUND COST									
A. Typical Cost per Station									
Estimated Cost per Station (d)				[1] $ 1,237,379					
Additional Fire Stations Required to Serve Project (d)				[2] 1.00					
Percent of Fire Station Costs Allocable to Project				[3] 100%					
Total Cost per Station				[1]X[2]X[3]=[4] **$ 1,237,379**					
B. Wildland Fire Protection Agreement Cost									
Acres (f)				[5] 539					
Cost per Acre (g)				[6] $ 25.77					
Total Wildland Fire Protection Agreement Cost				[5]X[6]=[7] **$ 13,890**					
C. Revenue from Outside Project									
Additional Units within the Fire Station Service Area (h)				[8] 111					
Fire Revenue per Unit				[9] $ 328.24					
Paramedic Revenue per Unit (From Table 9)				[10] 19.32					
Total Revenue from Outside Project				[8]*([9]+[10])=[11] **$ 38,579**					
TOTAL FIRE FUND COST				=[4]+[7]-[11] **$ 1,212,690**					

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

(h) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/11/2014.

Exhibit B-1: Alternative A
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,605	$ 70,177
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 70,177**
Paramedic Fund Revenue per Unit									$ 19.32
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	---------- See Footnote (d) ----------					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	---------- See Footnote (d) ----------					
C. Contractual Services - Medical Director	234	10,000	100%	---------- See Footnote (d) ----------					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-1: Alternative A
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,543
Total Gas Tax and Traffic Safety Fund Revenue						**$ 357,465**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-1: Alternative A
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	14	$ 171,324	$ 332,229	$ 523,901	$ 677,646	$ 782,554	$ 918,213	$ 1,053,351	$ 1,167,736	$ 1,348,958	$ 1,514,790	$ 1,607,872	$ 1,645,508	$ 1,668,811
Property Transfer Tax	14	9,103	17,652	27,632	35,800	41,374	48,582	55,763	61,840	71,469	80,280	85,226	87,226	88,464
Property Tax In Lieu of Sales Tax	14	6,247	12,127	66,994	73,838	78,562	84,558	90,342	95,239	102,797	109,506	113,458	115,502	116,813
Off-Site Sales and Use Tax	14	21,364	41,475	69,103	92,510	108,665	129,172	148,953	165,701	191,549	214,495	228,012	235,002	239,485
On-Site Sales and Use Tax	14	-	-	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015
Property Tax-Vehicle License Fee	15	193,290	374,824	591,070	764,528	882,885	1,035,938	1,188,401	1,317,452	1,521,909	1,709,002	1,814,018	1,856,479	1,882,769
Franchise Fees	15	26,452	51,353	86,599	115,582	135,585	160,976	185,469	206,206	238,210	266,621	283,358	292,012	297,564
Business License Fee	15	-	-	938	938	938	938	938	938	938	938	938	938	938
Licenses & Permits	15	2,474	4,804	8,004	10,715	12,586	14,961	17,252	19,192	22,185	24,843	26,409	27,218	27,738
Fines & Forfeitures	15	2,130	4,135	7,007	9,340	10,951	12,995	14,967	16,637	19,213	21,501	22,848	23,545	23,992
Miscellaneous Revenue	15	887	1,723	2,920	3,892	4,563	5,415	6,236	6,932	8,006	8,959	9,520	9,810	9,997
Intergovernmental Revenue	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	15	7,116	13,815	23,026	30,823	36,204	43,035	49,624	55,202	63,812	71,455	75,958	78,286	79,779
Gas Tax and Traffic Safety Fund Revenue	15	31,888	61,907	103,145	138,084	162,198	192,807	222,333	247,332	285,913	320,163	340,339	350,772	357,465
Total Recurring Revenues		**$ 472,276**	**$ 916,042**	**$ 1,670,353**	**$ 2,113,713**	**$ 2,417,079**	**$ 2,807,603**	**$ 3,193,643**	**$ 3,520,422**	**$ 4,034,973**	**$ 4,502,569**	**$ 4,767,972**	**$ 4,882,313**	**$ 4,953,830**
B. General Fund Recurring Costs														
City Council	16	$ 1,290	$ 2,505	$ 4,245	$ 5,659	$ 6,634	$ 7,873	$ 9,068	$ 10,079	$ 11,640	$ 13,026	$ 13,842	$ 14,264	$ 14,535
City Clerk	16	2,162	4,198	7,114	9,483	11,118	13,194	15,196	16,891	19,507	21,830	23,198	23,905	$ 24,359
General Government	16	5,770	11,202	18,985	25,307	29,670	35,209	40,552	45,076	52,057	58,255	61,906	63,793	$ 65,004
Personnel	16	645	1,252	2,123	2,829	3,317	3,936	4,534	5,040	5,820	6,513	6,921	7,132	$ 7,268
Finance	16	4,296	8,341	14,135	18,843	22,092	26,216	30,184	33,562	38,760	43,375	46,093	47,499	$ 48,400
Police Department	16	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	16	9,859	19,141	31,891	42,694	50,149	59,613	68,742	76,471	88,400	98,990	105,228	108,454	$ 110,523
Public Works	16	492,300	512,179	677,097	700,234	716,202	878,754	898,307	914,862	1,007,723	1,124,520	1,137,881	1,144,789	$ 1,149,221
Engineering	16	5,366	10,418	17,655	23,535	27,593	32,744	37,713	41,920	48,412	54,176	57,572	59,327	$ 60,453
Planning	16	6,041	11,729	19,877	26,496	31,064	36,863	42,457	47,194	54,503	60,992	64,814	66,791	$ 68,059
Public Services	16	3,855	7,484	12,683	16,907	19,822	23,522	27,092	30,114	34,778	38,919	41,358	42,619	$ 43,428
Code Enforcement	16	2,650	5,145	8,720	11,624	13,628	16,172	18,626	20,704	23,910	26,757	28,434	29,301	$ 29,857
Parks	17	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Graffiti	16	1,938	3,763	6,378	8,502	9,968	11,828	13,623	15,143	17,488	19,570	20,797	21,431	$ 21,838
Trails	16	273	531	899	1,199	1,405	1,668	1,921	2,135	2,466	2,759	2,932	3,022	$ 3,079
Drainage Basins	17	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	17	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 955,304**	**$ 1,140,068**	**$ 1,736,211**	**$ 1,889,407**	**$ 2,314,419**	**$ 2,693,827**	**$ 2,941,801**	**$ 2,993,163**	**$ 3,139,640**	**$ 3,403,350**	**$ 3,444,855**	**$ 3,466,421**	**$ 3,480,336**
Net General Fund Surplus/(Deficit)		**$ (483,028)**	**$ (224,025)**	**$ (65,859)**	**$ 224,306**	**$ 102,660**	**$ 113,776**	**$ 251,842**	**$ 527,258**	**$ 895,333**	**$ 1,099,218**	**$ 1,323,118**	**$ 1,415,892**	**$ 1,473,494**
II. Fire Fund														
Total Recurring Revenues	17	$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
Total Recurring Costs	17	33,625	33,625	127,458	1,224,435	1,225,085	1,219,530	1,219,724	1,219,854	1,212,300	1,212,198	1,212,253	1,212,513	1,212,690
Net Fire Fund Surplus/(Deficit)		**$ 88,767**	**$ 203,714**	**$ 246,808**	**$ (740,335)**	**$ (666,041)**	**$ (563,573)**	**$ (467,228)**	**$ (385,642)**	**$ (248,626)**	**$ (130,057)**	**$ (63,616)**	**$ (36,989)**	**$ (20,619)**
III. Paramedic Fund														
Total Recurring Revenues	17	$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 6,229**	**$ 12,094**	**$ 20,495**	**$ 27,321**	**$ 32,031**	**$ 38,011**	**$ 43,779**	**$ 48,662**	**$ 56,199**	**$ 62,890**	**$ 66,831**	**$ 68,869**	**$ 70,177**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 128,621	$ 249,432	$ 394,761	$ 511,420	$ 591,075	$ 693,967	$ 796,275	$ 882,874	$ 1,019,873	$ 1,145,031	$ 1,215,469	$ 1,244,393	$ 1,262,348
Total Recurring Costs		33,625	33,625	127,458	1,224,435	1,225,085	1,219,530	1,219,724	1,219,854	1,212,300	1,212,198	1,212,253	1,212,513	1,212,690
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 94,996**	**$ 215,808**	**$ 267,304**	**$ (713,015)**	**$ (634,010)**	**$ (525,562)**	**$ (423,449)**	**$ (336,980)**	**$ (192,427)**	**$ (67,167)**	**$ 3,216**	**$ 31,880**	**$ 49,658**
V. Combined Net Fiscal Impact b/4 CFD														
Total Recurring Revenues		$ 600,896	$ 1,165,475	$ 2,065,114	$ 2,625,133	$ 3,008,154	$ 3,501,571	$ 3,989,919	$ 4,403,296	$ 5,054,846	$ 5,647,600	$ 5,983,441	$ 6,126,706	$ 6,216,178
Total Recurring Costs		988,929	1,173,692	1,863,669	3,113,842	3,539,504	3,913,357	4,161,525	4,213,017	4,351,940	4,615,549	4,657,108	4,678,934	4,693,026
Total Surplus/(Deficit)		**$ (388,032)**	**$ (8,218)**	**$ 201,445**	**$ (488,709)**	**$ (531,350)**	**$ (411,786)**	**$ (171,607)**	**$ 190,278**	**$ 702,906**	**$ 1,032,051**	**$ 1,326,333**	**$ 1,447,773**	**$ 1,523,152**
VI. Combined General Fund, Fire Fund & Paramedic Fund														
Services CFD Special Tax Revenue	13	$ 118,220	$ 229,250	$ 352,200	$ 458,290	$ 530,680	$ 624,290	$ 717,540	$ 796,470	$ 921,520	$ 1,035,950	$ 1,100,180	$ 1,126,150	$ 1,142,230
Total Surplus/(Deficit)		**$ (269,812)**	**$ 221,032**	**$ 553,645**	**$ (30,419)**	**$ (670)**	**$ 212,504**	**$ 545,933**	**$ 986,748**	**$ 1,624,426**	**$ 2,068,001**	**$ 2,426,513**	**$ 2,573,923**	**$ 2,665,382**
		$ (300,901)												

Exhibit B-1: Alternative A
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	215		-	-	-	-	-	-	-	-	48	48	48	48	23
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	141		48	48	45	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	31		-	-	-	-	-	-	-	-	7	18	6	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,632		324	305	419	355	245	311	300	254	392	348	205	106	68
Cumulative Units			324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
Total Cumulative Residents	3.45	3	1,119	2,172	3,619	4,845	5,691	6,765	7,801	8,678	10,032	11,234	11,942	12,308	12,543

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-1: Alternative A
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Residential Assessed Value Additions	Average Value per Unit	O&m cfd per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	210	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,080,000	$ 10,080,000	$ 10,080,000	$ 10,080,000	$ 4,830,000
Paired	230,000	230	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	230	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	250	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	250	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	250	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	250	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	250	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	290	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	14,880,000	14,880,000	13,950,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	2,450,000	6,300,000	2,100,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	360	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	380	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	380	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	410	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	410	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions				$ 118,220,000	$ 111,030,000	$ 122,950,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 125,050,000	$ 114,430,000	$ 64,230,000	$ 25,970,000	$ 16,080,000
Cumulative Residential Assessed Value				$ 118,220,000	$ 229,250,000	$ 352,200,000	$ 458,290,000	$ 530,680,000	$ 624,290,000	$ 717,540,000	$ 796,470,000	$ 921,520,000	$ 1,035,950,000	$ 1,100,180,000	$ 1,126,150,000	$ 1,142,230,000
Total Assessed Value Additions-Average Price				$ 364,877	$ 364,033	$ 293,437	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 319,005	$ 328,822	$ 313,317	$ 245,000	$ 236,471
II CFD Tax - Developed Property																
Annual Additions				$ 118,220	$ 111,030	$ 122,950	$ 106,090	$ 72,390	$ 93,610	$ 93,250	$ 78,930	$ 125,050	$ 114,430	$ 64,230	$ 25,970	$ 16,080
Cumulative Collections on Developed Property				**$ 118,220**	**$ 229,250**	**$ 352,200**	**$ 458,290**	**$ 530,680**	**$ 624,290**	**$ 717,540**	**$ 796,470**	**$ 921,520**	**$ 1,035,950**	**$ 1,100,180**	**$ 1,126,150**	**$ 1,142,230**

Exhibit B-1: Alternative A
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	62,073	-	-	-	-	-	-	-	-	-	-
Cumulative Square Feet			-	-	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073
Assessed Value Additions	$ 150	3	$ -	$ -	$ 9,310,950	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employees	500	3	-	-	124	-	-	-	-	-	-	-	-	-	-
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950
Cumulative Employees			-	-	124	124	124	124	124	124	124	124	124	124	124
50% of Cumulative Employees			-	-	62	62	62	62	62	62	62	62	62	62	62
Cumulative Equivalent Residents			1,119	2,172	3,681	4,907	5,753	6,827	7,863	8,740	10,094	11,296	12,004	12,370	12,605
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 118,220,000	$ 229,250,000	$ 361,510,950	$ 467,600,950	$ 539,990,950	$ 633,600,950	$ 726,850,950	$ 805,780,950	$ 930,830,950	$ 1,045,260,950	$ 1,109,490,950	$ 1,135,460,950	$ 1,151,540,950
Basic Tax Paid	1.00%	4	1,182,200	2,292,500	3,615,110	4,676,010	5,399,910	6,336,010	7,268,510	8,057,810	9,308,310	10,452,610	11,094,910	11,354,610	11,515,410
Total Property Tax	24.84%	4	$ 293,715	$ 569,567	$ 898,167	$ 1,161,745	$ 1,341,598	$ 1,574,170	$ 1,805,848	$ 2,001,948	$ 2,312,632	$ 2,596,932	$ 2,756,510	$ 2,821,032	$ 2,860,982
Total Property Tax Retained in General Fund	58.33%	4	$ 171,324	$ 332,229	$ 523,901	$ 677,646	$ 782,554	$ 918,213	$ 1,053,351	$ 1,167,736	$ 1,348,958	$ 1,514,790	$ 1,607,872	$ 1,645,508	$ 1,668,811
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 118,220,000	$ 229,250,000	$ 352,200,000	$ 458,290,000	$ 530,680,000	$ 624,290,000	$ 717,540,000	$ 796,470,000	$ 921,520,000	$ 1,035,950,000	$ 1,100,180,000	$ 1,126,150,000	$ 1,142,230,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 9,103	$ 17,652	$ 27,119	$ 35,288	$ 40,862	$ 48,070	$ 55,251	$ 61,328	$ 70,957	$ 79,768	$ 84,714	$ 86,714	$ 87,952
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512
Total Property Transfer Tax			$ 9,103	$ 17,652	$ 27,632	$ 35,800	$ 41,374	$ 48,582	$ 55,763	$ 61,840	$ 71,469	$ 80,280	$ 85,226	$ 87,226	$ 88,464
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 6,247	$ 12,127	$ 20,205	$ 27,050	$ 31,773	$ 37,770	$ 43,554	$ 48,451	$ 56,008	$ 62,718	$ 66,670	$ 68,714	$ 70,025
On-Site Sales Tax Redirected to Property Tax			-	-	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788
Total Property Tax In-Lieu of Sales Tax			$ 6,247	$ 12,127	$ 66,994	$ 73,838	$ 78,562	$ 84,558	$ 90,342	$ 95,239	$ 102,797	$ 109,506	$ 113,458	$ 115,502	$ 116,813
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 31,233,600	$ 60,635,600	$ 101,027,200	$ 135,249,200	$ 158,867,200	$ 188,847,600	$ 217,767,600	$ 242,253,200	$ 280,042,000	$ 313,589,200	$ 333,351,200	$ 343,569,600	$ 350,124,800
Retail Taxable Sales	32.00%	5	9,994,752	19,403,392	32,328,704	43,279,744	50,837,504	60,431,232	69,685,632	77,521,024	89,613,440	100,348,544	106,672,384	109,942,272	112,039,936
Projected Off-Site Taxable Sales	25.00%	5	2,498,688	4,850,848	8,082,176	10,819,936	12,709,376	15,107,808	17,421,408	19,380,256	22,403,360	25,087,136	26,668,096	27,485,568	28,009,984
Sales Tax @1.00% of taxable sales	1.00%	5	24,987	48,508	80,822	108,199	127,094	151,078	174,214	193,803	224,034	250,871	266,681	274,856	280,100
Use Tax @10.50% of sales tax	10.50%	5	2,624	5,093	8,486	11,361	13,345	15,863	18,292	20,349	23,524	26,341	28,002	28,860	29,410
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(6,247)	(12,127)	(20,205)	(27,050)	(31,773)	(37,770)	(43,554)	(48,451)	(56,008)	(62,718)	(66,670)	(68,714)	(70,025)
Total Off-Site Sales Tax Revenue			$ 21,364	$ 41,475	$ 69,103	$ 92,510	$ 108,665	$ 129,172	$ 148,953	$ 165,701	$ 191,549	$ 214,495	$ 228,012	$ 235,002	$ 239,485
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072
Taxable Sales	80%	5	-	-	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)
Total On-Site Sales Tax Allocated to County			$ -	$ -	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015

Exhibit B-1: Alternative A
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 118	$ 229	$ 362	$ 468	$ 540	$ 634	$ 727	$ 806	$ 931	$ 1,045	$ 1,109	$ 1,135	$ 1,152
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 193,290**	**$ 374,824**	**$ 591,070**	**$ 764,528**	**$ 882,885**	**$ 1,035,938**	**$ 1,188,401**	**$ 1,317,462**	**$ 1,521,909**	**$ 1,709,002**	**$ 1,814,018**	**$ 1,856,479**	**$ 1,882,769**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,343	$ 4,548	$ 7,708	$ 10,274	$ 12,046	$ 14,295	$ 16,464	$ 18,300	$ 21,135	$ 23,651	$ 25,133	$ 25,900	$ 26,391
Franchise Fees - Electric	4.44	6	4,969	9,647	16,349	21,794	25,552	30,322	34,923	38,819	44,831	50,169	53,313	54,939	55,981
Franchise Fees - Cable	6.92	6	7,746	15,038	25,056	33,543	39,400	46,836	54,008	60,081	69,453	77,773	82,674	85,208	86,834
Franchise Fees - Refuse	9.04	6	10,116	19,639	33,283	44,367	52,016	61,727	71,093	79,024	91,263	102,129	108,530	111,839	113,962
Franchise Fees - Refuse Household Waste	1.14	6	1,278	2,481	4,204	5,604	6,570	7,797	8,980	9,982	11,528	12,900	13,709	14,127	14,395
Total Franchise Fees			**$ 26,452**	**$ 51,353**	**$ 86,599**	**$ 115,582**	**$ 135,585**	**$ 160,976**	**$ 185,469**	**$ 206,206**	**$ 238,210**	**$ 266,621**	**$ 283,358**	**$ 292,012**	**$ 297,564**
C. Business License Fee	7.55	6	$ -	$ -	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,317	$ 4,499	$ 7,496	$ 10,035	$ 11,787	$ 14,011	$ 16,157	$ 17,974	$ 20,778	$ 23,267	$ 24,733	$ 25,491	$ 25,977
Yard Sale Permits	0.14	6	157	305	508	680	799	949	1,095	1,218	1,408	1,576	1,676	1,727	1,760
Total Licenses & Permits			**$ 2,474**	**$ 4,804**	**$ 8,004**	**$ 10,715**	**$ 12,586**	**$ 14,961**	**$ 17,252**	**$ 19,192**	**$ 22,185**	**$ 24,843**	**$ 26,409**	**$ 27,218**	**$ 27,738**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 532	$ 1,034	$ 1,752	$ 2,335	$ 2,738	$ 3,249	$ 3,742	$ 4,159	$ 4,803	$ 5,375	$ 5,712	$ 5,886	$ 5,998
General Fines	0.32	6	355	689	1,168	1,557	1,825	2,166	2,495	2,773	3,202	3,583	3,808	3,924	3,999
Code Enforcement Fines	0.71	6	799	1,550	2,628	3,503	4,107	4,873	5,613	6,239	7,205	8,063	8,568	8,829	8,997
Administrative Citation Program	0.40	6	444	861	1,460	1,946	2,281	2,707	3,118	3,466	4,003	4,479	4,760	4,905	4,998
Total Fines & Forfeitures			**$ 2,130**	**$ 4,135**	**$ 7,007**	**$ 9,340**	**$ 10,951**	**$ 12,995**	**$ 14,967**	**$ 16,637**	**$ 19,213**	**$ 21,501**	**$ 22,848**	**$ 23,545**	**$ 23,992**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 710	$ 1,378	$ 2,336	$ 3,113	$ 3,650	$ 4,332	$ 4,989	$ 5,546	$ 6,404	$ 7,167	$ 7,616	$ 7,848	$ 7,997
Refuse Penalties & Interest	0.16	6	177	345	584	778	913	1,083	1,247	1,386	1,601	1,792	1,904	1,962	1,999
Total Miscellaneous Revenue			**$ 887**	**$ 1,723**	**$ 2,920**	**$ 3,892**	**$ 4,563**	**$ 5,415**	**$ 6,236**	**$ 6,932**	**$ 8,006**	**$ 8,959**	**$ 9,520**	**$ 9,810**	**$ 9,997**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	2,135	4,146	6,907	9,247	10,862	12,911	14,889	16,563	19,146	21,440	22,791	23,490	23,938
Engineering Fees - Inspections	$ 3.17	6	3,542	6,877	11,458	15,339	18,018	21,418	24,698	27,475	31,761	35,565	37,807	38,965	39,709
Park Fees	0.28	6	314	610	1,016	1,360	1,597	1,899	2,190	2,436	2,816	3,153	3,352	3,454	3,520
Self Hauler fees	0.03	6	31	61	102	136	160	190	219	244	282	315	335	345	352
Recordation of Document Fees	0.13	6	151	293	496	662	776	920	1,060	1,178	1,361	1,523	1,618	1,668	1,699
Vehicle Storage Fees	0.84	6	942	1,829	3,047	4,080	4,792	5,696	6,569	7,307	8,447	9,459	10,055	10,363	10,561
Total Charges for Services			**$ 7,116**	**$ 13,815**	**$ 23,026**	**$ 30,823**	**$ 36,204**	**$ 43,035**	**$ 49,624**	**$ 55,202**	**$ 63,812**	**$ 71,455**	**$ 75,958**	**$ 78,286**	**$ 79,779**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 31,888**	**$ 61,907**	**$ 103,145**	**$ 138,084**	**$ 162,198**	**$ 192,807**	**$ 222,333**	**$ 247,332**	**$ 285,913**	**$ 320,163**	**$ 340,339**	**$ 350,772**	**$ 357,466**

Exhibit B-1: Alternative A
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs																
A. City Council	$	1.15	7	$ 1,290	$ 2,505	$ 4,245	$ 5,659	$ 6,634	$ 7,873	$ 9,068	$ 10,079	$ 11,640	$ 13,026	$ 13,842	$ 14,264	$ 14,535
B. City Clerk		1.93	7	2,162	4,198	7,114	9,483	11,118	13,194	15,196	16,891	19,507	21,830	23,198	23,905	24,359
C. General Government		5.16	7	5,770	11,202	18,985	25,307	29,670	35,209	40,552	45,076	52,057	58,255	61,906	63,793	65,004
D. Personnel		0.58	7	645	1,252	2,123	2,829	3,317	3,936	4,534	5,040	5,820	6,513	6,921	7,132	7,268
E. Finance		3.84	7	4,296	8,341	14,135	18,843	22,092	26,216	30,194	33,562	38,760	43,375	46,093	47,499	48,400
F. Police Department			18	380,391	503,641	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control		8.81	7	9,859	19,141	31,891	42,694	50,149	59,613	68,742	76,471	88,400	98,890	105,228	108,454	110,523
H. Public Works																
Salaries & Wages	$	2.56	7	$ 2,867	$ 5,567	$ 9,434	$ 12,576	$ 14,744	$ 17,496	$ 20,151	$ 22,399	$ 25,868	$ 28,948	$ 30,762	$ 31,701	32,302
Benefits		1.04	7	1,160	2,251	3,815	5,086	5,963	7,076	8,150	9,059	10,462	11,708	12,441	12,821	13,064
Operations & Materials		8.11	7	9,074	17,617	29,855	39,798	46,660	55,370	63,772	70,886	81,865	91,611	97,353	100,322	102,226
Engineering		2.06	7	2,304	4,474	7,582	10,106	11,849	14,061	16,195	18,001	20,789	23,264	24,722	25,476	25,960
Traffic Counts		0.02	7	27	52	88	117	137	162	187	208	240	269	286	294	300
Underground Service Alert		0.02	7	27	52	88	117	137	162	187	208	240	269	286	294	300
Contract Services - Street Maintenance		1.59	7	471,183	471,183	607,621	607,621	607,621	749,903	749,903	749,903	817,214	911,330	911,330	911,330	911,330
Contract Services - Street Sweeping		0.02	7	18	34	58	78	91	108	125	139	160	179	190	196	200
Contract Services - Emergency Work		0.16	7	177	345	584	778	913	1,083	1,247	1,386	1,601	1,792	1,904	1,962	1,999
Contract Services - Striping		0.79	7	887	1,723	2,920	3,892	4,563	5,415	6,236	6,932	8,006	8,959	9,520	9,810	9,997
Contract Services - Traffic Signals		3.33	7	3,727	7,235	12,262	16,346	19,164	22,741	26,192	29,114	33,623	37,626	39,985	41,204	41,986
Contract Services - Maintenance		0.08	7	85	165	280	374	438	520	599	665	769	860	914	942	960
Contract Services - Environmental Health Services		0.05	7	53	103	175	234	274	325	374	416	480	538	571	589	600
Contract Services - Tree Trimming		0.63	7	710	1,378	2,336	3,113	3,650	4,332	4,989	5,546	6,404	7,167	7,616	7,848	7,997
Total Public Works				$ 492,300	$ 512,179	$ 677,097	$ 700,234	$ 716,202	$ 878,764	$ 898,307	$ 914,862	$ 1,007,723	$ 1,124,520	$ 1,137,881	$ 1,144,789	$ 1,149,221
I. Engineering		4.80	7	$ 5,366	$ 10,418	$ 17,655	$ 23,535	$ 27,693	$ 32,744	$ 37,713	$ 41,920	$ 48,412	$ 54,176	$ 57,572	$ 59,327	$ 60,453
J. Planning		5.40	7	6,041	11,729	19,877	26,496	31,064	36,863	42,457	47,194	54,503	60,992	64,814	66,791	68,059
K. Public Services		3.45	7	3,855	7,484	12,683	16,907	19,822	23,522	27,092	30,114	34,778	38,919	41,356	42,619	43,428
L. Code Enforcement		2.37	7	2,650	5,145	8,720	11,624	13,628	16,172	18,626	20,704	23,910	26,757	28,434	29,301	29,857
M. Graffiti		1.73	7	1,938	3,763	6,376	8,502	9,968	11,828	13,623	15,143	17,485	19,570	20,797	21,431	21,838
N. Trails		0.24	7	273	531	899	1,199	1,405	1,668	1,921	2,135	2,466	2,759	2,932	3,022	3,079
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14																
Sergeant				$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective				-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy				148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist				69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist				-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)				-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)				-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)				5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services				12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization				964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance				1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)				-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)				333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support				1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance				348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding				3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost				11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget				$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading				$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget				$ 380,391	$ 503,641	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance																
Lane Miles (Assumes Beginning of Phase)																
Backbone Roads				27.42												
Interior Roads				19.34		13.54			14.12			6.68	9.34			
Total Lane Miles				46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)			C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
	Lewis	City														
Cost per Lane Mile (See Exhibit C-2)	3.750	$ 10.077	C-2	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077
Total Street Maintenance Cost				$ 471,183	$ 471,183	$ 607,621	$ 607,621	$ 607,621	$ 749,903	$ 749,903	$ 749,903	$ 817,214	$ 911,330	$ 911,330	$ 911,330	$ 911,330

Exhibit B-1: Alternative A
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance															
Park Acres (Assumes End of Phase)															
20 Acre Park						20.00									
5.5 Acre Park Next to School						5.50									
6.5 Acre Park													6.50		
Total Park Acres			-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres			-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$ -	7	-	-	-	-	-	-	-	-	-	-	-	-	-
R. Drainage Basins															
Acres of Drainage Basins			15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$ 1,980	7	**29,700**	**29,700**	**29,700**	**29,700**	**29,700**	**29,700**	**29,700**	**29,700**	**29,700**	**29,700**	**29,700**	**29,700**	**29,700**
S. Storm Drainage Replacement															
Annual Contribution Increase	2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost		C-3	**8,764**	**8,939**	**9,118**	**9,300**	**9,486**	**9,676**	**9,870**	**10,067**	**10,268**	**10,474**	**10,683**	**10,897**	**11,115**
<u>II. Fire Fund</u>			324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
A. Recurring Revenues															
Secured Property Tax Retained in Fire Fund	41.67%	4	122,391	237,339	374,266	484,100	559,044	655,957	752,497	834,212	963,674	1,082,141	1,148,638	1,175,524	1,192,171
Total Recurring Revenues			**122,391**	**237,339**	**374,266**	**484,100**	**559,044**	**655,957**	**752,497**	**834,212**	**963,674**	**1,082,141**	**1,148,638**	**1,175,524**	**1,192,171**
Revenue per Unit			**376**	**377**	**357**	**345**	**339**	**335**	**333**	**332**	**332**	**333**	**332**	**330**	**328**
B. Recurring Costs															
Fire Station Cost															
Fire Stations Required for Project (a)			-	-	0.11	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$ 1,237,379	8	-	-	141,752	1,237,379	1,237,379	1,237,379	1,237,379	1,237,379	1,237,379	1,237,379	1,237,379	1,237,379	1,237,379
Wildland Fire Protection Agreement Cost															
Total Project Acres (b)	[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)															
Phase 1 Acres			353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres					237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres								234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres											133.5	133.5	133.5	133.5	133.5
Phase 5 Acres											160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out	[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres	=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$ 25.77	8	33,625	33,625	27,517	27,517	27,517	21,472	21,472	21,472	13,890	13,890	13,890	13,890	13,890
Revenue from Outside Project															
Additional Units within the Fire Station Service Area (e)			-	-	111	111	111	111	111	111	111	111	111	111	111
Fire Revenue per Unit			378	377	357	345	339	335	333	332	332	333	332	330	328
Paramedic Revenue per Unit			19	19	20	19	19	19	19	19	19	19	19	19	19
Total Revenue from Outside Project		8	-	-	41,812	40,462	39,811	39,321	39,126	38,997	38,969	39,071	39,016	38,756	38,579
Total Recurring Costs			**33,625**	**33,625**	**127,458**	**1,224,435**	**1,225,085**	**1,219,530**	**1,219,724**	**1,219,854**	**1,212,300**	**1,212,198**	**1,212,253**	**1,212,513**	**1,212,690**
			88,767	203,714	246,808	(740,335)	(666,041)	(563,573)	(467,228)	(385,642)	(248,626)	(130,057)	(63,616)	(36,989)	(20,519)
<u>III. Paramedic Fund</u>															
A. Recurring Revenues															
A. Property Tax - Paramedic Tax	$ 5.57	9	6,229	12,094	20,495	27,321	32,031	38,011	43,779	48,662	56,199	62,890	66,831	68,869	70,177
B. Recurring Costs (d)			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues			**6,229**	**12,094**	**20,495**	**27,321**	**32,031**	**38,011**	**43,779**	**48,662**	**56,199**	**62,890**	**66,831**	**68,869**	**70,177**
Revenue per Unit			19	19	20	19	19	19	19	19	19	19	19	19	19

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.
(e) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/10/2014.

Exhibit B-1: Alternative A
Table 18 - Police Phasing Analysis
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
Cumulative Residents		1,119	2,172	3,619	4,845	5,691	6,765	7,801	8,678	10,032	11,234	11,942	12,308	12,543
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.89	0.92	1.11	0.83	1.05	1.03	1.03	0.92	0.80	0.80	0.75	0.73	0.72
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.89	0.92	0.83	0.62	0.70	0.74	0.77	0.69	0.60	0.62	0.59	0.57	0.56
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	$ 17,085,854	$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496

Exhibit B-2: Alternative B
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. GENERAL FUND	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
A. Recurring Revenues					
Property Tax	4	$ 1,654,308	$ 470.64	$ 133.80	30.4%
Property Transfer Tax	4	87,154	24.79	7.05	1.6%
Property Tax In Lieu of Sales Tax	4	237,684	67.62	19.22	4.4%
Off-Site Sales and Use Tax	5	231,771	65.94	18.75	4.3%
On-Site Sales and Use Tax	5	581,109	165.32	47.00	10.7%
Property Tax-Vehicle License Fee	6	1,866,407	530.98	150.96	34.3%
Franchise Fees	6	290,743	82.71	23.52	5.3%
Business License Fee	6	3,405	0.97	0.28	0.1%
Licenses & Permits	6	26,844	7.64	2.17	0.5%
Fines & Forfeitures	6	23,534	6.70	1.90	0.4%
Miscellaneous Revenue	6	9,806	2.79	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	77,232	21.97	6.25	1.4%
Gas Tax and Traffic Safety Fund Revenue	10	345,949	98.42	27.98	6.4%
Total Recurring Revenues		**$ 5,435,946**	**$ 1,546.50**	**$ 439.66**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,258	$ 4.06	$ 1.15	0.3%
City Clerk	7	$ 23,894	6.80	1.93	0.5%
General Government	7	$ 63,763	18.14	5.16	1.4%
Personnel	7	$ 7,129	2.03	0.58	0.2%
Finance	7	$ 47,476	13.51	3.84	1.1%
Police Department	7	$ 1,793,496	510.24	145.06	39.8%
Animal Control	7	$ 106,963	30.43	8.65	2.4%
Public Works	7	$ 1,144,679	325.66	92.58	25.4%
Engineering	7	$ 59,299	16.87	4.80	1.3%
Planning	7	$ 66,759	18.99	5.40	1.5%
Public Services	7	$ 42,599	12.12	3.45	0.9%
Code Enforcement	7	$ 29,287	8.33	2.37	0.6%
Parks	7	$ 1,044,320	297.10	84.46	23.2%
Graffiti	7	$ 21,421	6.09	1.73	0.5%
Trails	7	$ 3,020	0.86	0.24	0.1%
Drainage Basins	7	$ 29,700	8.45	2.40	0.7%
Storm Drainage Replacement	7	$ 11,115	3.16	0.90	0.2%
Total Recurring Costs		**$ 4,509,177**	**$ 1,282.84**	**$ 364.70**	**100.0%**
General Fund Surplus/(Deficit)		**$ 926,768**	**$ 263.66**	**$ 74.96**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,181,811	$ 336.22	$ 95.59	
Total Recurring Costs	8	1,211,775	344.74	98.01	
Fire Fund Surplus/(Deficit)		**$ (29,964)**	**$ (8.52)**	**$ (2.42)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 68,837	$ 19.58	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 68,837**	**$ 19.58**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,250,647	$ 355.80	$ 101.15	
Total Recurring Costs		1,211,775	344.74	98.01	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 38,872**	**$ 11.06**	**$ 3.14**	
VI. COMBINED NET FISCAL IMPACT B/4 cfd					
Recurring Revenues		$ 6,686,593	$ 1,902.30	$ 540.81	
Total Recurring Costs		5,720,952	1,627.58	462.71	
Total Surplus/(Deficit)		**$ 965,641**	**$ 274.72**	**$ 78.10**	
VI. COMBINED NET FISCAL IMPACT with Services CFD					
Services CFD Special Tax Revenue		$ 1,107,720	$ 315.14	$ 89.59	
Total Surplus/(Deficit)		**$ 2,073,361**	**$ 689.49**	**$ 196.02**	

Exhibit B-2: Alternative B
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Agency	Tax Rate Area (a)			Weighted	Excluded
	018146	018147	018150	Average	104002 (d)
				(b)	
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-2: Alternative B
Table 3 - Land Use Assumptions
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation	Services CFD Tax: CFD Rate 0.10% Per Unit	Services CFD Tax: Amount
I. Residential Land Use		(a)	(a)	(a)		(d)	
Condo Apartments	40	5	195	$ 210,000	$ 40,950,000	$ 210	$ 40,950
Paired	26	2	173	230,000	39,790,000	230	39,790
Paired	43A	3	130	230,000	29,900,000	230	29,900
HDD	15	2	208	250,000	52,000,000	250	52,000
HDD	25	3	110	250,000	27,500,000	250	27,500
HDD	33	4	105	250,000	26,250,000	250	26,250
6 Pack	27	2	115	250,000	28,750,000	250	28,750
6 Pack	43B	3	99	250,000	24,750,000	250	24,750
4 Pack L	21	2	115	290,000	33,350,000	290	33,350
4 Pack S	22	2	80	270,000	21,600,000	270	21,600
4 Pack S	23	3	77	270,000	20,790,000	270	20,790
SFD - 3,000 Sq. Ft.	3	1	50	310,000	15,500,000	310	15,500
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000	310	17,360
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000	330	30,030
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000	330	31,020
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000	330	35,970
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000	330	37,950
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000	330	14,850
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000	350	12,600
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000	350	16,450
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000	350	22,050
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000	350	54,950
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000	350	53,900
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000	350	18,200
SFD - 4,000 Sq. Ft.	35	4	25	350,000	8,750,000	350	8,750
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000	350	28,350
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000	360	18,360
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000	360	12,960
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000	360	42,120
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000	360	54,720
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000	380	50,540
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000	380	45,220
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000	410	5,330
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000	410	34,440
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000	430	8,170
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000	430	11,610
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000	430	16,770
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000	430	13,330
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000	430	13,330
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000	460	12,880
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000	460	10,580
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000	460	6,900
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000	460	6,900
Total/Weighted Average			3,515	$ 315,141	**$ 1,107,720,000**	$ 315	**$1,107,720**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	1.00	10,890	500	22	150.00	1,633,500
Neighborhood Commercial	3	0.25	13.00	141,570	500	283	150.00	21,235,500
Neighborhood Commercial	40	0.25	1.00	10,890	500	22	150.00	1,633,500
Total			20.70	225,423		451		**$ 33,813,450**

III. Total Residential and Non-Residential **$ 1,141,533,450**

IV. Population Summary

Residential Units	[1]	**3,515**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,139**
Employees	[4]	**451**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	225
Total Equivalent Residents	[3]+[5]=[6]	**12,364**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.
(d) Per discussions with City

Exhibit B-2: Alternative B
Table 4 - Property Tax Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,141,533,450
Basic Rate			1.000%
Basic Tax Paid		$	11,415,335
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,836,119**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,654,308**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,181,811**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,107,720,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	155,080,800
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	85,294
B. Non-Residential			
Non-Residential Assessed Value	3	$	33,813,450
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	3,381,345
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	1,860
Total Property Transfer Tax	[1]+[2]	**$**	**87,154**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	67,769
On-Site Sales Tax Redirected to Property Tax (e)	5		169,915
Total Property Tax In-Lieu of Sales Tax		**$**	**237,684**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-2: Alternative B
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	338,846,000
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	108,430,720
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 271,077
Use Tax @10.50% of sales tax	10.50%	8	28,463
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(67,769)
Total Off-Site Sales Tax Revenue		$ 85	**$ 231,771**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	10,890	377	80%	3,283,379
Neighborhood Commercial	3	-	141,570	377	80%	42,683,921
Neighborhood Commercial	40	-	10,890	377	80%	3,283,379
Subtotal Taxable Sales for Retail Land Use			225,423			$ 67,965,936
Total Taxable Sales						$ 67,965,936
Sales Tax @1% of taxable sales					1.00%	679,659
Use Tax @10.50% of sales tax (c)					10.50%	71,364
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(169,915)
Total On-Site Sales Tax Revenue						**$ 581,109**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-2: Alternative B
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	See Table 4	
Property Tax - Vehicle License Fee	59	3,800,000	100%	See Footnote (g)					**1,866,407**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	See Table 4	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	See Table 5	
Extraction Tax	59	85,000	0%	See Footnote (d)					
Transient Occupancy Tax	59	168,000	0%	See Footnote (d)					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,364	$ 25,887
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,364	54,912
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,139	84,037
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,364	111,786
Franchise Fees - Kiosk Signs	59	5,000	0%	See Footnote (d)					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,364	14,120
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 290,743**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	451	**$ 3,405**
Property Transfer Tax	59	90,000	100%	See Table 4					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,160,555
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,139	$ 25,141
Building Permits - Inspection Fees	59	400,000	100%	See Footnote (e)					
Building Permits - Plan Check Fees	59	65,000	100%	See Footnote (e)					
Building Permits - SMIP	59	3,000	100%	See Footnote (e)					
Building Permits - BSAR Fund	59	2,000	100%	See Footnote (e)					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,139	1,703
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 26,844**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,364	$ 5,883
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,364	3,922
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,364	8,825
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,364	4,903
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,534**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,364	$ 7,845
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Building Rental	59	18,000	0%	See Footnote (d)					
Miscellaneous Revenue	59	1,000	0%	See Footnote (d)					
Volunteer Donations	59	8,500	0%	See Footnote (d)					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,806**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	See Footnote (d)					
State - Other	60	27,240	0%	See Footnote (d)					
Article 19 WDA	60	70,000	0%	See Footnote (d)					
SB90 State Mandate Reimbursements	60	10,000	0%	See Footnote (d)					
San Bernardino Unified School District	60	5,000	0%	See Footnote (d)					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	See Table 10					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,139	23,167
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,139	38,430
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,139	3,407
Police Department Fees	60	160,000	0%	See Footnote (d)					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,139	341
Delinquent Refuse Admin	60	75,000	0%	See Footnote (d)					
Livescan Service Fees	60	1,500	0%	See Footnote (d)					
Foreclosure Registration Fees	60	13,000	0%	See Footnote (d)					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,364	1,667
Sale of Miscellaneous Copies	60	2,000	0%	See Footnote (d)					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,139	10,221
Operating Transfer In-Paramedic Dept.	60	10,000	0%	See Footnote (d)					
Operating Transfer In-Fire Department	60	10,000	0%	See Footnote (d)					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 77,232**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,297,970

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.

(d) Assumes Project will have a de minimis impact on these revenue sources.

(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.

(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(g) See Section II of Table 6.

Exhibit B-2: Alternative B
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05		FY 2011-12			Change
Property Tax Vehicle License Fees (VLF)	$ (a)	2,624,088	$ (b)	3,800,000	[1]	1,175,912
City Assessed Valuation	(c)	1,992,355,699	(d)	2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase					=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV					[3]	$ 1,635

Property Tax in Lieu of MVLF:			
Total Residential and Non-Residential Assessed Value (Table 3)	[4]	$	1,141,533,450
Assessed Valuation / 1,000,000	[5]	$	1,142
VLF Increase per $1,000,000 increase in AV	[3]		1,635
Property Tax in Lieu of MVLF	=[3]*[5]	$	1,866,407

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-2: Alternative B
Table 7 - General Fund Cost Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,364	**$ 14,258**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,364	**23,894**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,364	**63,763**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,364	**7,129**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,364	**47,476**
F. Police Department	156	6,819,830	100%	See Footnote (g)					**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,139	**106,963**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,364	$ 31,685
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,364	12,815
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,364	100,274
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	See Footnote (d)					
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,364	25,464
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Street Maintenance	164	100,000	100%	See Table 16					911,330
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,364	196
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,364	9,806
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,364	41,184
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,364	941
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,364	588
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,364	7,845
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 1,144,679**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,364	**59,299**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,364	**66,759**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,364	**42,599**
L. Building & Safety	181	412,890	0%	See Footnote (d)					
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,364	**29,287**
N. Parks	188	1,073,620	100%	See Footnote (e)					**1,044,320**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,364	**21,421**
P. Community Volunteer Services	192	57,545	0%	See Footnote (f)					
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,364	**3,020**
R. Drainage Basins		-	0%	See Footnote (i)					**29,700**
S. Storm Drainage Replacement		-	0%	See Footnote (j)					**11,115**
TOTAL GENERAL FUND COSTS		$ 15,356,030		$ 3,592,834			$ 58.33		$ 4,509,177

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. Park maintenance costs assumed at $32,635 per acre for maintenance of 32 acres.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-2: Alternative B
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	---------- See Calculation in Table 4 ----------					**$ 1,181,811**
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	83	33,225	0%	---------- See Footnote (e) ----------					
Interest	83	35,000	0%	---------- See Footnote (e) ----------					
Pass-Thru Fire Department	83	180,000	0%	---------- See Footnote (e) ----------					
Fire Department Fees	83	473,000	0%	---------- See Footnote (e) ----------					
Total Other Fire Fund Revenue									$ -
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,181,811**
Fire Fund Revenue per Unit								[9]	$ 336.22

II. FIRE FUND COST

A. Typical Cost per Station		
Estimated Cost per Station (d)	[1]	$ 1,237,379
Additional Fire Stations Required to Serve Project (d)	[2]	1.00
Percent of Fire Station Costs Allocable to Project	[3]	100%
Total Cost per Station	[1]X[2]X[3]=[4]	**$ 1,237,379**
B. Wildland Fire Protection Agreement Cost		
Acres (f)	[5]	539
Cost per Acre (g)	[6]	$ 25.77
Total Wildland Fire Protection Agreement Cost	[5]X[6]=[7]	**$ 13,890**
C. Revenue from Outside Project		
Additional Units within the Fire Station Service Area (h)	[8]	111
Fire Revenue per Unit	[9]	$ 336.22
Paramedic Revenue per Unit (From Table 9)	[10]	19.58
Total Revenue from Outside Project	[8]*([9]+[10])=[11]	**$ 39,494**
TOTAL FIRE FUND COST	=[4]+[7]-[11]	**$ 1,211,775**

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

(h) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/11/2014.

Exhibit B-2: Alternative B
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,364	$ 68,837
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 68,837**
Paramedic Fund Revenue per Unit									$ 19.58
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	---------- See Footnote (d) ----------					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	---------- See Footnote (d) ----------					
C. Contractual Services - Medical Director	234	10,000	100%	---------- See Footnote (d) ----------					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-2: Alternative B
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,139
Total Gas Tax and Traffic Safety Fund Revenue						**$ 345,949**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-2: Alternative B
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	14	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
Property Transfer Tax	14	8,363	16,172	26,627	34,796	40,370	47,578	54,758	60,836	70,373	79,039	83,956	85,891	87,154
Property Tax In Lieu of Sales Tax	14	5,649	10,932	171,949	178,793	183,517	189,513	195,297	200,194	207,655	214,230	226,275	228,242	237,684
Off-Site Sales and Use Tax	14	19,320	37,387	63,102	86,510	102,665	123,171	142,953	159,701	185,219	207,703	220,825	227,551	231,771
On-Site Sales and Use Tax	14	-	-	524,963	524,963	524,963	524,963	524,963	524,963	524,963	524,963	553,036	553,036	581,109
Property Tax-Vehicle License Fee	15	177,577	343,399	579,667	753,124	871,482	1,024,534	1,176,998	1,306,049	1,508,560	1,692,563	1,797,731	1,838,819	1,866,407
Franchise Fees	15	23,921	46,291	81,537	110,520	130,522	155,913	180,406	201,143	232,739	260,579	277,008	285,336	290,743
Business License Fee	15	-	-	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,240	3,240	3,405
Licenses & Permits	15	2,238	4,330	7,309	10,020	11,891	14,266	16,557	18,497	21,452	24,057	25,576	26,355	26,844
Fines & Forfeitures	15	1,926	3,727	6,678	9,012	10,622	12,666	14,638	16,308	18,852	21,093	22,422	23,093	23,534
Miscellaneous Revenue	15	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Intergovernmental Revenue	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	15	6,435	12,453	21,046	28,843	34,224	41,055	47,644	53,223	61,723	69,212	73,584	75,825	77,232
Gas Tax and Traffic Safety Fund Revenue	15	28,837	55,805	94,189	129,128	153,241	183,850	213,376	238,375	276,464	310,026	329,612	339,650	345,949
Total Recurring Revenues		**$ 432,466**	**$ 836,424**	**$ 2,096,719**	**$ 2,540,079**	**$ 2,843,446**	**$ 3,233,970**	**$ 3,620,010**	**$ 3,946,788**	**$ 4,456,057**	**$ 4,915,549**	**$ 5,216,045**	**$ 5,326,514**	**$ 5,435,946**
B. General Fund Recurring Costs														
City Council	16	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
City Clerk	16	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	23,894
General Government	16	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	63,763
Personnel	16	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	7,129
Finance	16	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	47,476
Police Department	18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
Animal Control	16	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	106,963
Public Works	16	490,280	508,138	673,838	696,975	712,943	875,495	895,048	911,603	1,004,138	1,120,478	1,133,654	1,140,302	1,144,679
Engineering	16	4,853	9,391	16,827	22,707	26,765	31,916	36,885	41,092	47,501	53,149	56,497	58,187	59,299
Planning	16	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	66,759
Public Services	16	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	42,599
Code Enforcement	16	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	29,287
Parks	17	-	-	-	832,193	832,193	832,193	832,193	832,193	832,193	832,193	1,044,320	1,044,320	1,044,320
Graffiti	16	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	21,421
Trails	16	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	3,020
Drainage Basins	17	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700
Storm Drainage Replacement	17	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	11,115
Total Recurring Costs		**$ 949,059**	**$ 1,127,579**	**$ 1,724,891**	**$ 2,710,279**	**$ 3,135,291**	**$ 3,614,699**	**$ 3,762,673**	**$ 3,814,035**	**$ 3,959,505**	**$ 4,221,805**	**$ 4,474,768**	**$ 4,495,528**	**$ 4,609,177**
Net General Fund Surplus/(Deficit)		**$ (516,593)**	**$ (291,154)**	**$ 371,828**	**$ (170,200)**	**$ (291,845)**	**$ (280,729)**	**$ (142,663)**	**$ 132,753**	**$ 496,552**	**$ 693,743**	**$ 741,278**	**$ 830,986**	**$ 826,768**
II. Fire Fund														
Total Recurring Revenues	17	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Costs	17	33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund Surplus/(Deficit)		**$ 78,817**	**$ 183,816**	**$ 384,367**	**$ (595,562)**	**$ (671,518)**	**$ (569,364)**	**$ (473,225)**	**$ (391,773)**	**$ (256,123)**	**$ (139,597)**	**$ (73,041)**	**$ (47,304)**	**$ (29,964)**
III. Paramedic Fund														
Total Recurring Revenues	17	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 5,633**	**$ 10,902**	**$ 19,534**	**$ 26,359**	**$ 31,070**	**$ 37,049**	**$ 42,817**	**$ 47,701**	**$ 55,141**	**$ 61,698**	**$ 65,584**	**$ 67,546**	**$ 68,837**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 118,076	$ 228,342	$ 386,579	$ 503,238	$ 582,893	$ 685,785	$ 788,093	$ 874,692	$ 1,010,363	$ 1,133,430	$ 1,203,910	$ 1,231,887	$ 1,250,647
Total Recurring Costs		33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 84,451**	**$ 194,717**	**$ 403,901**	**$ (569,203)**	**$ (640,449)**	**$ (532,315)**	**$ (430,408)**	**$ (344,072)**	**$ (200,981)**	**$ (77,900)**	**$ (7,457)**	**$ 20,241**	**$ 38,872**
V. Combined Net Fiscal Impact b/4 CFD														
Total Recurring Revenues		$ 550,542	$ 1,064,766	$ 2,483,299	$ 3,043,318	$ 3,426,339	$ 3,919,755	$ 4,408,103	$ 4,821,480	$ 5,466,420	$ 6,048,979	$ 6,419,955	$ 6,558,401	$ 6,686,593
Total Recurring Costs		982,684	1,161,203	1,707,570	3,782,720	4,358,633	4,732,799	4,981,174	5,032,799	5,170,849	5,433,135	5,686,134	5,707,174	5,720,952
Total Surplus/(Deficit)		**$ (432,142)**	**$ (96,437)**	**$ 775,729**	**$ (739,402)**	**$ (932,294)**	**$ (813,044)**	**$ (573,071)**	**$ (211,319)**	**$ 295,571**	**$ 615,844**	**$ 733,821**	**$ 851,227**	**$ 965,641**
VI. Combined General Fund, Fire Fund & Paramedic Fund														
Services CFD Special Tax Revenue	13	$ 108,610	$ 210,030	$ 323,990	$ 430,080	$ 502,470	$ 596,080	$ 689,330	$ 768,260	$ 892,120	$ 1,004,660	$ 1,067,350	$ 1,092,480	$ 1,107,720
Total Surplus/(Deficit)		**$ (323,532)**	**$ 113,593**	**$ 1,099,719**	**$ (309,322)**	**$ (429,824)**	**$ (216,964)**	**$ 116,259**	**$ 556,941**	**$ 1,187,691**	**$ 1,620,504**	**$ 1,801,171**	**$ 1,943,707**	**$ 2,073,361**
		$ (1,279,642)												

Exhibit B-2: Alternative B
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	195		-	-	-	-	-	-	-	-	44	44	44	44	19
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	50		17	17	16	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	25		-	-	-	-	-	-	-	-	6	15	4	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,515		293	274	390	355	245	311	300	254	387	341	199	102	64
Cumulative Units			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Total Cumulative Residents	3.45	3	1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-2: Alternative B
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Residential Assessed Value Additions	Average Value per Unit	O&m cfd per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	210	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 3,990,000
Paired	230,000	230	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	230	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	250	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	250	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	250	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	250	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	250	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	290	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	5,270,000	5,270,000	4,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	2,100,000	5,250,000	1,400,000	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	360	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 5,000 Sq. Ft.	380,000	380	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	380	3	-	-	-	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	410	3	2,460,000	2,460,000	410,000	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	410	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions				$ 108,610,000	$ 101,420,000	$ 113,960,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 123,860,000	$ 112,540,000	$ 62,690,000	$ 25,130,000	$ 15,240,000
Cumulative Residential Assessed Value				$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Total Assessed Value Additions-Average Price				$ 370,683	$ 370,146	$ 292,205	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 320,052	$ 330,029	$ 315,025	$ 246,373	$ 238,125
II CFD Tax - Developed Property																
Annual Additions				$ 108,610	$ 101,420	$ 113,960	$ 106,090	$ 72,390	$ 93,610	$ 93,250	$ 78,930	$ 123,860	$ 112,540	$ 62,690	$ 25,130	$ 15,240
Cumulative Collections on Developed Property				**$ 108,610**	**$ 210,030**	**$ 323,990**	**$ 430,080**	**$ 502,470**	**$ 596,080**	**$ 689,330**	**$ 768,260**	**$ 892,120**	**$ 1,004,660**	**$ 1,067,350**	**$ 1,092,480**	**$ 1,107,720**

Exhibit B-2: Alternative B
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non-Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	203,643	-	-	-	-	-	-	-	10,890	-	10,890
Cumulative Square Feet			-	-	203,643	203,643	203,643	203,643	203,643	203,643	203,643	203,643	214,533	214,533	225,423
Assessed Value Additions	$ 150	3	$ -	$ -	$ 30,546,450	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,633,500	$ -	$ 1,633,500
Employees	500	3	-	-	407	-	-	-	-	-	-	-	22	-	22
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Cumulative Employees			-	-	407	407	407	407	407	407	407	407	429	429	451
50% of Cumulative Employees			-	-	204	204	204	204	204	204	204	204	215	215	225
Cumulative Equivalent Residents			1,012	1,958	3,508	4,734	5,581	6,654	7,690	8,568	9,904	11,082	11,780	12,132	12,364
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 354,536,450	$ 460,626,450	$ 533,016,450	$ 626,626,450	$ 719,876,450	$ 798,806,450	$ 922,666,450	$ 1,035,206,450	$ 1,099,529,950	$ 1,124,659,950	$ 1,141,533,450
Basic Tax Paid	1.00%	4	1,086,100	2,100,300	3,545,365	4,606,265	5,330,165	6,266,265	7,198,765	7,988,065	9,226,665	10,352,065	10,995,300	11,246,600	11,415,335
Total Property Tax	24.84%	4	$ 269,840	$ 521,816	$ 880,839	$ 1,144,418	$ 1,324,270	$ 1,556,842	$ 1,788,520	$ 1,984,620	$ 2,292,348	$ 2,571,951	$ 2,731,762	$ 2,794,197	$ 2,836,119
Total Property Tax Retained in General Fund	58.33%	4	**$ 157,397**	**$ 304,376**	**$ 513,794**	**$ 667,539**	**$ 772,446**	**$ 908,106**	**$ 1,043,244**	**$ 1,157,629**	**$ 1,337,127**	**$ 1,500,219**	**$ 1,593,437**	**$ 1,629,855**	**$ 1,654,308**
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 8,363	$ 16,172	$ 24,947	$ 33,116	$ 38,690	$ 45,898	$ 53,078	$ 59,156	$ 68,693	$ 77,359	$ 82,186	$ 84,121	$ 85,294
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,770	$ 1,770	$ 1,860
Total Property Transfer Tax			**$ 8,363**	**$ 16,172**	**$ 26,627**	**$ 34,796**	**$ 40,370**	**$ 47,578**	**$ 54,758**	**$ 60,836**	**$ 70,373**	**$ 79,039**	**$ 83,956**	**$ 85,891**	**$ 87,154**
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 5,649	$ 10,932	$ 18,451	$ 25,295	$ 30,019	$ 36,015	$ 41,799	$ 46,696	$ 54,158	$ 60,732	$ 64,569	$ 66,535	$ 67,769
On-Site Sales Tax Redirected to Property Tax			-	-	153,498	153,498	153,498	153,498	153,498	153,498	153,498	153,498	161,706	161,706	169,915
Total Property Tax In-Lieu of Sales Tax			**$ 5,649**	**$ 10,932**	**$ 171,949**	**$ 178,793**	**$ 183,517**	**$ 189,513**	**$ 195,297**	**$ 200,194**	**$ 207,656**	**$ 214,230**	**$ 226,276**	**$ 228,242**	**$ 237,684**
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 28,245,200	$ 54,658,800	$ 92,254,800	$ 126,476,800	$ 150,094,800	$ 180,075,200	$ 208,995,200	$ 233,480,800	$ 270,787,600	$ 303,660,000	$ 322,843,600	$ 332,676,400	$ 338,846,000
Retail Taxable Sales	32.00%	5	9,038,464	17,490,816	29,521,536	40,472,576	48,030,336	57,624,064	66,878,464	74,713,856	86,652,032	97,171,200	103,309,952	106,456,448	108,430,720
Projected Off-Site Taxable Sales	25.00%	5	2,259,616	4,372,704	7,380,384	10,118,144	12,007,584	14,406,016	16,719,616	18,678,464	21,663,008	24,292,800	25,827,488	26,614,112	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	5	22,596	43,727	73,804	101,181	120,076	144,060	167,196	186,785	216,630	242,928	258,275	266,141	271,077
Use Tax @10.50% of sales tax	10.50%	5	2,373	4,591	7,749	10,624	12,608	15,126	17,556	19,612	22,746	25,507	27,119	27,945	28,463
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(5,649)	(10,932)	(18,451)	(25,295)	(30,019)	(36,015)	(41,799)	(46,696)	(54,158)	(60,732)	(64,569)	(66,535)	(67,769)
Total Off-Site Sales Tax Revenue			**$ 19,320**	**$ 37,387**	**$ 63,102**	**$ 86,510**	**$ 102,665**	**$ 123,171**	**$ 142,953**	**$ 159,701**	**$ 185,219**	**$ 207,703**	**$ 220,825**	**$ 227,551**	**$ 231,771**
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 80,853,197	$ 80,853,197	$ 84,957,420
Taxable Sales	80%	5	-	-	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	64,682,558	64,682,558	67,965,936
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	613,992	613,992	613,992	613,992	613,992	613,992	613,992	613,992	646,826	646,826	679,659
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	64,469	64,469	64,469	64,469	64,469	64,469	64,469	64,469	67,917	67,917	71,364
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(161,706)	(161,706)	(169,915)
Total On-Site Sales Tax Allocated to County			**$ -**	**$ -**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 553,036**	**$ 553,036**	**$ 581,109**

Exhibit B-2: Alternative B
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee																[1]
Assessed Valuation per $1,000				$ 109	$ 210	$ 355	$ 461	$ 533	$ 627	$ 720	$ 799	$ 923	$ 1,035	$ 1,100	$ 1,125	$ 1,142
Total Property Tax - Vehicle License Fee	$	1,635.00	6	**$ 177,677**	**$ 343,399**	**$ 579,667**	**$ 753,124**	**$ 871,482**	**$ 1,024,634**	**$ 1,176,998**	**$ 1,306,049**	**$ 1,508,560**	**$ 1,692,563**	**$ 1,797,731**	**$ 1,838,819**	**$ 1,866,407**
B. Franchise Fees																
Franchise Fees - Gas	$	2.09	6	$ 2,119	$ 4,100	$ 7,346	$ 9,913	$ 11,684	$ 13,933	$ 16,102	$ 17,939	$ 20,737	$ 23,203	$ 24,664	$ 25,402	$ 25,887
Franchise Fees - Electric		4.44	6	4,494	8,696	15,582	21,027	24,785	29,555	34,156	38,052	43,987	49,218	52,318	53,883	54,912
Franchise Fees - Cable		6.92	6	7,005	13,556	22,880	31,367	37,225	44,660	51,833	57,905	67,158	75,310	80,068	82,506	84,037
Franchise Fees - Refuse		9.04	6	9,148	17,703	31,721	42,805	50,455	60,165	69,532	77,463	89,546	100,193	106,505	109,689	111,786
Franchise Fees - Refuse Household Waste		1.14	6	1,156	2,236	4,007	5,407	6,373	7,600	8,783	9,785	11,311	12,656	13,453	13,856	14,120
Total Franchise Fees				**$ 23,921**	**$ 46,291**	**$ 81,537**	**$ 110,520**	**$ 130,522**	**$ 155,913**	**$ 180,406**	**$ 201,143**	**$ 232,739**	**$ 260,679**	**$ 277,008**	**$ 285,336**	**$ 290,743**
C. Business License Fee		7.55	6	$ -	$ -	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,240	$ 3,240	$ 3,405
D. Licenses & Permits																
Animal License Fee	$	2.07	6	$ 2,096	$ 4,055	$ 6,845	$ 9,384	$ 11,136	$ 13,361	$ 15,506	$ 17,323	$ 20,091	$ 22,530	$ 23,953	$ 24,683	$ 25,141
Yard Sale Permits		0.14	6	142	275	464	636	755	905	1,051	1,174	1,361	1,527	1,623	1,672	1,703
Total Licenses & Permits				**$ 2,238**	**$ 4,330**	**$ 7,309**	**$ 10,020**	**$ 11,891**	**$ 14,266**	**$ 16,557**	**$ 18,497**	**$ 21,452**	**$ 24,057**	**$ 25,576**	**$ 26,355**	**$ 26,844**
E. Fines & Forfeitures																
Parking Citations	$	0.48	6	$ 481	$ 932	$ 1,670	$ 2,253	$ 2,656	$ 3,167	$ 3,660	$ 4,077	$ 4,713	$ 5,273	$ 5,606	$ 5,773	$ 5,883
General Fines		0.32	6	321	621	1,113	1,502	1,770	2,111	2,440	2,718	3,142	3,516	3,737	3,849	3,922
Code Enforcement Fines		0.71	6	722	1,398	2,504	3,379	3,983	4,750	5,489	6,115	7,069	7,910	8,408	8,660	8,825
Administrative Citation Program		0.40	6	401	776	1,391	1,877	2,213	2,639	3,050	3,397	3,927	4,394	4,671	4,811	4,903
Total Fines & Forfeitures				**$ 1,926**	**$ 3,727**	**$ 6,678**	**$ 9,012**	**$ 10,622**	**$ 12,666**	**$ 14,638**	**$ 16,308**	**$ 18,852**	**$ 21,093**	**$ 22,422**	**$ 23,093**	**$ 23,534**
F. Miscellaneous Revenue																
Interest	$	0.63	6	$ 642	$ 1,242	$ 2,226	$ 3,004	$ 3,541	$ 4,222	$ 4,879	$ 5,436	$ 6,284	$ 7,031	$ 7,474	$ 7,698	$ 7,845
Refuse Penalties & Interest		0.16	6	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Total Miscellaneous Revenue				**$ 802**	**$ 1,553**	**$ 2,783**	**$ 3,756**	**$ 4,426**	**$ 5,278**	**$ 6,099**	**$ 6,795**	**$ 7,855**	**$ 8,789**	**$ 9,343**	**$ 9,622**	**$ 9,806**
G. Intergovernmental Revenue																
Vehicle License Tax	$	-	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue				**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services																
Planning Fees - Other	$	1.91	6	1,931	3,737	6,307	8,647	10,262	12,312	14,289	15,963	18,514	20,761	22,073	22,745	23,167
Engineering Fees - Inspections	$	3.17	6	3,203	6,199	10,463	14,344	17,023	20,423	23,703	26,480	30,711	34,439	36,615	37,730	38,430
Park Fees		0.28	6	284	550	928	1,272	1,509	1,811	2,101	2,348	2,723	3,053	3,246	3,345	3,407
Self Hauler fees		0.03	6	28	55	93	127	151	181	210	235	272	305	325	334	341
Recordation of Document Fees		0.13	6	136	264	473	638	752	897	1,037	1,155	1,335	1,494	1,588	1,636	1,667
Vehicle Storage Fees		0.84	6	852	1,649	2,783	3,815	4,527	5,432	6,304	7,043	8,168	9,159	9,738	10,035	10,221
Total Charges for Services				**$ 6,435**	**$ 12,453**	**$ 21,046**	**$ 28,843**	**$ 34,224**	**$ 41,055**	**$ 47,644**	**$ 53,223**	**$ 61,723**	**$ 69,212**	**$ 73,584**	**$ 75,825**	**$ 77,232**
I. Gas Tax and Traffic Safety Fund Revenue	$	28.50	10	**$ 28,837**	**$ 55,805**	**$ 94,189**	**$ 129,128**	**$ 153,241**	**$ 183,860**	**$ 213,376**	**$ 238,376**	**$ 276,464**	**$ 310,026**	**$ 329,612**	**$ 339,650**	**$ 345,949**

Exhibit B-2: Alternative B
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs																
A. City Council	$	1.15	7	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
B. City Clerk		1.93	7	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,755	23,446	23,894
C. General Government		5.16	7	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,195	51,077	57,150	60,751	62,567	63,763
D. Personnel		0.58	7	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	7,129
E. Finance		3.84	7	3,885	7,519	13,472	18,180	21,429	25,563	29,531	32,899	38,031	42,563	45,233	46,586	47,476
F. Police Department			18	380,391	503,541	876,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control		8.81	7	8,916	17,264	29,122	39,926	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	106,963
H. Public Works																
Salaries & Wages	$	2.56	7	$ 2,593	$ 5,018	$ 8,991	$ 12,133	$ 14,301	$ 17,054	$ 19,709	$ 21,957	$ 25,382	$ 28,399	$ 30,188	$ 31,091	31,685
Benefits		1.04	7	1,049	2,029	3,636	4,907	5,784	6,897	7,971	8,880	10,265	11,486	12,209	12,574	12,815
Operations & Materials		8.11	7	8,206	15,880	28,455	38,397	45,259	53,969	62,372	69,485	80,324	89,875	95,537	98,393	100,274
Engineering		2.06	7	2,084	4,033	7,226	9,751	11,493	13,705	15,839	17,645	20,398	22,823	24,261	24,987	25,464
Traffic Counts		0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Underground Service Alert		0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Contract Services - Street Maintenance		1.59	7	471,183	471,183	607,621	607,621	607,621	749,903	749,903	749,903	817,214	911,330	911,330	911,330	911,330
Contract Services - Street Sweeping		0.02	7	16	31	56	75	89	106	122	136	157	176	187	192	196
Contract Services - Emergency Work		0.16	7	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Contract Services - Striping		0.79	7	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Contract Services - Traffic Signals		3.33	7	3,370	6,522	11,687	15,770	18,589	22,166	25,617	28,539	32,991	36,913	39,239	40,412	41,184
Contract Services - Maintenance		0.08	7	77	149	267	360	425	507	586	652	754	844	897	924	941
Contract Services - Environmental Health Services		0.05	7	48	93	167	225	266	317	366	408	471	527	561	577	588
Contract Services - Tree Trimming		0.63	7	642	1,242	2,226	3,004	3,541	4,222	4,879	5,436	6,284	7,031	7,474	7,698	7,845
Total Public Works				$ 490,280	$ 508,138	$ 673,838	$ 696,975	$ 712,943	$ 875,495	$ 895,048	$ 911,603	$ 1,004,138	$ 1,120,478	$ 1,133,554	$ 1,140,302	$ 1,144,679
I. Engineering		4.80	7	$ 4,853	$ 9,391	$ 16,927	$ 22,707	$ 26,755	$ 31,916	$ 36,895	$ 41,092	$ 47,501	$ 53,149	$ 56,497	$ 58,187	$ 59,299
J. Planning		5.40	7	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	66,759
K. Public Services		3.45	7	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	42,589
L. Code Enforcement		2.37	7	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	29,287
M. Graffiti		1.73	7	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	21,421
N. Trails		0.24	7	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	3,020
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14																
Sergeant				$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective				-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy				148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist				69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist				-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)				-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)				-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)				5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services				12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization				964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance				1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)				-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)				333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support				1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance				348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding				3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost				11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget				$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading				$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget				$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance																
Lane Miles (Assumes Beginning of Phase)																
Backbone Roads				27.42												
Interior Roads				19.34		13.54			14.12			6.68	9.34			
Total Lane Miles				46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)			C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
	Lewis	City														
Cost per Lane Mile (See Exhibit C-2)	3,750	$ 10,077	C-2	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077
Total Street Maintenance Cost				$ 471,183	$ 471,183	$ 607,621	$ 607,621	$ 607,621	$ 749,903	$ 749,903	$ 749,903	$ 817,214	$ 911,330	$ 911,330	$ 911,330	$ 911,330

Exhibit B-2: Alternative B
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance															
Park Acres (Assumes End of Phase)															
20 Acre Park						20.00									
5.5 Acre Park Next to School						5.50									
6.5 Acre Park													6.50		
Total Park Acres			-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres			-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$ 32,635	7	$ -	$ -	$ -	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 1,044,320	$ 1,044,320	$ 1,044,320
R. Drainage Basins															
Acres of Drainage Basins			15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$ 1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement															
Annual Contribution Increase	2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost		C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund															
A. Recurring Revenues			293	587	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Secured Property Tax Retained in Fire Fund	41.67%	4	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Revenues			$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
B. Recurring Costs															
Fire Station Cost															
Fire Stations Required for Project (a)			-	-	-	0.88	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$ 1,237,379	8	$ -	$ -	$ -	$ 1,087,500	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost															
Total Project Acres (b)	[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)															
Phase 1 Acres			353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres					237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres								234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres											133.5	133.5	133.5	133.5	133.5
Phase 5 Acres											160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out	[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres	=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$ 25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Revenue from Outside Project															
Additional Units wthin the Fire Station Service Area (e)			-	-	111	111	111	111	111	111	111	111	111	111	111
Fire Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
Paramedic Revenue per Unit			19	19	20	20	20	20	20	20	20	20	20	20	20
Total Revenue from Outside Project		8	$ -	$ -	$ 44,838	$ 42,576	$ 41,555	$ 40,751	$ 40,350	$ 40,087	$ 39,925	$ 39,940	$ 39,903	$ 39,623	$ 39,494
Total Recurring Costs			$ 33,625	$ 33,625	$ (17,321)	$ 1,072,441	$ 1,223,342	$ 1,218,100	$ 1,218,501	$ 1,218,764	$ 1,211,344	$ 1,211,329	$ 1,211,367	$ 1,211,646	$ 1,211,775
			$ 78,817	$ 183,816	$ 384,367	$ (595,562)	$ (671,518)	$ (569,364)	$ (473,225)	$ (391,773)	$ (256,123)	$ (139,597)	$ (73,041)	$ (47,304)	$ (29,964)
III. Paramedic Fund															
A. Recurring Revenues															
A. Property Tax - Paramedic Tax	$ 5.57	9	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
B. Recurring Costs (d)			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues			$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Revenue per Unit			$ 19	$ 19	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.
(e) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/10/2014.

Exhibit B-2: Alternative B
Table 18 - Police Phasing Analysis
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Cumulative Residents		1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.99	1.02	1.21	0.88	1.12	1.09	1.07	0.96	0.82	0.83	0.78	0.76	0.74
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.99	1.02	0.91	0.66	0.74	0.78	0.80	0.72	0.62	0.64	0.61	0.59	0.58
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	$ 17,085,854	$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496

Exhibit B-3: Alternative C
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. GENERAL FUND	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
A. Recurring Revenues					
Property Tax	4	$ 1,654,308	$ 470.64	$ 133.80	30.4%
Property Transfer Tax	4	87,154	24.79	7.05	1.6%
Property Tax In Lieu of Sales Tax	4	237,684	67.62	19.22	4.4%
Off-Site Sales and Use Tax	5	231,771	65.94	18.75	4.3%
On-Site Sales and Use Tax	5	581,109	165.32	47.00	10.7%
Property Tax-Vehicle License Fee	6	1,866,407	530.98	150.96	34.3%
Franchise Fees	6	290,743	82.71	23.52	5.3%
Business License Fee	6	3,405	0.97	0.28	0.1%
Licenses & Permits	6	26,844	7.64	2.17	0.5%
Fines & Forfeitures	6	23,534	6.70	1.90	0.4%
Miscellaneous Revenue	6	9,806	2.79	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	77,232	21.97	6.25	1.4%
Gas Tax and Traffic Safety Fund Revenue	10	345,949	98.42	27.98	6.4%
Total Recurring Revenues		**$ 5,435,946**	**$ 1,546.50**	**$ 439.66**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,258	$ 4.06	$ 1.15	0.4%
City Clerk	7	$ 23,894	6.80	1.93	0.7%
General Government	7	$ 63,763	18.14	5.16	1.8%
Personnel	7	$ 7,129	2.03	0.58	0.2%
Finance	7	$ 47,476	13.51	3.84	1.4%
Police Department	7	$ 1,793,496	510.24	145.06	51.8%
Animal Control	7	$ 106,963	30.43	8.65	3.1%
Public Works	7	$ 1,144,679	325.66	92.58	33.0%
Engineering	7	$ 59,299	16.87	4.80	1.7%
Planning	7	$ 66,759	18.99	5.40	1.9%
Public Services	7	$ 42,599	12.12	3.45	1.2%
Code Enforcement	7	$ 29,287	8.33	2.37	0.8%
Parks	7	$ -	-	-	0.0%
Graffiti	7	$ 21,421	6.09	1.73	0.6%
Trails	7	$ 3,020	0.86	0.24	0.1%
Drainage Basins	7	$ 29,700	8.45	2.40	0.9%
Storm Drainage Replacement	7	$ 11,115	3.16	0.90	0.3%
Total Recurring Costs		**$ 3,464,857**	**$ 985.73**	**$ 280.24**	**100.0%**
General Fund Surplus/(Deficit)		**$ 1,971,088**	**$ 560.76**	**$ 159.42**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,181,811	$ 336.22	$ 95.59	
Total Recurring Costs	8	1,211,775	344.74	98.01	
Fire Fund Surplus/(Deficit)		**$ (29,964)**	**$ (8.52)**	**$ (2.42)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 68,837	$ 19.58	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 68,837**	**$ 19.58**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,250,647	$ 355.80	$ 101.15	
Total Recurring Costs		1,211,775	344.74	98.01	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 38,872**	**$ 11.06**	**$ 3.14**	
VI. COMBINED NET FISCAL IMPACT B/4 cfd					
Recurring Revenues		$ 6,686,593	$ 1,902.30	$ 540.81	
Total Recurring Costs		4,676,632	1,330.48	378.25	
Total Surplus/(Deficit)		**$ 2,009,961**	**$ 571.82**	**$ 162.57**	
VI. COMBINED NET FISCAL IMPACT with Services CFD					
Services CFD Special Tax Revenue		$ 1,107,720	$ 315.14	$ 89.59	
Total Surplus/(Deficit)		**$ 3,117,681**	**$ 689.49**	**$ 196.02**	

Exhibit B-3: Alternative C
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-3: Alternative C
Table 3 - Land Use Assumptions
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation	Services CFD Tax CFD Rate 0.10% Per Unit	Services CFD Tax Amount
I. Residential Land Use		(a)	(a)	(a)		(d)	
Condo Apartments	40	5	195	$ 210,000	$ 40,950,000	$ 210	$ 40,950
Paired	26	2	173	230,000	39,790,000	230	39,790
Paired	43A	3	130	230,000	29,900,000	230	29,900
HDD	15	2	208	250,000	52,000,000	250	52,000
HDD	25	3	110	250,000	27,500,000	250	27,500
HDD	33	4	105	250,000	26,250,000	250	26,250
6 Pack	27	2	115	250,000	28,750,000	250	28,750
6 Pack	43B	3	99	250,000	24,750,000	250	24,750
4 Pack L	21	2	115	290,000	33,350,000	290	33,350
4 Pack S	22	2	80	270,000	21,600,000	270	21,600
4 Pack S	23	3	77	270,000	20,790,000	270	20,790
SFD - 3,000 Sq. Ft.	3	1	50	310,000	15,500,000	310	15,500
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000	310	17,360
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000	330	30,030
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000	330	31,020
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000	330	35,970
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000	330	37,950
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000	330	14,850
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000	350	12,600
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000	350	16,450
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000	350	22,050
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000	350	54,950
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000	350	53,900
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000	350	18,200
SFD - 4,000 Sq. Ft.	35	4	25	350,000	8,750,000	350	8,750
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000	350	28,350
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000	360	18,360
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000	360	12,960
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000	360	42,120
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000	360	54,720
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000	380	50,540
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000	380	45,220
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000	410	5,330
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000	410	34,440
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000	430	8,170
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000	430	11,610
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000	430	16,770
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000	430	13,330
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000	430	13,330
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000	460	12,880
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000	460	10,580
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000	460	6,900
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000	460	6,900
Total/Weighted Average			3,515	$ 315,141	**$ 1,107,720,000**	$ 315	**$1,107,720**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	1.00	10,890	500	22	150.00	1,633,500
Neighborhood Commercial	3	0.25	13.00	141,570	500	283	150.00	21,235,500
Neighborhood Commercial	40	0.25	1.00	10,890	500	22	150.00	1,633,500
Total			20.70	225,423		451		**$ 33,813,450**
III. Total Residential and Non-Residential								**$ 1,141,533,450**

IV. Population Summary

Residential Units	[1]	**3,515**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,139**
Employees	[4]	**451**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	225
Total Equivalent Residents	[3]+[5]=[6]	**12,364**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.
(d) Per discussions with City

Exhibit B-3: Alternative C
Table 4 - Property Tax Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,141,533,450
Basic Rate			1.000%
Basic Tax Paid		$	11,415,335
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,836,119**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,654,308**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,181,811**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,107,720,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	155,080,800
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	85,294
B. Non-Residential			
Non-Residential Assessed Value	3	$	33,813,450
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	3,381,345
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	1,860
Total Property Transfer Tax	[1]+[2]	**$**	**87,154**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	67,769
On-Site Sales Tax Redirected to Property Tax (e)	5		169,915
Total Property Tax In-Lieu of Sales Tax		**$**	**237,684**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-3: Alternative C
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	338,846,000
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	108,430,720
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 271,077
Use Tax @10.50% of sales tax	10.50%	8	28,463
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(67,769)
Total Off-Site Sales Tax Revenue		$ 85	**$ 231,771**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	10,890	377	80%	3,283,379
Neighborhood Commercial	3	-	141,570	377	80%	42,683,921
Neighborhood Commercial	40	-	10,890	377	80%	3,283,379
Subtotal Taxable Sales for Retail Land Use			225,423			$ 67,965,936
Total Taxable Sales						$ 67,965,936
Sales Tax @1% of taxable sales					1.00%	679,659
Use Tax @10.50% of sales tax (c)					10.50%	71,364
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(169,915)
Total On-Site Sales Tax Revenue						**$ 581,109**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-3: Alternative C
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,866,407**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,364	$ 25,887
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,364	54,912
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,139	84,037
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,364	111,786
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,364	14,120
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 290,743**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	451	**$ 3,405**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,160,555
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,139	$ 25,141
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,139	1,703
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 26,844**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,364	$ 5,883
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,364	3,922
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,364	8,825
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,364	4,903
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,534**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,364	$ 7,845
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,806**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,139	23,167
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,139	38,430
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,139	3,407
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,139	341
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,364	1,667
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,139	10,221
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 77,232**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,297,970

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.

(d) Assumes Project will have a de minimis impact on these revenue sources.

(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.

(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(g) See Section II of Table 6.

Exhibit B-3: Alternative C
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05		FY 2011-12			Change
Property Tax Vehicle License Fees (VLF)	$ (a)	2,624,088	$ (b)	3,800,000	[1]	1,175,912
City Assessed Valuation	(c)	1,992,355,699	(d)	2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase					=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV					[3]	$ 1,635

Property Tax in Lieu of MVLF:			
Total Residential and Non-Residential Assessed Value (Table 3)	[4]	$	1,141,533,450
Assessed Valuation / 1,000,000	[5]	$	1,142
VLF Increase per $1,000,000 increase in AV	[3]		1,635
Property Tax in Lieu of MVLF	=[3]*[5]	$	1,866,407

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-3: Alternative C
Table 7 - General Fund Cost Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,364	**$ 14,258**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,364	**23,894**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,364	**63,763**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,364	**7,129**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,364	**47,476**
F. Police Department	156	6,819,830	100%	See Footnote (g)					**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,139	**106,963**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,364	$ 31,685
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,364	12,815
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,364	100,274
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	See Footnote (d)					
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,364	25,464
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Street Maintenance	164	100,000	100%	See Table 16					911,330
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,364	196
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,364	9,806
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,364	41,184
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,364	941
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,364	588
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,364	7,845
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 1,144,679**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,364	**59,299**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,364	**66,759**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,364	**42,599**
L. Building & Safety	181	412,890	0%	See Footnote (d)					
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,364	**29,287**
N. Parks	188	-	0%	See Footnote (e)					**-**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,364	**21,421**
P. Community Volunteer Services	192	57,545	0%	See Footnote (f)					
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,364	**3,020**
R. Drainage Basins		-	0%	See Footnote (i)					**29,700**
S. Storm Drainage Replacement		-	0%	See Footnote (j)					**11,115**
TOTAL GENERAL FUND COSTS		$ 14,282,410		$ 3,592,834			$ 58.33		$ 3,464,857

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. The development of the Harmony Planned Community ("Project") is not anticipated to increase the City's maintenance cost for these parks. Parks to be developed within the Project are anticipated to be HOA maintained.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-3: Alternative C
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	---------- See Calculation in Table 4 ----------					$ 1,181,811
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	83	33,225	0%	---------- See Footnote (e) ----------					
Interest	83	35,000	0%	---------- See Footnote (e) ----------					
Pass-Thru Fire Department	83	180,000	0%	---------- See Footnote (e) ----------					
Fire Department Fees	83	473,000	0%	---------- See Footnote (e) ----------					
Total Other Fire Fund Revenue									$ -
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,181,811**
Fire Fund Revenue per Unit								[9]	$ 336.22

II. FIRE FUND COST			
A. Typical Cost per Station			
Estimated Cost per Station (d)	[1]	$ 1,237,379	
Additional Fire Stations Required to Serve Project (d)	[2]	1.00	
Percent of Fire Station Costs Allocable to Project	[3]	100%	
Total Cost per Station	[1]X[2]X[3]=[4]	**$ 1,237,379**	
B. Wildland Fire Protection Agreement Cost			
Acres (f)	[5]	539	
Cost per Acre (g)	[6]	$ 25.77	
Total Wildland Fire Protection Agreement Cost	[5]X[6]=[7]	**$ 13,890**	
C. Revenue from Outside Project			
Additional Units within the Fire Station Service Area (h)	[8]	111	
Fire Revenue per Unit	[9]	$ 336.22	
Paramedic Revenue per Unit (From Table 9)	[10]	19.58	
Total Revenue from Outside Project	[8]*([9]+[10])=[11]	**$ 39,494**	
TOTAL FIRE FUND COST	=[4]+[7]-[11]	**$ 1,211,775**	

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

(h) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/11/2014.

Exhibit B-3: Alternative C
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,364	$ 68,837
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 68,837**
Paramedic Fund Revenue per Unit									$ 19.58
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	---------- See Footnote (d) ----------					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	---------- See Footnote (d) ----------					
C. Contractual Services - Medical Director	234	10,000	100%	---------- See Footnote (d) ----------					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-3: Alternative C
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,139
Total Gas Tax and Traffic Safety Fund Revenue						**$ 345,949**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-3: Alternative C
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	14	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
Property Transfer Tax	14	8,363	16,172	26,627	34,796	40,370	47,578	54,758	60,836	70,373	79,039	83,956	85,891	87,154
Property Tax In Lieu of Sales Tax	14	5,649	10,932	171,949	178,793	183,517	189,513	195,297	200,194	207,655	214,230	226,275	228,242	237,684
Off-Site Sales and Use Tax	14	19,320	37,387	63,102	86,510	102,665	123,171	142,953	159,701	185,219	207,703	220,825	227,551	231,771
On-Site Sales and Use Tax	14	-	-	524,963	524,963	524,963	524,963	524,963	524,963	524,963	524,963	553,036	553,036	581,109
Property Tax-Vehicle License Fee	15	177,577	343,399	579,667	753,124	871,482	1,024,534	1,176,998	1,306,049	1,508,560	1,692,563	1,797,731	1,838,819	1,866,407
Franchise Fees	15	23,921	46,291	81,537	110,520	130,522	155,913	180,406	201,143	232,739	260,579	277,008	285,336	290,743
Business License Fee	15	-	-	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,240	3,240	3,405
Licenses & Permits	15	2,238	4,330	7,309	10,020	11,891	14,266	16,557	18,497	21,452	24,057	25,576	26,355	26,844
Fines & Forfeitures	15	1,926	3,727	6,678	9,012	10,622	12,666	14,638	16,308	18,852	21,093	22,422	23,093	23,534
Miscellaneous Revenue	15	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Intergovernmental Revenue	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	15	6,435	12,453	21,046	28,843	34,224	41,055	47,644	53,223	61,723	69,212	73,584	75,825	77,232
Gas Tax and Traffic Safety Fund Revenue	15	28,837	55,805	94,189	129,128	153,241	183,850	213,376	238,375	276,464	310,026	329,612	339,650	345,949
Total Recurring Revenues		**$ 432,466**	**$ 836,424**	**$ 2,096,719**	**$ 2,540,079**	**$ 2,843,446**	**$ 3,233,970**	**$ 3,620,010**	**$ 3,946,788**	**$ 4,456,057**	**$ 4,915,549**	**$ 5,216,045**	**$ 5,326,514**	**$ 5,435,946**
B. General Fund Recurring Costs														
City Council	16	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
City Clerk	16	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	$ 23,894
General Government	16	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	$ 63,763
Personnel	16	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	$ 7,129
Finance	16	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	$ 47,476
Police Department	18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	16	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	$ 106,963
Public Works	16	490,280	508,138	673,838	696,975	712,943	875,495	895,048	911,603	1,004,138	1,120,478	1,133,654	1,140,302	$ 1,144,679
Engineering	16	4,853	9,391	16,827	22,707	26,765	31,916	36,885	41,092	47,501	53,149	56,497	58,187	$ 59,299
Planning	16	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	$ 66,759
Public Services	16	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	$ 42,599
Code Enforcement	16	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	$ 29,287
Parks	17	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Graffiti	16	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	$ 21,421
Trails	16	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	$ 3,020
Drainage Basins	17	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	17	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 949,059**	**$ 1,127,579**	**$ 1,724,891**	**$ 1,878,086**	**$ 2,303,099**	**$ 2,682,507**	**$ 2,930,480**	**$ 2,981,843**	**$ 3,127,312**	**$ 3,389,613**	**$ 3,430,448**	**$ 3,451,208**	**$ 3,464,857**
Net General Fund Surplus/(Deficit)		**$ (516,593)**	**$ (291,154)**	**$ 371,828**	**$ 661,993**	**$ 540,347**	**$ 551,464**	**$ 689,530**	**$ 964,946**	**$ 1,328,745**	**$ 1,525,936**	**$ 1,785,598**	**$ 1,875,306**	**$ 1,971,088**
II. Fire Fund														
Total Recurring Revenues	17	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Costs	17	33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund Surplus/(Deficit)		**$ 78,817**	**$ 183,816**	**$ 384,367**	**$ (595,562)**	**$ (671,518)**	**$ (569,364)**	**$ (473,225)**	**$ (391,773)**	**$ (256,123)**	**$ (139,597)**	**$ (73,041)**	**$ (47,304)**	**$ (29,964)**
III. Paramedic Fund														
Total Recurring Revenues	17	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 5,633**	**$ 10,902**	**$ 19,534**	**$ 26,359**	**$ 31,070**	**$ 37,049**	**$ 42,817**	**$ 47,701**	**$ 55,141**	**$ 61,698**	**$ 65,584**	**$ 67,546**	**$ 68,837**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 118,076	$ 228,342	$ 386,579	$ 503,238	$ 582,893	$ 685,785	$ 788,093	$ 874,692	$ 1,010,363	$ 1,133,430	$ 1,203,910	$ 1,231,887	$ 1,250,647
Total Recurring Costs		33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 84,451**	**$ 194,717**	**$ 403,901**	**$ (569,203)**	**$ (640,449)**	**$ (532,315)**	**$ (430,408)**	**$ (344,072)**	**$ (200,981)**	**$ (77,900)**	**$ (7,457)**	**$ 20,241**	**$ 38,872**
V. Combined Net Fiscal Impact b/4 CFD														
Total Recurring Revenues		$ 550,542	$ 1,064,766	$ 2,483,299	$ 3,043,318	$ 3,426,339	$ 3,919,755	$ 4,408,103	$ 4,821,480	$ 5,466,420	$ 6,048,979	$ 6,419,955	$ 6,558,401	$ 6,686,593
Total Recurring Costs		982,684	1,161,203	1,707,570	2,950,527	3,526,440	3,900,607	4,148,981	4,200,607	4,338,657	4,600,942	4,641,814	4,662,854	4,676,632
Total Surplus/(Deficit)		**$ (432,142)**	**$ (96,437)**	**$ 775,729**	**$ 92,790**	**$ (100,101)**	**$ 19,148**	**$ 259,122**	**$ 620,874**	**$ 1,127,764**	**$ 1,448,036**	**$ 1,778,141**	**$ 1,895,547**	**$ 2,009,961**
VI. Combined General Fund, Fire Fund & Paramedic Fund														
Services CFD Special Tax Revenue	13	$ 108,610	$ 210,030	$ 323,990	$ 430,080	$ 502,470	$ 596,080	$ 689,330	$ 768,260	$ 892,120	$ 1,004,660	$ 1,067,350	$ 1,092,480	$ 1,107,720
Total Surplus/(Deficit)		**$ (323,532)**	**$ 113,593**	**$ 1,099,719**	**$ 522,870**	**$ 402,369**	**$ 615,228**	**$ 948,452**	**$ 1,389,134**	**$ 2,019,884**	**$ 2,452,696**	**$ 2,845,491**	**$ 2,988,027**	**$ 3,117,681**
		$ (323,532)												

Exhibit B-3: Alternative C
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	195		-	-	-	-	-	-	-	-	44	44	44	44	19
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	50		17	17	16	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	25		-	-	-	-	-	-	-	-	6	15	4	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,515		293	274	390	355	245	311	300	254	387	341	199	102	64
Cumulative Units			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Total Cumulative Residents	3.45	3	1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-3: Alternative C
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

I. Residential Assessed Value Additions	Average Value per Unit	O&m cfd per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	210	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 3,990,000
Paired	230,000	230	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	230	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	250	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	250	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	250	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	250	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	250	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	290	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	5,270,000	5,270,000	4,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	2,100,000	5,250,000	1,400,000	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	360	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	380	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	380	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	410	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	410	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions				$ 108,610,000	$ 101,420,000	$ 113,960,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 123,860,000	$ 112,540,000	$ 62,690,000	$ 25,130,000	$ 15,240,000
Cumulative Residential Assessed Value				$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Total Assessed Value Additions-Average Price				$ 370,683	$ 370,146	$ 292,205	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 320,052	$ 330,029	$ 315,025	$ 246,373	$ 238,125
II CFD Tax - Developed Property																
Annual Additions				$ 108,610	$ 101,420	$ 113,960	$ 106,090	$ 72,390	$ 93,610	$ 93,250	$ 78,930	$ 123,860	$ 112,540	$ 62,690	$ 25,130	$ 15,240
Cumulative Collections on Developed Property				**$ 108,610**	**$ 210,030**	**$ 323,990**	**$ 430,080**	**$ 502,470**	**$ 596,080**	**$ 689,330**	**$ 768,260**	**$ 892,120**	**$ 1,004,660**	**$ 1,067,350**	**$ 1,092,480**	**$ 1,107,720**

Exhibit B-3: Alternative C
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	203,643	-	-	-	-	-	-	-	10,890	-	10,890
Cumulative Square Feet			-	-	203,643	203,643	203,643	203,643	203,643	203,643	203,643	203,643	214,533	214,533	225,423
Assessed Value Additions	$ 150	3	$ -	$ -	$ 30,546,450	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,633,500	$ -	$ 1,633,500
Employees	500	3	-	-	407	-	-	-	-	-	-	-	22	-	22
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Cumulative Employees			-	-	407	407	407	407	407	407	407	407	429	429	451
50% of Cumulative Employees			-	-	204	204	204	204	204	204	204	204	215	215	225
Cumulative Equivalent Residents			1,012	1,958	3,508	4,734	5,581	6,654	7,690	8,568	9,904	11,082	11,780	12,132	12,364
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 354,536,450	$ 460,626,450	$ 533,016,450	$ 626,626,450	$ 719,876,450	$ 798,806,450	$ 922,666,450	$ 1,035,206,450	$ 1,099,529,950	$ 1,124,659,950	$ 1,141,533,450
Basic Tax Paid	1.00%	4	1,086,100	2,100,300	3,545,365	4,606,265	5,330,165	6,266,265	7,198,765	7,988,065	9,226,665	10,352,065	10,995,300	11,246,600	11,415,335
Total Property Tax	24.84%	4	$ 269,840	$ 521,816	$ 880,839	$ 1,144,418	$ 1,324,270	$ 1,556,842	$ 1,788,520	$ 1,984,620	$ 2,292,348	$ 2,571,951	$ 2,731,762	$ 2,794,197	$ 2,836,119
Total Property Tax Retained in General Fund	58.33%	4	**$ 157,397**	**$ 304,375**	**$ 513,794**	**$ 667,539**	**$ 772,446**	**$ 908,106**	**$ 1,043,244**	**$ 1,157,629**	**$ 1,337,127**	**$ 1,500,219**	**$ 1,593,437**	**$ 1,629,855**	**$ 1,654,308**
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 8,363	$ 16,172	$ 24,947	$ 33,116	$ 38,890	$ 45,898	$ 53,078	$ 59,156	$ 68,693	$ 77,359	$ 82,186	$ 84,121	$ 85,294
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,770	$ 1,770	$ 1,860
Total Property Transfer Tax			**$ 8,363**	**$ 16,172**	**$ 26,627**	**$ 34,796**	**$ 40,570**	**$ 47,578**	**$ 54,758**	**$ 60,836**	**$ 70,373**	**$ 79,039**	**$ 83,956**	**$ 85,891**	**$ 87,154**
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 5,649	$ 10,932	$ 18,451	$ 25,295	$ 30,019	$ 36,015	$ 41,799	$ 46,696	$ 54,158	$ 60,732	$ 64,569	$ 66,535	$ 67,769
On-Site Sales Tax Redirected to Property Tax			-	-	153,498	153,498	153,498	153,498	153,498	153,498	153,498	153,498	161,706	161,706	169,915
Total Property Tax In-Lieu of Sales Tax			$ 5,649	$ 10,932	$ 171,949	$ 178,793	$ 183,517	$ 189,513	$ 195,297	$ 200,194	$ 207,655	$ 214,230	$ 226,275	$ 228,242	$ 237,684
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 28,245,200	$ 54,658,800	$ 92,254,800	$ 126,476,800	$ 150,094,800	$ 180,075,200	$ 208,995,200	$ 233,480,800	$ 270,787,600	$ 303,660,000	$ 322,843,600	$ 332,676,400	$ 338,846,000
Retail Taxable Sales	32.00%	5	9,038,464	17,490,816	29,521,536	40,472,576	48,030,336	57,624,064	66,878,464	74,713,856	86,652,032	97,171,200	103,309,952	106,456,448	108,430,720
Projected Off-Site Taxable Sales	25.00%	5	2,259,616	4,372,704	7,380,384	10,118,144	12,007,584	14,406,016	16,719,616	18,678,464	21,663,008	24,292,800	25,827,488	26,614,112	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	5	22,596	43,727	73,804	101,181	120,076	144,060	167,196	186,785	216,630	242,928	258,275	266,141	271,077
Use Tax @10.50% of sales tax	10.50%	5	2,373	4,591	7,749	10,624	12,608	15,126	17,556	19,612	22,746	25,507	27,119	27,945	28,463
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(5,649)	(10,932)	(18,451)	(25,295)	(30,019)	(36,015)	(41,799)	(46,696)	(54,158)	(60,732)	(64,569)	(66,535)	(67,769)
Total Off-Site Sales Tax Revenue			$ 19,320	$ 37,387	$ 63,102	$ 86,510	$ 102,665	$ 123,171	$ 142,953	$ 159,701	$ 185,219	$ 207,703	$ 220,825	$ 227,551	$ 231,771
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 80,853,197	$ 80,853,197	$ 84,957,420
Taxable Sales	80%	5	-	-	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	64,682,558	64,682,558	67,965,936
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	613,992	613,992	613,992	613,992	613,992	613,992	613,992	613,992	646,826	646,826	679,659
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	64,469	64,469	64,469	64,469	64,469	64,469	64,469	64,469	67,917	67,917	71,364
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(161,706)	(161,706)	(169,915)
Total On-Site Sales Tax Allocated to County			$ -	$ -	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 553,036	$ 553,036	$ 581,109

Exhibit B-3: Alternative C
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 109	$ 210	$ 355	$ 461	$ 533	$ 627	$ 720	$ 799	$ 923	$ 1,035	$ 1,100	$ 1,125	$ 1,142
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 177,577**	**$ 343,399**	**$ 579,667**	**$ 753,124**	**$ 871,482**	**$ 1,024,534**	**$ 1,176,998**	**$ 1,306,049**	**$ 1,508,560**	**$ 1,692,563**	**$ 1,797,731**	**$ 1,838,819**	**$ 1,866,407**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,119	$ 4,100	$ 7,346	$ 9,913	$ 11,684	$ 13,933	$ 16,102	$ 17,939	$ 20,737	$ 23,203	$ 24,664	$ 25,402	$ 25,887
Franchise Fees - Electric	4.44	6	4,494	8,696	15,582	21,027	24,785	29,555	34,156	38,052	43,987	49,218	52,318	53,883	54,912
Franchise Fees - Cable	6.92	6	7,005	13,556	22,880	31,367	37,225	44,660	51,833	57,905	67,158	75,310	80,068	82,506	84,037
Franchise Fees - Refuse	9.04	6	9,148	17,703	31,721	42,805	50,455	60,165	69,532	77,463	89,546	100,193	106,505	109,689	111,786
Franchise Fees - Refuse Household Waste	1.14	6	1,156	2,236	4,007	5,407	6,373	7,600	8,783	9,785	11,311	12,656	13,453	13,856	14,120
Total Franchise Fees			**$ 23,921**	**$ 46,291**	**$ 81,537**	**$ 110,520**	**$ 130,522**	**$ 155,913**	**$ 180,406**	**$ 201,143**	**$ 232,739**	**$ 260,579**	**$ 277,008**	**$ 285,336**	**$ 290,743**
C. Business License Fee	7.55	6	$ -	$ -	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,240	$ 3,240	$ 3,405
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,096	$ 4,055	$ 6,845	$ 9,384	$ 11,136	$ 13,361	$ 15,506	$ 17,323	$ 20,091	$ 22,530	$ 23,953	$ 24,683	$ 25,141
Yard Sale Permits	0.14	6	142	275	464	636	755	905	1,051	1,174	1,361	1,527	1,623	1,672	1,703
Total Licenses & Permits			**$ 2,238**	**$ 4,330**	**$ 7,309**	**$ 10,020**	**$ 11,891**	**$ 14,266**	**$ 16,557**	**$ 18,497**	**$ 21,452**	**$ 24,057**	**$ 25,576**	**$ 26,355**	**$ 26,844**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 481	$ 932	$ 1,670	$ 2,253	$ 2,656	$ 3,167	$ 3,660	$ 4,077	$ 4,713	$ 5,273	$ 5,606	$ 5,773	$ 5,883
General Fines	0.32	6	321	621	1,113	1,502	1,770	2,111	2,440	2,718	3,142	3,516	3,737	3,849	3,922
Code Enforcement Fines	0.71	6	722	1,398	2,504	3,379	3,983	4,750	5,489	6,115	7,069	7,910	8,408	8,660	8,825
Administrative Citation Program	0.40	6	401	776	1,391	1,877	2,213	2,639	3,050	3,397	3,927	4,394	4,671	4,811	4,903
Total Fines & Forfeitures			**$ 1,926**	**$ 3,727**	**$ 6,678**	**$ 9,012**	**$ 10,622**	**$ 12,666**	**$ 14,638**	**$ 16,308**	**$ 18,852**	**$ 21,093**	**$ 22,422**	**$ 23,093**	**$ 23,534**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 642	$ 1,242	$ 2,226	$ 3,004	$ 3,541	$ 4,222	$ 4,879	$ 5,436	$ 6,284	$ 7,031	$ 7,474	$ 7,698	$ 7,845
Refuse Penalties & Interest	0.16	6	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Total Miscellaneous Revenue			**$ 802**	**$ 1,553**	**$ 2,783**	**$ 3,755**	**$ 4,426**	**$ 5,278**	**$ 6,099**	**$ 6,795**	**$ 7,855**	**$ 8,789**	**$ 9,343**	**$ 9,622**	**$ 9,806**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	1,931	3,737	6,307	8,647	10,262	12,312	14,289	15,963	18,514	20,761	22,073	22,745	23,167
Engineering Fees - Inspections	$ 3.17	6	3,203	6,199	10,463	14,344	17,023	20,423	23,703	26,480	30,711	34,439	36,615	37,730	38,430
Park Fees	0.28	6	284	550	928	1,272	1,509	1,811	2,101	2,348	2,723	3,053	3,246	3,345	3,407
Self Hauler fees	0.03	6	28	55	93	127	151	181	210	235	272	305	325	334	341
Recordation of Document Fees	0.13	6	136	264	473	638	752	897	1,037	1,155	1,335	1,494	1,588	1,636	1,667
Vehicle Storage Fees	0.84	6	852	1,649	2,783	3,815	4,527	5,432	6,304	7,043	8,168	9,159	9,738	10,035	10,221
Total Charges for Services			**$ 6,435**	**$ 12,453**	**$ 21,046**	**$ 28,843**	**$ 34,224**	**$ 41,055**	**$ 47,644**	**$ 53,223**	**$ 61,723**	**$ 69,212**	**$ 73,584**	**$ 75,825**	**$ 77,232**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 28,837**	**$ 56,805**	**$ 94,189**	**$ 129,128**	**$ 153,241**	**$ 183,850**	**$ 213,376**	**$ 238,375**	**$ 276,464**	**$ 310,026**	**$ 329,612**	**$ 339,650**	**$ 345,949**

Exhibit B-3: Alternative C
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs																
A. City Council	$	1.15	7	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,778	$ 13,584	$ 13,990	$ 14,258
B. City Clerk		1.93	7	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,445	23,894
C. General Government		5.16	7	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,195	51,077	57,150	60,761	62,567	63,763
D. Personnel		0.58	7	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	7,129
E. Finance		3.84	7	3,885	7,519	13,472	18,180	21,429	25,563	29,531	32,899	38,031	42,553	45,233	46,586	47,476
F. Police Department			18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control		8.81	7	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	106,963
H. Public Works																
Salaries & Wages	$	2.56	7	$ 2,593	$ 5,018	$ 8,991	$ 12,133	$ 14,301	$ 17,054	$ 19,709	$ 21,957	$ 25,382	$ 28,399	$ 30,188	$ 31,091	31,685
Benefits		1.04	7	1,049	2,029	3,636	4,907	5,784	6,897	7,971	8,880	10,265	11,486	12,209	12,574	12,815
Operations & Materials		8.11	7	8,206	15,880	28,455	38,397	45,259	53,969	62,372	69,485	80,324	89,875	95,537	98,393	100,274
Engineering		2.06	7	2,084	4,033	7,226	9,751	11,493	13,705	15,839	17,645	20,398	22,823	24,261	24,987	25,464
Traffic Counts		0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Underground Service Alert		0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Contract Services - Street Maintenance		1.59	7	471,183	471,183	607,621	607,621	607,621	749,903	749,903	749,903	817,214	911,330	911,330	911,330	911,330
Contract Services - Street Sweeping		0.02	7	16	31	56	75	89	106	122	136	157	176	187	192	196
Contract Services - Emergency Work		0.16	7	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Contract Services - Striping		0.79	7	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Contract Services - Traffic Signals		3.33	7	3,370	6,522	11,687	15,770	18,589	22,166	25,617	28,539	32,991	36,913	39,239	40,412	41,184
Contract Services - Maintenance		0.08	7	77	149	267	360	425	507	586	652	754	844	897	924	941
Contract Services - Environmental Health Services		0.05	7	48	93	167	225	266	317	366	408	471	527	561	577	588
Contract Services - Tree Trimming		0.63	7	642	1,242	2,226	3,004	3,541	4,222	4,879	5,436	6,284	7,031	7,474	7,698	7,845
Total Public Works				$ 490,280	$ 508,138	$ 673,838	$ 696,975	$ 712,943	$ 875,495	$ 895,048	$ 911,603	$ 1,004,138	$ 1,120,478	$ 1,133,654	$ 1,140,302	$ 1,144,679
I. Engineering		4.80	7	$ 4,853	$ 9,391	$ 16,827	$ 22,707	$ 26,765	$ 31,916	$ 36,885	$ 41,092	$ 47,601	$ 53,149	$ 56,497	$ 58,187	$ 59,299
J. Planning		5.40	7	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	66,759
K. Public Services		3.45	7	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	42,599
L. Code Enforcement		2.37	7	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	29,287
M. Graffiti		1.73	7	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	21,421
N. Trails		0.24	7	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	3,020
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14																
Sergeant				$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective				-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy				148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist				69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist				-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)				-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)				-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)				5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services				12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization				964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance				1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)				-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)				333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support				1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance				348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding				3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost				11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget				$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading				$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget				$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance																
Lane Miles (Assumes Beginning of Phase)																
Backbone Roads				27.42												
Interior Roads				19.34		13.54			14.12			6.68	9.34			
Total Lane Miles				46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)			C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
	Lewis	City														
Cost per Lane Mile (See Exhibit C-2)	3,750	$ 10,077	C-2	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077
Total Street Maintenance Cost				$ 471,183	$ 471,183	$ 607,621	$ 607,621	$ 607,621	$ 749,903	$ 749,903	$ 749,903	$ 817,214	$ 911,330	$ 911,330	$ 911,330	$ 911,330

Exhibit B-3: Alternative C
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance															
Park Acres (Assumes End of Phase)															
20 Acre Park						20.00									
5.5 Acre Park Next to School						5.50									
6.5 Acre Park													6.50		
Total Park Acres			-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres			-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$ -	7	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
R. Drainage Basins															
Acres of Drainage Basins			15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$ 1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement															
Annual Contribution Increase	2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost		C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund															
A. Recurring Revenues			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Secured Property Tax Retained in Fire Fund	41.67%	4	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Revenues			**$ 112,442**	**$ 217,441**	**$ 367,046**	**$ 476,879**	**$ 551,823**	**$ 648,736**	**$ 745,276**	**$ 826,991**	**$ 955,221**	**$ 1,071,732**	**$ 1,138,325**	**$ 1,164,342**	**$ 1,181,811**
Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
B. Recurring Costs															
Fire Station Cost															
Fire Stations Required for Project (a)			-	-	-	0.88	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$ 1,237,379	8	$ -	$ -	$ -	$ 1,087,500	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost															
Total Project Acres (b)	[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)															
Phase 1 Acres			353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres					237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres								234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres											133.5	133.5	133.5	133.5	133.5
Phase 5 Acres											160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out	[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres	=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$ 25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Revenue from Outside Project															
Additional Units within the Fire Station Service Area (e)			-	-	111	111	111	111	111	111	111	111	111	111	111
Fire Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
Paramedic Revenue per Unit			19	19	20	20	20	20	20	20	20	20	20	20	20
Total Revenue from Outside Project		8	$ -	$ -	$ 44,838	$ 42,576	$ 41,555	$ 40,751	$ 40,350	$ 40,087	$ 39,925	$ 39,940	$ 39,903	$ 39,623	$ 39,494
Total Recurring Costs			**$ 33,625**	**$ 33,625**	**$ (17,321)**	**$ 1,072,441**	**$ 1,223,342**	**$ 1,218,100**	**$ 1,218,501**	**$ 1,218,764**	**$ 1,211,344**	**$ 1,211,329**	**$ 1,211,367**	**$ 1,211,646**	**$ 1,211,775**
			$ 78,817	$ 183,816	$ 384,367	$ (595,562)	$ (671,518)	$ (569,364)	$ (473,225)	$ (391,773)	$ (256,123)	$ (139,597)	$ (73,041)	$ (47,304)	$ (29,964)
III. Paramedic Fund															
A. Recurring Revenues															
A. Property Tax - Paramedic Tax	$ 5.57	9	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
B. Recurring Costs (d)			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues			**$ 5,633**	**$ 10,902**	**$ 19,534**	**$ 26,359**	**$ 31,070**	**$ 37,049**	**$ 42,817**	**$ 47,701**	**$ 55,141**	**$ 61,698**	**$ 65,584**	**$ 67,546**	**$ 68,837**
Revenue per Unit			$ 19	$ 19	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.
(e) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/10/2014.

Exhibit B-3: Alternative C
Table 18 - Police Phasing Analysis
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Cumulative Residents		1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.99	1.02	1.21	0.88	1.12	1.09	1.07	0.96	0.82	0.83	0.78	0.76	0.74
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.99	1.02	0.91	0.66	0.74	0.78	0.80	0.72	0.62	0.64	0.61	0.59	0.58
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	$ 17,085,854	$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496

Exhibit C-1
Street Maintenance Cost Calculations
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Description - City Maintained	Quantity (a)	Unit	Lewis April 2014 Unit Cost	Ref	City Oct. 2015 Unit Cost		City Total Cost
Linear Feet of Roadway	477,540						
1. Street Sweeping	90.44	Curb Mile	$ 47.50	(d)	$ 47.50	(d)	$ 4,296
2. Slurry Seal (SS)							
Place (SS)	8,951,144	SF	$ 0.12	(d)	$ 0.16	(d)	$ 1,432,183
Mobilization	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Striping	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Crack Seal	20.0% of SS	Lump Sum	179,023		179,023		179,023
Traffic Control	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Subtotal							1,761,206
Contingency (15%)							264,181
Total Slurry Seal							**$ 2,025,387**
3. Grind and Overlay							
Grind	8,951,144	SF	$ 0.08	(d)	$ 0.32	(d)	$ 2,864,366
Mobilization	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
.15" Asphalt & Conc. Overlay (Estimate @.0105	8,951,144	SF	0.60	(c)	0.88	(c)	7,877,007
Striping	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Traffic Control	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Subtotal							$ 10,891,373
Contingency (15%)							1,633,706
Total Grind and Overlay							**$ 12,525,079**
4. Remove and Reconstruct							
a. Curb and Sidewalk Component							
6" Curb & Gutter	477,540	LF	9.00	(b)	34.27	(b)	16,365,289
Concrete Median Curb	72,407	LF	9.00	(b)	19.15	(b)	1,386,594
Interior Streets Curb	-	LF	9.00	(b)	19.15	(b)	-
Concrete Sidewalk/Trail	2,413,041	SF	3.00	(b)	5.16	(b)	12,451,294
Mobilization	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Subtotal							$ 30,253,177
Estimated Failure Rate							10%
Total Curb and Sidewalk							$ 3,025,318
b. Street Component							
Grind	8,951,144	SF	$ 0.10	(d)	$ 0.32	(d)	$ 2,864,366
Mobilization	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
.25" Asphalt & Concrete Overlay (Estimate)	8,951,144	SF	0.60	(c)	$ 1.32	(c)	11,815,511
Striping	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Traffic Control	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Total Street Component							$ 14,829,877
Subtotal Remove and Reconstruct							$ 17,855,195
Contingency (15%)							2,678,279
Total Remove and Reconstruct							**$ 20,533,474**
Total							**$ 38,113,554**
				Cost Per Lane Mile			$ 10,077

Footnotes
(a) Per public roadway calculations provided by Placeworks dated April 2014.
(b) Per Lewis Operating Companies email dated 4/23/2014.
(c) Per call with Lewis Operating Companies on 4/24/2014.
(d) Per Lewis Operating Companies email dated 4/28/2014.

Exhibit C-2
Hypothetical Street Maintenance Schedule-City
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Linear Feet of Public Road		477,540
Lane Miles		90.4
Total	$	911,362
Cost Per Lane Mile	$	10,077
Balance Year 42		(0.00)

	Buildout Annual Cost	Per Unit	Street Sweeping	Slurry Seal (a)	Grind and Overlay (a)	Remove & Reconstruct	Subtotal	Other Costs	Total Annual Expenditures	Earnings (b)	Annual Fund Balance-End
Exhibit Reference			C-1	C-1	C-1	C-1					
0	$ 911,362	$ 139	$ 4,296	$ 2,025,387	$ 12,525,079	$ 20,533,474	$ 35,088,236	$ 90,299	$ -	$ -	$ -
1	911,362	139	4,296				4,296	90,299	94,595	-	816,767
2	911,362	139	4,296				4,296	90,299	94,595	28,013	1,661,547
3	911,362	139	4,296				4,296	90,299	94,595	56,987	2,535,300
4	911,362	139	4,296				4,296	90,299	94,595	86,954	3,439,021
5	911,362	139	4,296				4,296	90,299	94,595	117,950	4,373,738
6	911,362	139	4,296				4,296	90,299	94,595	150,008	5,340,513
7	911,362	139	4,296	2,025,387			2,029,683	90,299	2,119,982	183,166	4,315,059
8	911,362	139	4,296				4,296	90,299	94,595	147,996	5,279,822
9	911,362	139	4,296				4,296	90,299	94,595	181,085	6,277,673
10	911,362	139	4,296				4,296	90,299	94,595	215,308	7,309,748
11	911,362	139	4,296				4,296	90,299	94,595	250,706	8,377,221
12	911,362	139	4,296				4,296	90,299	94,595	287,318	9,481,305
13	911,362	139	4,296				4,296	90,299	94,595	325,185	10,623,257
14	911,362	139	4,296	2,025,387			2,029,683	90,299	2,119,982	364,351	9,778,988
15	911,362	139	4,296				4,296	90,299	94,595	335,395	10,931,150
16	911,362	139	4,296				4,296	90,299	94,595	374,911	12,122,828
17	911,362	139	4,296				4,296	90,299	94,595	415,783	13,355,377
18	911,362	139	4,296				4,296	90,299	94,595	458,056	14,630,200
19	911,362	139	4,296				4,296	90,299	94,595	501,779	15,948,746
20	911,362	139	4,296				4,296	90,299	94,595	547,002	17,312,515
21	911,362	139	4,296		12,525,079		12,529,375	90,299	12,619,674	593,776	6,197,978
22	911,362	139	4,296				4,296	90,299	94,595	212,575	7,227,320
23	911,362	139	4,296				4,296	90,299	94,595	247,879	8,291,966
24	911,362	139	4,296				4,296	90,299	94,595	284,394	9,393,126
25	911,362	139	4,296				4,296	90,299	94,595	322,161	10,532,054
26	911,362	139	4,296				4,296	90,299	94,595	361,223	11,710,044
27	911,362	139	4,296				4,296	90,299	94,595	401,625	12,928,436
28	911,362	139	4,296	2,025,387			2,029,683	90,299	2,119,982	443,413	12,163,229
29	911,362	139	4,296				4,296	90,299	94,595	417,168	13,397,164
30	911,362	139	4,296				4,296	90,299	94,595	459,489	14,673,420
31	911,362	139	4,296				4,296	90,299	94,595	503,262	15,993,448
32	911,362	139	4,296				4,296	90,299	94,595	548,535	17,358,750
33	911,362	139	4,296				4,296	90,299	94,595	595,362	18,770,878
34	911,362	139	4,296				4,296	90,299	94,595	643,794	20,231,439
35	911,362	139	4,296	2,025,387			2,029,683	90,299	2,119,982	693,888	19,716,707
36	911,362	139	4,296				4,296	90,299	94,595	676,234	21,209,707
37	911,362	139	4,296				4,296	90,299	94,595	727,440	22,753,914
38	911,362	139	4,296				4,296	90,299	94,595	780,402	24,351,083
39	911,362	139	4,296				4,296	90,299	94,595	835,181	26,003,031
40	911,362	139	4,296				4,296	90,299	94,595	891,839	27,711,637
41	911,362	139	4,296				4,296	90,299	94,595	950,440	29,478,844
42	911,362	139	4,296			20,533,474	20,537,770	90,299	20,628,069	676,234	$ (0.0)
Totals			$ 180,434	$ 8,101,548	$ 12,525,079	$ 20,533,474	$ 41,340,535	$ 3,792,558	$ 45,133,093		

Footnotes:
(a) Timing of cost per call with Client on 4/24/2014.
(b) Represents earnings invested at Local Agency Investment Fund Rate ("LAIF RATE") of 3.43%, a 20 year average from 1994 to 2013 per the California State Treasurer. See Exhibit I.

Exhibit C-3
Storm Drainage Reserve Calculation
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

	Beginning Balance	Reserve Deposit	Earnings	Ending Balance	Replacement Cost
1	$ -	$ 8,764	$ 150	$ 8,914	$ 1,500,000
2	8,914	8,939	459	18,313	1,524,880
3	18,313	9,118	784	28,215	1,550,173
4	28,215	9,300	1,127	38,643	1,575,885
5	38,643	9,486	1,488	49,617	1,602,024
6	49,617	9,676	1,868	61,161	1,628,597
7	61,161	9,870	2,267	73,298	1,655,610
8	73,298	10,067	2,687	86,051	1,683,071
9	86,051	10,268	3,127	99,447	1,710,988
10	99,447	10,474	3,590	113,512	1,739,368
11	113,512	10,683	4,076	128,271	1,768,218
12	128,271	10,897	4,586	143,754	1,797,547
13	143,754	11,115	5,121	159,990	1,827,363
14	159,990	11,337	5,682	177,009	1,857,673
15	177,009	11,564	6,269	194,842	1,888,485
16	194,842	11,795	6,885	213,523	1,919,809
17	213,523	12,031	7,530	233,083	1,951,653
18	233,083	12,272	8,205	253,560	1,984,024
19	253,560	12,517	8,911	274,988	2,016,933
20	274,988	12,768	9,650	297,406	2,050,387
21	297,406	13,023	10,424	320,852	2,084,397
22	320,852	13,283	11,232	345,368	2,118,970
23	345,368	13,549	12,078	370,994	2,154,117
24	370,994	13,820	12,961	397,776	2,189,847
25	397,776	14,096	13,884	425,756	2,226,169
26	425,756	14,378	14,849	454,984	2,263,094
27	454,984	14,666	15,856	485,506	2,300,632
28	485,506	14,959	16,908	517,373	2,338,792
29	517,373	15,258	18,006	550,638	2,377,585
30	550,638	15,564	19,152	585,354	2,417,021
31	585,354	15,875	20,348	621,577	2,457,112
32	621,577	16,192	21,596	659,366	2,497,867
33	659,366	16,516	22,898	698,779	2,539,299
34	698,779	16,846	24,255	739,881	2,581,418
35	739,881	17,183	25,671	782,735	2,624,235
36	782,735	17,527	27,146	827,409	2,667,763
37	827,409	17,878	28,685	873,971	2,712,012
38	873,971	18,235	30,288	922,494	2,756,996
39	922,494	18,600	31,958	973,052	2,802,725
40	973,052	18,972	33,699	1,025,723	2,849,214
41	1,025,723	19,351	35,512	1,080,585	2,896,473
42	1,080,585	19,738	37,400	1,137,724	2,944,516
43	1,137,724	20,133	39,366	1,197,223	2,993,356
44	1,197,223	20,536	41,414	1,259,173	3,043,006
45	1,259,173	20,946	43,546	1,323,665	3,093,480
46	1,323,665	21,365	45,765	1,390,795	3,144,791
47	1,390,795	21,793	48,075	1,460,662	3,196,952
48	1,460,662	22,229	50,478	1,533,369	3,249,980
49	1,533,369	22,673	52,980	1,609,022	3,303,886
50	1,609,022	23,127	55,582	1,687,730	3,358,687
51	1,687,730	23,589	58,289	1,769,609	3,414,397
52	1,769,609	24,061	61,106	1,854,776	3,471,031
53	1,854,776	24,542	64,035	1,943,353	3,528,604
54	1,943,353	25,033	67,081	2,035,467	3,587,132
55	2,035,467	25,534	70,249	2,131,250	3,646,631
56	2,131,250	26,044	73,543	2,230,838	3,707,117
57	2,230,838	26,565	76,968	2,334,371	3,768,606
58	2,334,371	27,096	80,528	2,441,995	3,831,115
59	2,441,995	27,638	84,228	2,553,861	3,894,661
60	2,553,861	28,191	88,075	2,670,127	3,959,261
61	2,670,127	28,755	92,072	2,790,954	4,024,932
62	2,790,954	29,330	96,226	2,916,510	4,091,693
63	2,916,510	29,917	100,542	3,046,969	4,159,561
64	3,046,969	30,515	105,027	3,182,510	4,228,554
65	3,182,510	31,125	109,686	3,323,322	4,298,692
66	3,323,322	31,748	114,526	3,469,596	4,369,994
67	3,469,596	32,383	119,554	3,621,532	4,442,478
68	3,621,532	33,030	124,776	3,779,339	4,516,164
69	3,779,339	33,691	130,200	3,943,229	4,591,073
70	3,943,229	34,365	135,832	4,113,426	4,667,224
71	4,113,426	35,052	141,681	4,290,160	4,744,638
72	4,290,160	35,753	147,755	4,473,668	4,823,336
73	4,473,668	36,468	154,061	4,664,197	4,903,340
74	4,664,197	37,198	160,608	4,862,003	4,984,670
75	4,862,003	37,942	167,405	5,067,350	5,067,350

Assumptions

Storm Drain Cost (a)	$ 1,500,000
LAIF Rate (b)	3.43%
CPI (c)	1.66%
Annual Contribution Increase	2.00%
Annual Reserve Deposit	$ 8,764
Annual Reserve Percentage	0.58%

(a) Assumes a 10% failure rate on $15,000,000 cost or $1,500,000.

(b) Local Agency Investment Fund Rate ("LAIF RATE") represents a 20 year average from 1994 to 2013 per the California State Treasurer. See Exhibit I.

(c) Represents the 20 year average of the Consumer Price Index for Los Angeles, Riverside and Orange County from 1994 to 2013 per the Bureau of Labor Statistics. See Exhibit H.

Exhibit D-1
Map of Firestation 4 Service Area Outside of Project
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

Source: Map of Fire Station 4 Service Area outside of Project per memo from Larry Mainez at the City of Highland, dated 6/11/2014.

Exhibit D-2
Calculation of Units Outside of Project
Harmony Planned Community
October 2015 Update to June 19, 2014 Report

APN (a)	Zoning (a)	Estimated Acres (a)
Estimated Acres Outside of Project		
Open Space Acres:		
29706129	Open Space	9.67
29706105	Open Space	0.92
29706106	Open Space	2.62
29706129	Open Space	6.72
29706129	Open Space	3.33
29710122	Open Space	2.48
29710122	Open Space	1.21
Open Space Acres Subtotal		26.95
AQ/EQ Acres:		
29720105	AG/EQ	38.24
29706106	AG/EQ	6.08
29706109	AG/EQ	4.85
29706120	AG/EQ	8.08
29706126	AG/EQ	2.38
29706120	AG/EQ	0.99
29706105	AG/EQ	7.24
29706107	AG/EQ	7.11
29706125	AG/EQ	1.95
29706113	AG/EQ	4.62
AG/EQ Acres Subtotal		81.54
Total Estimated Acres		**108.49**
Less Hillside Acres		25.87
Less Open Space Acres		26.95
Total Developable Acres		**55.67**
Dwelling Units per Acre		2
Total Units Outside of Project		**111**

Footnotes:

(a) Land use information and calculation for units in Fire Station 4 Service Area outside of Project per memo from Larry Mainez at the City of Highland, dated 6/11/2014.

DPFG
DEVELOPMENT PLANNING & FINANCING GROUP, INC.

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To:	Mr. Lawrence Mainez, Community Development Director
From:	Chris Lightburne and Nathan Morris
Date:	October 29th 2015 update to April 29, 2014 Supplemental Inflated FIA Analysis Memo
Re:	Updated Supplemental Inflated FIA Analysis

This memo had been prepared to provide an updated Supplemental Inflated FIA Analysis to our previously submitted:

1. October 27th, 2015 Harmony Update Memo ("Update Memo")
2. April 29, 2014 Supplemental Inflated FIA Analysis Memo

Background

DPFG initially submitted the Fiscal Impact Analysis in January 2012. Over the last three years, we have worked with City staff, its consultants, and others to address comments and concerns. The analysis is based on this input, the use of industry standards and practices, and insights gained from peer reviewed analysis prepared by DPFG throughout the state of California.

The Update Memo was prepared to describe changes to the analysis related to:

- Adjusted street maintenance costs based on feedback from the City
- Inclusion of a CFD special tax for services on residential property at .10% of the projected assessed value.

As shown in the Update Memo, the Project will generate a substantial positive fiscal impact at buildout as follows:

Alternative	Surplus At Buildout
A	$2.7 Million
B	$2.1 Million
C	$3.1 Million

This fiscal surplus could be used to fund:

1. ***Cost inflation***
2. ***Any capital replacement items not covered in the FIA (as described below)***

The purpose of this memo is to describe the supplemental analysis ("Supplemental Analysis) that has been requested by the City that is outside of the scope of the industry standard fiscal impact analysis. This includes the following:

1. Impact of cost and revenue inflation

2. Inclusion of maintenance and replacement cost items

3. Establishment of a Project reserve fund

I. Inflation Model

We have prepared an updated inflated FIA model ("Updated Inflation Model") At buildout, the Project is still showing a surplus to the City on an annual basis under each of the Alternative Scenarios.

Alternative	Cumulative Surplus with Interest at Buildout	PDF Page Number
A	$12.9 Million	1
B	$7.5 Million	2
C	$18.2 Million	3

(a) The detailed schedules with inflation for Alternatives A, B and C are available upon request.

The Inflation Model is based on the following assumptions:

Assumption	Factor	Description
Term	30 Years	
Inflation Rate		
Police and Fire Costs	5.00%	Per City for illustration purposes.
Home Price Inflation	4.83%	Represents the 20 year average of the Case-Shiller Home Price Index for Los Angeles from 1994 to 2013 per the S&P/Case-Shiller Home Price Indices.
Other Revenues and Costs Street Maintenance and Replacement Storm Drainage Replacement	1.66%	Represents the 20 year average of the Consumer Price Index for Los Angeles, Riverside and Orange County from 1994 to 2013 per the Bureau of Labor Statistics.
LAIF Rate	3.43%	Local Agency Investment Fund Rate ("LAIF RATE") represents a 20 year average from 1994 to 2013 per the California State Treasurer.
Property Tax - Resale of Homes	4.83%	Represents the 20 year average of the Case-Shiller Home Price Index for Los Angeles from 1994 to 2013 per the S&P/Case-Shiller Home Price Indices.
Services CFD Annual Inflation	3.00%	Comparable rate for services CFDs.

II. Maintenance and Replacement Costs

The October 2015 update to the June 2014 FIA and the Supplemental Analysis includes ongoing maintenance, replacement and rehabilitation costs for the items included in the GASB 34 Report. The detailed schedules with inflation for Alternatives A, B and C are available upon request.

Again, the annual surpluses could be used as a reserve to fund future replacement costs that are not included in the above items.

III. Project Reserve Fund

The Supplemental Analysis includes a Project reserve fund that is available for Alternatives A, B and C are available upon request.

Exhibit D-1: Alternative A
Fiscal Impact Analysis Phasing Summary with Inflation
Harmony Planned Community
October 29, 2015 update to June 19, 2014 Report

Year		Total Recurring Revenues	Total Recurring Costs	Total Surplus/ (Deficit)	Cumulative Surplus/ (Deficit)	Earnings	Balance
1	2015	$ 748,377	$ 1,198,432	$ (450,055)	$ (450,055)	$ -	$ (450,055)
2	2016	1,497,228	1,433,324	63,904	(386,151)	-	(386,151)
3	2017	2,673,134	2,308,585	364,548	(21,603)	-	(21,603)
4	2018	3,523,732	3,896,938	(373,206)	(394,809)	-	(394,809)
5	2019	4,171,124	4,586,455	(415,331)	(810,139)	-	(810,139)
6	2020	5,029,387	5,286,943	(257,556)	(1,067,695)	-	(1,067,695)
7	2021	5,940,769	5,831,432	109,337	(958,358)	-	(958,358)
8	2022	6,789,801	6,126,919	662,882	(295,476)	-	(295,476)
9	2023	8,113,700	6,563,874	1,549,826	1,254,350	43,021	1,297,371
10	2024	9,435,784	7,225,686	2,210,097	3,464,447	118,822	3,583,269
11	2025	10,355,660	7,562,852	2,792,808	6,257,255	214,608	6,471,863
12	2026	10,932,370	7,891,061	3,041,308	9,298,563	318,917	9,617,480
13	2027	11,418,952	8,224,378	3,194,574	12,493,137	428,483	**12,921,620**
14	2028	11,734,060	8,555,353	3,178,707	15,671,844	537,505	16,209,349
15	2029	12,050,963	8,901,476	3,149,487	18,821,331	645,525	19,466,856
16	2030	12,378,094	9,263,478	3,114,615	21,935,947	752,348	22,688,295
17	2031	12,715,837	9,642,128	3,073,709	25,009,655	857,769	25,867,424
18	2032	13,064,596	10,038,233	3,026,363	28,036,018	961,565	28,997,583
19	2033	13,424,790	10,452,639	2,972,151	31,008,169	1,063,503	32,071,671
20	2034	13,796,857	10,886,235	2,910,622	33,918,790	1,163,330	35,082,120
21	2035	14,181,251	11,339,952	2,841,298	36,760,089	1,260,779	38,020,868
22	2036	14,578,448	11,814,770	2,763,678	39,523,767	1,355,566	40,879,333
23	2037	14,988,944	12,311,714	2,677,230	42,200,997	1,447,389	43,648,386
24	2038	15,413,255	12,831,863	2,581,392	44,782,389	1,535,924	46,318,313
25	2039	15,851,919	13,376,346	2,475,572	47,257,961	1,620,830	48,878,791
26	2040	16,305,499	13,946,353	2,359,146	49,617,108	1,701,743	51,318,850
27	2041	16,774,581	14,543,127	2,231,454	51,848,561	1,778,276	53,626,837
28	2042	17,259,775	15,167,977	2,091,798	53,940,360	1,850,019	55,790,379
29	2043	17,761,721	15,822,274	1,939,446	55,879,806	1,916,538	57,796,344
30	2044	18,281,083	16,507,460	1,773,623	57,653,429	1,977,368	59,630,797
Services Tax Inflation		3.00%					
Year 13 (4/29/14 Draft)		9,741,549	7,121,771	2,619,777	10,984,305	376,734	11,361,039
Increase (Decrease)		$ 1,677,403	$ 1,102,607	$ 574,797	$ 1,508,832	$ 51,749	$ 1,560,581

Exhibit D-2: Alternative B
Fiscal Impact Analysis Phasing Summary with Inflation
Harmony Planned Community
October 29, 2015 update to June 19, 2014 Report

Year		Total Recurring Revenues	Total Recurring Costs	Total Surplus/ (Deficit)	Cumulative Surplus/ (Deficit)	Earnings	Balance
1	2015	$ 686,009	$ 1,192,084	$ (506,075)	$ (506,075)	$ -	$ (506,075)
2	2016	1,368,672	1,420,417	(51,745)	(557,820)	-	(557,820)
3	2017	3,082,363	2,129,124	953,239	395,419	13,562	408,981
4	2018	3,937,188	4,588,992	(651,804)	(256,385)	-	(256,385)
5	2019	4,588,857	5,475,636	(886,779)	(1,143,164)	-	(1,143,164)
6	2020	5,451,445	6,191,246	(739,801)	(1,882,965)	-	(1,882,965)
7	2021	6,367,201	6,750,982	(383,781)	(2,266,747)	-	(2,266,747)
8	2022	7,220,656	7,061,886	158,770	(2,107,977)	-	(2,107,977)
9	2023	8,537,964	7,513,346	1,024,618	(1,083,358)	-	(1,083,358)
10	2024	9,846,416	8,189,358	1,657,059	573,701	19,676	593,377
11	2025	10,810,401	8,795,876	2,014,524	2,588,225	88,770	2,676,995
12	2026	11,382,536	9,143,597	2,238,939	4,827,164	165,560	4,992,724
13	2027	11,922,108	9,497,285	2,424,823	7,251,987	248,725	**7,500,712**
14	2028	12,242,080	9,849,389	2,392,691	9,644,678	330,788	9,975,466
15	2029	12,563,894	10,216,992	2,346,902	11,991,580	411,281	12,402,861
16	2030	12,895,980	10,600,830	2,295,151	14,286,731	489,999	14,776,730
17	2031	13,238,726	11,001,678	2,237,048	16,523,779	566,724	17,090,503
18	2032	13,592,533	11,420,349	2,172,184	18,695,963	641,225	19,337,187
19	2033	13,957,821	11,857,696	2,100,125	20,796,087	713,254	21,509,341
20	2034	14,335,025	12,314,613	2,020,413	22,816,500	782,549	23,599,049
21	2035	14,724,603	12,792,038	1,932,565	24,749,065	848,831	25,597,896
22	2036	15,127,029	13,290,956	1,836,072	26,585,137	911,804	27,496,941
23	2037	15,542,797	13,812,401	1,730,395	28,315,533	971,152	29,286,685
24	2038	15,972,423	14,357,457	1,614,966	29,930,499	1,026,541	30,957,040
25	2039	16,416,448	14,927,261	1,489,186	31,419,685	1,077,617	32,497,302
26	2040	16,875,430	15,523,008	1,352,422	32,772,107	1,124,001	33,896,109
27	2041	17,349,957	16,145,949	1,204,008	33,976,115	1,165,296	35,141,411
28	2042	17,840,639	16,797,400	1,043,239	35,019,354	1,201,076	36,220,431
29	2043	18,348,114	17,478,740	869,373	35,888,728	1,230,894	37,119,621
30	2044	18,873,046	18,191,417	681,628	36,570,356	1,254,272	37,824,628
Services Tax Inflation		3.00%					
Year 13 (4/29/14 Draft)		9,741,549	7,121,771	2,619,777	10,984,305	376,734	11,361,039
Increase (Decrease)		$ 2,180,559	$ 2,375,514	$ (194,954)	$ (3,732,318)	$ (128,009)	$ (3,860,327)

Exhibit D-3: Alternative C
Fiscal Impact Analysis Phasing Summary with Inflation
Harmony Planned Community
October 29, 2015 update to June 19, 2014 Report

Year		Total Recurring Revenues	Total Recurring Costs	Total Surplus/ (Deficit)	Cumulative Surplus/ (Deficit)	Earnings	Balance
1	2015	$ 686,009	$ 1,192,084	$ (506,075)	$ (506,075)	$ -	$ (506,075)
2	2016	1,368,672	1,420,417	(51,745)	(557,820)	-	(557,820)
3	2017	3,082,363	2,129,124	953,239	395,419	13,562	408,981
4	2018	3,937,188	3,700,197	236,991	632,410	21,690	654,100
5	2019	4,588,857	4,572,099	16,759	649,168	22,265	671,433
6	2020	5,451,445	5,272,722	178,723	827,891	28,395	856,286
7	2021	6,367,201	5,817,223	549,978	1,377,869	47,257	1,425,126
8	2022	7,220,656	6,112,639	1,108,017	2,485,886	85,260	2,571,146
9	2023	8,537,964	6,548,353	1,989,611	4,475,497	153,498	4,628,996
10	2024	9,846,416	7,208,359	2,638,057	7,113,555	243,977	7,357,532
11	2025	10,810,401	7,544,400	3,266,001	10,379,555	355,993	10,735,548
12	2026	11,382,536	7,871,363	3,511,173	13,890,728	476,417	14,367,146
13	2027	11,922,108	8,203,948	3,718,159	17,608,888	603,941	**18,212,829**
14	2028	12,242,080	8,534,601	3,707,480	21,316,367	731,098	22,047,466
15	2029	12,563,894	8,880,395	3,683,499	24,999,866	857,433	25,857,299
16	2030	12,895,980	9,242,063	3,653,917	28,653,784	982,753	29,636,537
17	2031	13,238,726	9,620,374	3,618,352	32,272,136	1,106,854	33,378,990
18	2032	13,592,533	10,016,134	3,576,399	35,848,535	1,229,515	37,078,050
19	2033	13,957,821	10,430,189	3,527,632	39,376,167	1,350,504	40,726,671
20	2034	14,335,025	10,863,428	3,471,597	42,847,764	1,469,571	44,317,336
21	2035	14,724,603	11,316,783	3,407,820	46,255,585	1,586,451	47,842,036
22	2036	15,127,029	11,791,231	3,335,797	49,591,382	1,700,860	51,292,242
23	2037	15,542,797	12,287,801	3,254,996	52,846,378	1,812,499	54,658,876
24	2038	15,972,423	12,807,568	3,164,855	56,011,232	1,921,045	57,932,278
25	2039	16,416,448	13,351,665	3,064,783	59,076,015	2,026,160	61,102,175
26	2040	16,875,430	13,921,278	2,954,153	62,030,168	2,127,480	64,157,647
27	2041	17,349,957	14,517,651	2,832,306	64,862,474	2,224,621	67,087,094
28	2042	17,840,639	15,142,094	2,698,545	67,561,019	2,317,174	69,878,193
29	2043	18,348,114	15,795,978	2,552,136	70,113,154	2,404,706	72,517,860
30	2044	18,873,046	16,480,743	2,392,302	72,505,457	2,486,756	74,992,213
Services Tax Inflation		3.00%					
Year 13 (4/29/14 Draft)		9,741,549	7,121,771	2,619,777	10,984,305	376,734	11,361,039
Increase (Decrease)		$ 2,180,559	$ 1,082,177	$ 1,098,382	$ 6,624,583	$ 227,207	$ 6,851,790

DPFG
DEVELOPMENT PLANNING & FINANCING GROUP, INC.

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To:	Harmony File
From:	Chris Lightburne & Patrick Bourne
Date:	October 27, 2015
Re:	Harmony FIA Update

1. Purpose of Fiscal Impact Analysis Update Memorandum

Development Planning & Financing Group prepared the June 19, 2014 Fiscal Impact Analysis ("FIA") to determine the estimated fiscal impacts on the City of Highland ("City") in connection with the proposed development of the Harmony Planned Community ("Project"). This memorandum ("Update Memo") has been prepared to describe changes to the analysis related to:

- Adjusted street maintenance costs based on feedback from the City (as described below and Exhibit C-1 and C-2)
- Inclusion of a CFD special tax for services on residential property at .10% of the projected assessed value.

The reader should be aware that the FIA contains estimates or projections of the Project's future revenue and cost impact on the City, and actual fiscal results may vary from estimates because events and circumstances can occur in a manner different than described in the FIA.

This FIA contains a description of the Project, calculation methodologies, conclusions, and revenues and expenses projected for the Project's alternative scenarios: Alternative A, Alternative B, and Alternative C ("Alternative Scenarios"). The differences among the Alternative Scenarios are as follows:

Assumptions	Alternative A	Alternative B	Alternative C
20 Acre Commercial Overlay	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
Park Maintenance	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
Offsetting Fire and Paramedic Revenues	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project

The summary of the Alternative Scenarios is attached as Exhibit A. Detailed calculations, attached as Exhibit B-1, Exhibit B-2, and Exhibit B-3, are organized as follows:

Table	Description	Alternative (Page)		
		A	B	C
1	Fiscal Impact Analysis Summary	3	22	41
2	Post-ERAF Share of the Basic Tax Calculation	4	23	42
3	Land Use Assumptions	5	24	43
4	Property Tax Calculations	6	25	44
5	Sales and Use Tax Calculations	7	26	45
6	General Fund and MVLF Revenue Calculations	8-9	27-28	46-47
7	General Fund Cost Calculations	10	29	48
8	Fire Fund Fiscal Impact	11	30	49
9	Paramedic Fund Fiscal Impact	12	31	50
10	Street Maintenance Revenue and Cost Calculations	13	32	51
11	Phased Fiscal Impact Analysis Summary	14	33	52
12	Residential Land Use Absorption Schedule	15	34	53
13	Phased Residential Assessed Value Additions	16	35	54
14	Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues	17	36	55
15	Phased General Fund Recurring Revenues Continued	18	37	56
16	Phased General Fund Recurring Costs	19	38	57
17	Phased General Fund Recurring Costs and Fire Fund and Paramedic Fund Impact	20	39	58
18	Police Phasing Analysis	21	40	59
C-1	Street Maintenance Cost Calculations	60		
C-2	Hypothetical Street Maintenance Schedule - City	61		
C-3	Storm Drainage Reserve Calculation	62		
D-1	Map of Firestation 4 Service Area Outside of Project	63		
D-2	Calculation of Units Outside of Project	64		

2. Project Description

The County of Orange owns the Project and has engaged LCD Greenspot, LLC ("Developer") to assist with entitling the Project for development, the Project is anticipated to be developed over a period of 13 years.

Encompassing approximately 1,658 acres of land in the City of Highland, the table below shows the total residential units developed in a wide variety of unit types and sizes as well as the total acres of neighborhood commercial land use that the Project is anticipated to provide.

Assumptions	Alternative A	Alternative B	Alternative C
Residential Units	3,632	3,515	3,515
Neighborhood Commercial Acres	5.7	20.7	20.7

3. Street Maintenance Costs Updates

Pursuant to an email dated October 14, 2015 from Ernie Wong, City Engineer, DPFG updated FIA and street maintenance cost calculations to reflect

- Increased costs factors
- Revised street maintenance frequency

Exhibits C-1 and C-2 contains the detailed calculation. Based on this, the costs per lane mile increase from $3,750 to $10,077 per lane mile.

4. Limiting Conditions

The FIA is subject to the following limiting conditions:

- The FIA contains an analysis of recurring revenues and costs to the City from development of the Project. The FIA is based on estimates, assumptions and other information developed from DPFG's research, interviews, meetings, and correspondences with City and County staff, California Department of Finance, and information from DPFG's database which was collected through fiscal impact analyses previously prepared by DPFG and others.

- The sources of information and basis of the estimates are stated herein. While we believe the sources of information are reliable, DPFG does not express an opinion or any other form of assurance on the accuracy of such information.

- The analysis of recurring revenues and cost impacts to the City contained in the FIA is not considered to be a "financial forecast" or a "financial projection" as technically defined by the American Institute of Certified Public Accountants. The word "projection" used within this report relates to broad expectations of future events or market conditions.

- Since the analyses contained herein are based on estimates and assumptions which are inherently subject to uncertainty and variation depending on evolving events, DPFG cannot represent that results will definitely be achieved. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur; therefore, the actual results achieved may vary from the projections.

5. General Sources of Information and Methodologies Used in FIA

The FIA was prepared to estimate the allocable revenue and cost impacts to the City's general fund ("General Fund"), fire fund ("Fire Fund") and paramedic fund ("Paramedic Fund") as a result of the Project's development. The FIA uses a combination of case study methods and multiplier methods to estimate Project impacts. When projecting fiscal impacts using a multiplier method, the FIA determines per capita/employee impacts by applying the appropriate per capita, per employee and per equivalent resident factors ("Factors") to the Project's land use assumptions. The FIA calculates equivalent residents by adding residential population plus 50% of employees. Employment is reduced by 50% to account for the estimated less frequent use of City public services by employees than residents. Factors were calculated using the City of Highland Fiscal Years 2011-2013 Adopted Budget ("Budget"). Cost and revenue Factors are projected in 2011 dollars, and are not adjusted for inflation.

Information used in preparing the FIA was obtained from the following sources:

1. City of Highland Fiscal Years 2011-2013 Adopted Budget
2. City of Highland
3. California Department of Forestry and Fire Protection ("Cal Fire")
4. San Bernardino County Sheriff
5. LCD Greenspot, LLC (land use information)
6. The California Department of Finance (population information)
7. The California Employment Development Department (employment information)
8. San Bernardino County Auditor-Controller's Office (fiscal year 2011-12 share of the basic tax information)
9. The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute (sales tax generation data)
10. Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011 (household income data)
11. U.S. Department of Labor (household expenditure data)

The following table shows selected assumptions used in the FIA:

City Residential Population (a)	53,444
Residents Per Household (a)	3.45
City Employment (b)	19,200
City Share of the Basic Tax (c)	24.8448%
Share of Property Tax Retained in the General Fund (d)	58.33%
Share of Property Tax Retained in the Fire Fund (d)	41.67%
Average Household Income (e)	$96,400
Commercial Sales Tax Generation per Sq. Ft. (f)	$377

(a) Per the California Department of Finance as of January 1, 2011.
(b) Per the California Employment Development Department, November 2011.
(c) Per San Bernardino County Auditor/Controller, See Exhibit B-1, Exhibit B-2, and Exhibit B-3, Table 2.
(d) Per information provided by City staff. See Exhibit B-1, Exhibit B-2, and Exhibit B-3, Table 4.
(e) Per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.
(f) Per the Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

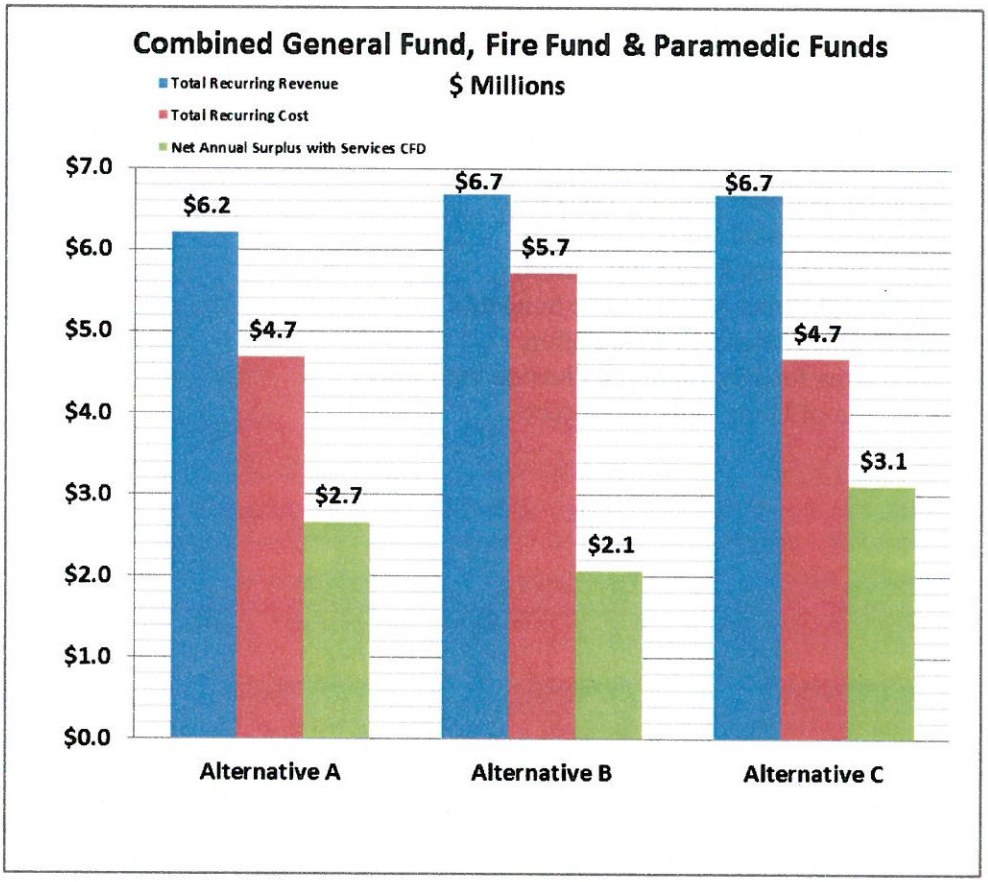
6. FIA Summary and Conclusions

The FIA examines the financial impact the Project will have on the General Fund, Fire Fund and Paramedic Fund. The Project will generate additional revenue for the General Fund primarily through increased property taxes, vehicle license fees, sales tax, gas tax, and franchise fees. The additional costs incurred to the General Fund consist primarily of police, and public works services costs. The Project's direct impact to the General Fund, Fire Fund, and Paramedic Fund is summarized in the table below.

At buildout, the Project is anticipated to generate a surplus to the City on an annual basis under each of the Alternative Scenarios.

Assumptions	Report Section	Alternative A	Alternative B	Alternative C
Exhibit Reference		B-1	B-2	B-3
20 Acre Commercial Overlay	1	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
Park Maintenance	1	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
Offsetting Fire and Paramedic Revenues	8	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project
General Fund				
Recurring Revenues	6	$ 4,953,830	$5,435,946	$5,435,946
Recurring Costs	7	$ 3,480,336	$ 4,509,177	$ 3,464,857
Surplus / (Deficit)		$1,473,494	$926,768	$1,971,088
Fire Fund				
Recurring Revenues	8	$1,192,171	$1,181,811	$1,181,811
Recurring Costs	8	$ 1,212,690	$ 1,211,775	$ 1,211,775
Surplus / (Deficit)		$(20,519)	$(29,964)	$(29,964)
Paramedic Fund				
Recurring Revenues	9	$70,177	$68,837	$68,837
Recurring Costs	9	$ -	$ -	$ -
Surplus / (Deficit)		$70,177	$68,837	$68,837
Combined Fire Fund & Paramedic Fund				
Recurring Revenues		$1,262,348	$1,250,647	$1,250,647
Recurring Costs		$ 1,212,690	$ 1,211,775	$ 1,211,775
Surplus / (Deficit)		$49,658	$38,872	$38,872
Combined Net Fiscal Impact without CFD				
Recurring Revenues		$6,216,178	$6,686,593	$6,686,593
Recurring Costs		$ 4,693,026	$ 5,720,952	$4,676,632
Surplus / (Deficit)		$1,523,152	$965,641	$2,009,961
Combined Net Fiscal Impact with Services CFD				
Services CFD Special Tax Revenue		$1,142,230	$1,107,720	$1,107,720
Total Surplus (Deficit)		$2,665,382	$2,073,361	$3,117,681

The chart below shows the total recurring revenues, total recurring costs and net annual surpluses the Project is anticipated to generate at buildout under each of the Alternative Scenarios.



The FIA now includes the impact of a Community Facilities District for services at .10% of residential values. The actual CFD tax will be based be based on a per unit amount, square footage category basis, or other measurement to meet requirements of state law.

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List of Exhibits

A. Scenario Summary
B-1. Alternative A Fiscal Impact Analysis
B-2. Alternative B Fiscal Impact Analysis
B-3. Alternative C Fiscal Impact Analysis
C-1. Street Maintenance Cost Calculations
C-2. Hypothetical Street Maintenance Schedule
C-3. Storm Drainage Reserve Calculation
D-1. Service Area for Fire Station 4 Outside the Project
D-2. Calculation of Units Outside Project

Glossary of Selected Defined Terms and Acronyms

Budget	City of Highland Fiscal Years 2011-2013 Adopted Budget
Cal Fire	California Department of Forestry and Fire Protection
City	City of Highland
Developer	LCD Greenspot, LLC
DPFG	Development, Planning & Financing Group
ERAF	Educational Revenue Augmentation Fund
Factors	Per Capita, Per Employee, and Per Equivalent Resident Factors
FIA	Fiscal Impact Analysis
General Fund	City of Highland General Fund
Fire Fund	City of Highland Fire Fund
Paramedic Fund	City of Highland Paramedic Fund
Project	Harmony Planned Community
State	State of California
Triple Flip	Revenue "Swapping" Procedures
TRA	Tax Rate Area
VLF	Vehicle License Fees

Exhibit A
Scenario Summary
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Scenario	Alternative A	Alternative B	Alternative C
Exhibit in Detailed Report	**B-1 (Adj)**	**B-2 (Adj)**	**B-3 (Adj)**
Analysis Date	10/21/2015	10/21/2015	10/21/2015
Key Assumptions:			
1. 20 Acre Commercial Overlay	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
2. Park Maintenance	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
3. Offsetting Fire and Paramedic Revenues	Includes 111 Units from Outside of Project	Includes 111 Units from Outside of Project	Includes 111 Units from Outside of Project
I. GENERAL FUND			
Recurring Revenues	$ 4,953,830	$ 5,435,946	$ 5,435,946
Total Recurring Costs	3,480,336	4,509,177	3,464,857
Surplus/(Deficit)	**$ 1,473,494**	**$ 926,768**	**$ 1,971,088**
II. FIRE FUND			
Recurring Revenues	$ 1,192,171	$ 1,181,811	$ 1,181,811
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Surplus/(Deficit)	**$ (20,519)**	**$ (29,964)**	**$ (29,964)**
III. PARAMEDIC FUND			
Recurring Revenues	$ 70,177	$ 68,837	$ 68,837
Total Recurring Costs	-	-	-
Surplus/(Deficit)	**$ 70,177**	**$ 68,837**	**$ 68,837**
IV. COMBINED FIRE FUND & PARAMEDIC FUND			
Recurring Revenues	$ 1,262,348	$ 1,250,647	$ 1,250,647
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Surplus/(Deficit)	**$ 49,658**	**$ 38,872**	**$ 38,872**
V. COMBINED NET FISCAL IMPACT b/4 CFD			
Recurring Revenues	$ 6,216,178	$ 6,686,593	$ 6,686,593
Total Recurring Costs	4,693,026	5,720,952	4,676,632
Total Surplus/(Deficit)	**$ 1,523,152**	**$ 965,641**	**$ 2,009,961**
VI. COMBINED NET FISCAL IMPACT with Services CFD			
Services CFD Special Tax Revenue	$ 1,142,230	$ 1,107,720	$ 1,107,720
Total Surplus/(Deficit)	$ 2,665,382	$ 2,073,361	$ 3,117,681

Exhibit A
Scenario Summary
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Scenario	Alternative A	Alternative B	Alternative C
Exhibit in Detailed Report	B-1 (Adj)	B-2 (Adj)	B-3 (Adj)
Analysis Date	10/21/2015	10/21/2015	10/21/2015
I. GENERAL FUND			
A. Recurring Revenues			
Property Tax	$ 1,668,811	$ 1,654,308	$ 1,654,308
Property Transfer Tax	88,464	87,154	87,154
Property Tax In Lieu of Sales Tax	116,813	237,684	237,684
Off-Site Sales and Use Tax	239,485	231,771	231,771
On-Site Sales and Use Tax	160,015	581,109	581,109
Property Tax-Vehicle License Fee	1,882,769	1,866,407	1,866,407
Franchise Fees	297,564	290,743	290,743
Business License Fee	938	3,405	3,405
Licenses & Permits	27,738	26,844	26,844
Fines & Forfeitures	23,992	23,534	23,534
Miscellaneous Revenue	9,997	9,806	9,806
Intergovernmental Revenue	-	-	-
Charges for Services	79,779	77,232	77,232
Gas Tax and Traffic Safety Fund Revenue	357,465	345,949	345,949
Total Recurring Revenues	**$ 4,953,830**	**$ 5,435,946**	**$ 5,435,946**
B. Recurring Costs			
City Council	$ 14,535	$ 14,258	$ 14,258
City Clerk	24,359	23,894	23,894
General Government	65,004	63,763	63,763
Personnel	7,268	7,129	7,129
Finance	48,400	47,476	47,476
Police Department	1,793,496	1,793,496	1,793,496
Animal Control	110,523	106,963	106,963
Public Works	1,149,221	1,144,679	1,144,679
Engineering	60,453	59,299	59,299
Planning	68,059	66,759	66,759
Public Services	43,428	42,599	42,599
Code Enforcement	29,857	29,287	29,287
Parks	-	1,044,320	-
Graffiti	21,838	21,421	21,421
Trails	3,079	3,020	3,020
Drainage Basins	29,700	29,700	29,700
Storm Drainage Replacement	11,115	11,115	11,115
Total Recurring Costs	**$ 3,480,336**	**$ 4,509,177**	**$ 3,464,857**
General Fund Surplus/(Deficit)	**$ 1,473,494**	**$ 926,768**	**$ 1,971,088**
II. FIRE FUND			
Recurring Revenues	1,192,171	1,181,811	1,181,811
Total Recurring Costs	$ 1,212,690	$ 1,211,775	$ 1,211,775
Fire Fund Surplus/(Deficit)	**(20,519)**	**(29,964)**	**(29,964)**
III. PARAMEDIC FUND			
Recurring Revenues	$ 70,177	$ 68,837	$ 68,837
Total Recurring Costs	-	-	-
Paramedic Fund Surplus/(Deficit)	**$ 70,177**	**$ 68,837**	**$ 68,837**
IV. COMBINED FIRE FUND & PARAMEDIC FUND	-	-	-
Recurring Revenues	$ 1,262,348	$ 1,250,647	$ 1,250,647
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Fire Fund & Paramedic Fund Surplus/(Deficit)	**$ 49,658**	**$ 38,872**	**$ 38,872**
V. COMBINED NET FISCAL IMPACT b/4 CFD	-	-	-
Recurring Revenues	$ 6,216,178	$ 6,686,593	$ 6,686,593
Total Recurring Costs	4,693,026	5,720,952	4,676,632
Total Surplus/(Deficit)	**$ 1,523,152**	**$ 965,641**	**$ 2,009,961**
VI. COMBINED NET FISCAL IMPACT with Services CFD			
Services CFD Special Tax Revenue	$ 1,142,230	$ 1,107,720	$ 1,107,720
Total Surplus/(Deficit)	**$ 2,665,382**	**$ 2,073,361**	**$ 3,117,681**
Increased Road Maintenance	**$ 572,210**	**$ 572,210**	**$ 572,210**

Exhibit B-1: Alternative A
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
I. GENERAL FUND					
A. Recurring Revenues					
Property Tax	4	$ 1,668,811	$ 459.47	$ 132.40	33.7%
Property Transfer Tax	4	88,464	24.36	7.02	1.8%
Property Tax In Lieu of Sales Tax	4	116,813	32.16	9.27	2.4%
Off-Site Sales and Use Tax	5	239,485	65.94	19.00	4.8%
On-Site Sales and Use Tax	5	160,015	44.06	12.69	3.2%
Property Tax-Vehicle License Fee	6	1,882,769	518.38	149.37	38.0%
Franchise Fees	6	297,564	81.93	23.61	6.0%
Business License Fee	6	938	0.26	0.07	0.0%
Licenses & Permits	6	27,738	7.64	2.20	0.6%
Fines & Forfeitures	6	23,992	6.61	1.90	0.5%
Miscellaneous Revenue	6	9,997	2.75	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	79,779	21.97	6.33	1.6%
Gas Tax and Traffic Safety Fund Revenue	10	357,465	98.42	28.36	7.2%
Total Recurring Revenues		**$ 4,953,830**	**$ 1,363.94**	**$ 393.02**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,535	$ 4.00	$ 1.15	0.4%
City Clerk	7	$ 24,359	6.71	1.93	0.7%
General Government	7	$ 65,004	17.90	5.16	1.9%
Personnel	7	$ 7,268	2.00	0.58	0.2%
Finance	7	$ 48,400	13.33	3.84	1.4%
Police Department	7	$ 1,793,496	493.80	142.29	51.5%
Animal Control	7	$ 110,523	30.43	8.77	3.2%
Public Works	7	$ 1,149,221	316.42	91.17	33.0%
Engineering	7	$ 60,453	16.64	4.80	1.7%
Planning	7	$ 68,059	18.74	5.40	2.0%
Public Services	7	$ 43,428	11.96	3.45	1.2%
Code Enforcement	7	$ 29,857	8.22	2.37	0.9%
Parks	7	$ -	-	-	0.0%
Graffiti	7	$ 21,838	6.01	1.73	0.6%
Trails	7	$ 3,079	0.85	0.24	0.1%
Drainage Basins	7	$ 29,700	8.18	2.36	0.9%
Storm Drainage Replacement	7	$ 11,115	3.06	0.88	0.3%
Total Recurring Costs		**$ 3,480,336**	**$ 958.24**	**$ 276.12**	**100.0%**
General Fund Surplus/(Deficit)		**$ 1,473,494**	**$ 405.70**	**$ 116.90**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,192,171	$ 328.24	$ 94.58	
Total Recurring Costs	8	1,212,690	333.89	96.21	
Fire Fund Surplus/(Deficit)		**$ (20,519)**	**$ (5.65)**	**$ (1.63)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 70,177	$ 19.32	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 70,177**	**$ 19.32**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,262,348	$ 347.56	$ 100.15	
Total Recurring Costs		1,212,690	333.89	96.21	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 49,658**	**$ 13.67**	**$ 3.94**	
VI. COMBINED NET FISCAL IMPACT B/4 cfd					
Recurring Revenues		$ 6,216,178	$ 1,711.50	$ 493.17	
Total Recurring Costs		4,693,026	1,292.13	372.33	
Total Surplus/(Deficit)		**$ 1,523,152**	**$ 419.37**	**$ 120.84**	
VI. COMBINED NET FISCAL IMPACT with Services CFD					
Services CFD Special Tax Revenue		$ 1,142,230	$ 314.49	$ 90.62	
Total Surplus/(Deficit)		**$ 2,665,382**	**$ 667.78**	**$ 192.42**	

Exhibit B-1: Alternative A
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-1: Alternative A
Table 3 - Land Use Assumptions
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation	Services CFD Tax CFD Rate 0.10% Per Unit	Services CFD Tax Amount
I. Residential Land Use		(a)	(a)	(a)			
Condo Apartments	40	5	215	$ 210,000	$ 45,150,000	$ 210	$ 45,150
Paired	26	2	173	230,000	39,790,000	230	39,790
Paired	43A	3	130	230,000	29,900,000	230	29,900
HDD	15	2	208	250,000	52,000,000	250	52,000
HDD	25	3	110	250,000	27,500,000	250	27,500
HDD	33	4	105	250,000	26,250,000	250	26,250
6 Pack	27	2	115	250,000	28,750,000	250	28,750
6 Pack	43B	3	99	250,000	24,750,000	250	24,750
4 Pack L	21	2	115	290,000	33,350,000	290	33,350
4 Pack S	22	2	80	270,000	21,600,000	270	21,600
4 Pack S	23	3	77	270,000	20,790,000	270	20,790
SFD - 3,000 Sq. Ft.	3	1	141	310,000	43,710,000	310	43,710
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000	310	17,360
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000	330	30,030
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000	330	31,020
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000	330	35,970
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000	330	37,950
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000	330	14,850
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000	350	12,600
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000	350	16,450
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000	350	22,050
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000	350	54,950
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000	350	53,900
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000	350	18,200
SFD - 4,000 Sq. Ft.	35	4	31	350,000	10,850,000	350	10,850
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000	350	28,350
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000	360	18,360
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000	360	12,960
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000	360	42,120
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000	360	54,720
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000	380	50,540
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000	380	45,220
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000	410	5,330
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000	410	34,440
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000	430	8,170
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000	430	11,610
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000	430	16,770
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000	430	13,330
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000	430	13,330
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000	460	12,880
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000	460	10,580
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000	460	6,900
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000	460	6,900
Total/Weighted Average			3,632	$ 314,491	**$ 1,142,230,000**	$ 314	**$1,142,230**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	-	-	500	-	150.00	-
Neighborhood Commercial	3	0.25	-	-	500	-	150.00	-
Neighborhood Commercial	40	0.25	-	-	500	-	150.00	-
Total			5.70	62,073		124		**$ 9,310,950**

III. Total Residential and Non-Residential **$ 1,151,540,950**

IV. Population Summary

Residential Units	[1]	**3,632**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,543**
Employees	[4]	**124**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	62
Total Equivalent Residents	[3]+[5]=[6]	**12,605**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.

Exhibit B-1: Alternative A
Table 4 - Property Tax Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,151,540,950
Basic Rate			1.000%
Basic Tax Paid		$	11,515,410
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,860,982**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,668,811**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,192,171**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,142,230,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	159,912,200
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	87,952
B. Non-Residential			
Non-Residential Assessed Value	3	$	9,310,950
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	931,095
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	512
Total Property Transfer Tax	[1]+[2]	**$**	**88,464**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	70,025
On-Site Sales Tax Redirected to Property Tax (e)	5		46,788
Total Property Tax In-Lieu of Sales Tax		**$**	**116,813**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-1: Alternative A
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	350,124,800
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	112,039,936
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	28,009,984
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 280,100
Use Tax @10.50% of sales tax	10.50%	8	29,410
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(70,025)
Total Off-Site Sales Tax Revenue		$ 85	**$ 239,485**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	-	377	80%	-
Neighborhood Commercial	3	-	-	377	80%	-
Neighborhood Commercial	40	-	-	377	80%	-
Subtotal Taxable Sales for Retail Land Use			62,073			$ 18,715,258
Total Taxable Sales						$ 18,715,258
Sales Tax @1% of taxable sales					1.00%	187,153
Use Tax @10.50% of sales tax (c)					10.50%	19,651
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(46,788)
Total On-Site Sales Tax Revenue						**$ 160,015**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-1: Alternative A
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,882,769**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,605	$ 26,391
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,605	55,981
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,543	86,834
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,605	113,962
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,605	14,395
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 297,564**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	124	**$ 938**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,181,271
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,543	$ 25,977
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,543	1,760
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 27,738**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,605	$ 5,998
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,605	3,999
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,605	8,997
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,605	4,998
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,992**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,605	$ 7,997
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,605	1,999
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,997**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,543	23,938
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,543	39,709
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,543	3,520
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,543	352
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,605	1,699
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,543	10,561
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 79,779**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,322,777

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.

(d) Assumes Project will have a de minimis impact on these revenue sources.

(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.

(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(g) See Section II of Table 6.

Exhibit B-1: Alternative A
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05		FY 2011-12			Change
Property Tax Vehicle License Fees (VLF)	$ (a)	2,624,088	$ (b)	3,800,000	[1]	1,175,912
City Assessed Valuation	(c)	1,992,355,699	(d)	2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase					=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV					[3]	$ 1,635

Property Tax in Lieu of MVLF:		
Total Residential and Non-Residential Assessed Value (Table 3)	[4]	$ 1,151,540,950
Assessed Valuation / 1,000,000	[5]	$ 1,152
VLF Increase per $1,000,000 increase in AV	[3]	1,635
Property Tax in Lieu of MVLF	=[3]*[5]	$ 1,882,769

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-1: Alternative A
Table 7 - General Fund Cost Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,605	**$ 14,535**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,605	**24,359**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,605	**65,004**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,605	**7,268**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,605	**48,400**
F. Police Department	156	6,819,830	100%	----------		See Footnote (g)	----------		**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,543	**110,523**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,605	$ 32,302
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,605	13,064
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,605	102,226
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	----------		See Footnote (d)	----------		
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,605	25,960
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,605	300
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,605	300
Street Maintenance	164	100,000	100%	----------		See Table 16	----------		911,330
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,605	200
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,605	1,999
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,605	9,997
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,605	41,986
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,605	960
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,605	600
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,605	7,997
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 1,149,221**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,605	**60,453**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,605	**68,059**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,605	**43,428**
L. Building & Safety	181	412,890	0%	----------		See Footnote (d)	----------		
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,605	**29,857**
N. Parks	188	-	0%	----------		See Footnote (e)	----------		**-**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,605	**21,838**
P. Community Volunteer Services	192	57,545	0%	----------		See Footnote (f)	----------		
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,605	**3,079**
R. Drainage Basins		-	0%	----------		See Footnote (i)	----------		**29,700**
S. Storm Drainage Replacement		-	0%	----------		See Footnote (j)	----------		**11,115**
TOTAL GENERAL FUND COSTS		$ 14,282,410		$ 3,592,834			$ 58.33		$ 3,480,336

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. The development of the Harmony Planned Community ("Project") is not anticipated to increase the City's maintenance cost for these parks. Parks to be developed within the Project are anticipated to be HOA maintained.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-1: Alternative A
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	See Calculation in Table 4					$ 1,192,171
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	See Footnote (e)					
Building Permits - Plan Check Fees	83	33,225	0%	See Footnote (e)					
Interest	83	35,000	0%	See Footnote (e)					
Pass-Thru Fire Department	83	180,000	0%	See Footnote (e)					
Fire Department Fees	83	473,000	0%	See Footnote (e)					
Total Other Fire Fund Revenue									$ -
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		$ 1,192,171
Fire Fund Revenue per Unit								[9]	$ 328.24
II. FIRE FUND COST									
A. Typical Cost per Station									
Estimated Cost per Station (d)				[1] $ 1,237,379					
Additional Fire Stations Required to Serve Project (d)				[2] 1.00					
Percent of Fire Station Costs Allocable to Project				[3] 100%					
Total Cost per Station				[1]X[2]X[3]=[4] $ 1,237,379					
B. Wildland Fire Protection Agreement Cost									
Acres (f)				[5] 539					
Cost per Acre (g)				[6] $ 25.77					
Total Wildland Fire Protection Agreement Cost				[5]X[6]=[7] $ 13,890					
C. Revenue from Outside Project									
Additional Units within the Fire Station Service Area (h)				[8] 111					
Fire Revenue per Unit				[9] $ 328.24					
Paramedic Revenue per Unit (From Table 9)				[10] 19.32					
Total Revenue from Outside Project				[8]*([9]+[10])=[11] $ 38,579					
TOTAL FIRE FUND COST				=[4]+[7]-[11] $ 1,212,690					

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

(h) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/11/2014.

Exhibit B-1: Alternative A
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,605	$ 70,177
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 70,177**
Paramedic Fund Revenue per Unit									$ 19.32
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	---------- See Footnote (d) ----------					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	---------- See Footnote (d) ----------					
C. Contractual Services - Medical Director	234	10,000	100%	---------- See Footnote (d) ----------					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-1: Alternative A
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,543
Total Gas Tax and Traffic Safety Fund Revenue						**$ 357,465**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-1: Alternative A
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Repo

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	14	$ 171,324	$ 332,229	$ 523,901	$ 677,646	$ 782,554	$ 918,213	$ 1,053,351	$ 1,167,736	$ 1,348,958	$ 1,514,790	$ 1,607,872	$ 1,645,508	$ 1,668,811
Property Transfer Tax	14	9,103	17,652	27,632	35,800	41,374	48,582	55,763	61,840	71,469	80,280	85,226	87,226	88,464
Property Tax In Lieu of Sales Tax	14	6,247	12,127	66,994	73,838	78,562	84,558	90,342	95,239	102,797	109,506	113,458	115,502	116,813
Off-Site Sales and Use Tax	14	21,364	41,475	69,103	92,510	108,665	129,172	148,953	165,701	191,549	214,495	228,012	235,002	239,485
On-Site Sales and Use Tax	14	-	-	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015
Property Tax-Vehicle License Fee	15	193,290	374,824	591,070	764,528	882,885	1,035,938	1,188,401	1,317,452	1,521,909	1,709,002	1,814,018	1,856,479	1,882,769
Franchise Fees	15	26,452	51,353	86,599	115,582	135,585	160,976	185,469	206,206	238,210	266,621	283,358	292,012	297,564
Business License Fee	15	-	-	938	938	938	938	938	938	938	938	938	938	938
Licenses & Permits	15	2,474	4,804	8,004	10,715	12,586	14,961	17,252	19,192	22,185	24,843	26,409	27,218	27,738
Fines & Forfeitures	15	2,130	4,135	7,007	9,340	10,951	12,995	14,967	16,637	19,213	21,501	22,848	23,545	23,992
Miscellaneous Revenue	15	887	1,723	2,920	3,892	4,563	5,415	6,236	6,932	8,006	8,959	9,520	9,810	9,997
Intergovernmental Revenue	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	15	7,116	13,815	23,026	30,823	36,204	43,035	49,624	55,202	63,812	71,455	75,958	78,286	79,779
Gas Tax and Traffic Safety Fund Revenue	15	31,888	61,907	103,145	138,084	162,198	192,807	222,333	247,332	285,913	320,163	340,339	350,772	357,465
Total Recurring Revenues		**$ 472,276**	**$ 916,042**	**$ 1,670,353**	**$ 2,113,713**	**$ 2,417,079**	**$ 2,807,603**	**$ 3,193,643**	**$ 3,520,422**	**$ 4,034,973**	**$ 4,502,569**	**$ 4,767,972**	**$ 4,882,313**	**$ 4,953,830**
B. General Fund Recurring Costs														
City Council	16	$ 1,290	$ 2,505	$ 4,245	$ 5,659	$ 6,634	$ 7,873	$ 9,068	$ 10,079	$ 11,640	$ 13,026	$ 13,842	$ 14,264	$ 14,535
City Clerk	16	2,162	4,198	7,114	9,483	11,118	13,194	15,196	16,891	19,507	21,830	23,198	23,905	$ 24,359
General Government	16	5,770	11,202	18,985	25,307	29,670	35,209	40,552	45,076	52,057	58,255	61,906	63,793	$ 65,004
Personnel	16	645	1,252	2,123	2,829	3,317	3,936	4,534	5,040	5,820	6,513	6,921	7,132	$ 7,268
Finance	16	4,296	8,341	14,135	18,843	22,092	26,216	30,194	33,562	38,760	43,375	46,093	47,499	$ 48,400
Police Department	18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	16	9,859	19,141	31,891	42,694	50,149	59,613	68,742	76,471	88,400	98,990	105,228	108,454	$ 110,523
Public Works	16	492,300	512,179	677,097	700,234	716,202	878,754	898,307	914,862	1,007,723	1,124,520	1,137,881	1,144,789	$ 1,149,221
Engineering	16	5,366	10,418	17,655	23,535	27,593	32,744	37,713	41,920	48,412	54,176	57,572	59,327	$ 60,453
Planning	16	6,041	11,729	19,877	26,496	31,064	36,863	42,457	47,194	54,503	60,992	64,814	66,791	$ 68,059
Public Services	16	3,855	7,484	12,683	16,907	19,822	23,522	27,092	30,114	34,778	38,919	41,358	42,619	$ 43,428
Code Enforcement	16	2,650	5,145	8,720	11,624	13,628	16,172	18,626	20,704	23,910	26,757	28,434	29,301	$ 29,857
Parks	17	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Graffiti	16	1,938	3,763	6,378	8,502	9,968	11,828	13,623	15,143	17,488	19,570	20,797	21,431	$ 21,838
Trails	16	273	531	899	1,199	1,405	1,668	1,921	2,135	2,466	2,759	2,932	3,022	$ 3,079
Drainage Basins	17	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	17	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 955,304**	**$ 1,140,068**	**$ 1,736,211**	**$ 1,889,407**	**$ 2,314,419**	**$ 2,693,827**	**$ 2,941,801**	**$ 2,993,163**	**$ 3,139,640**	**$ 3,403,350**	**$ 3,444,855**	**$ 3,466,421**	**$ 3,480,336**
Net General Fund Surplus/(Deficit)		**$ (483,028)**	**$ (224,025)**	**$ (65,859)**	**$ 224,306**	**$ 102,660**	**$ 113,776**	**$ 251,842**	**$ 527,258**	**$ 895,333**	**$ 1,099,218**	**$ 1,323,118**	**$ 1,415,892**	**$ 1,473,494**
II. Fire Fund														
Total Recurring Revenues	17	$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
Total Recurring Costs	17	33,625	33,625	127,458	1,224,435	1,225,085	1,219,530	1,219,724	1,219,854	1,212,300	1,212,198	1,212,253	1,212,513	1,212,690
Net Fire Fund Surplus/(Deficit)		**$ 88,767**	**$ 203,714**	**$ 246,808**	**$ (740,335)**	**$ (666,041)**	**$ (563,573)**	**$ (467,228)**	**$ (385,642)**	**$ (248,626)**	**$ (130,057)**	**$ (63,616)**	**$ (36,989)**	**$ (20,519)**
III. Paramedic Fund														
Total Recurring Revenues	17	$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 6,229**	**$ 12,094**	**$ 20,495**	**$ 27,321**	**$ 32,031**	**$ 38,011**	**$ 43,779**	**$ 48,662**	**$ 56,199**	**$ 62,890**	**$ 66,831**	**$ 68,869**	**$ 70,177**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 128,621	$ 249,432	$ 394,761	$ 511,420	$ 591,075	$ 693,967	$ 796,275	$ 882,874	$ 1,019,873	$ 1,145,031	$ 1,215,469	$ 1,244,393	$ 1,262,348
Total Recurring Costs		33,625	33,625	127,458	1,224,435	1,225,085	1,219,530	1,219,724	1,219,854	1,212,300	1,212,198	1,212,253	1,212,513	1,212,690
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 94,996**	**$ 215,808**	**$ 267,304**	**$ (713,015)**	**$ (634,010)**	**$ (525,562)**	**$ (423,449)**	**$ (336,980)**	**$ (192,427)**	**$ (67,167)**	**$ 3,216**	**$ 31,880**	**$ 49,658**
V. Combiried General Fund, Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 600,896	$ 1,165,475	$ 2,065,114	$ 2,625,133	$ 3,008,154	$ 3,501,571	$ 3,989,919	$ 4,403,296	$ 5,054,846	$ 5,647,600	$ 5,983,441	$ 6,126,706	$ 6,216,178
Total Recurring Costs		988,929	1,173,692	1,863,669	3,113,842	3,539,504	3,913,357	4,161,525	4,213,017	4,351,940	4,615,549	4,657,108	4,678,934	4,693,026
Total Surplus/(Deficit)		**$ (388,032)**	**$ (8,218)**	**$ 201,445**	**$ (488,709)**	**$ (531,350)**	**$ (411,786)**	**$ (171,607)**	**$ 190,278**	**$ 702,906**	**$ 1,032,051**	**$ 1,326,333**	**$ 1,447,773**	**$ 1,523,152**

Exhibit B-1: Alternative A
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	215		-	-	-	-	-	-	-	-	48	48	48	48	23
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	141		48	48	45	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	31		-	-	-	-	-	-	-	-	7	18	6	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,632		324	305	419	355	245	311	300	254	392	348	205	106	68
Cumulative Units			324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
Total Cumulative Residents	3.45	3	1,119	2,172	3,619	4,845	5,691	6,765	7,801	8,678	10,032	11,234	11,942	12,308	12,543

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-1: Alternative A
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Repo

I. Residential Assessed Value Additions	Average Value per Unit	O&m cfd per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	210	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,080,000	$ 10,080,000	$ 10,080,000	$ 10,080,000	$ 4,830,000
Paired	230,000	230	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	230	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	250	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	250	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	250	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	250	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	250	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	290	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	14,880,000	14,880,000	13,950,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	2,450,000	6,300,000	2,100,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	360	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	380	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	380	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	410	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	410	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions				$ 118,220,000	$ 111,030,000	$ 122,950,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 125,050,000	$ 114,430,000	$ 64,230,000	$ 25,970,000	$ 16,080,000
Cumulative Residential Assessed Value				$ 118,220,000	$ 229,250,000	$ 352,200,000	$ 458,290,000	$ 530,680,000	$ 624,290,000	$ 717,540,000	$ 796,470,000	$ 921,520,000	$ 1,035,950,000	$ 1,100,180,000	$ 1,126,150,000	$ 1,142,230,000
Total Assessed Value Additions-Average Price				$ 364,877	$ 364,033	$ 293,437	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 319,005	$ 328,822	$ 313,317	$ 245,000	$ 236,471
II CFD Tax - Developed Property																
Annual Additions				$ 118,220	$ 111,030	$ 122,950	$ 106,090	$ 72,390	$ 93,610	$ 93,250	$ 78,930	$ 125,050	$ 114,430	$ 64,230	$ 25,970	$ 16,080
Cumulative Collections on Developed Property				**$ 118,220**	**$ 229,250**	**$ 352,200**	**$ 458,290**	**$ 530,680**	**$ 624,290**	**$ 717,540**	**$ 796,470**	**$ 921,520**	**$ 1,035,950**	**$ 1,100,180**	**$ 1,126,150**	**$ 1,142,230**

Exhibit B-1: Alternative A
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions																
Neighborhood Commercial																
Square Feet				-	-	62,073	-	-	-	-	-	-	-	-	-	-
Cumulative Square Feet				-	-	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073
Assessed Value Additions	$ 150		3	$ -	$ -	$ 9,310,950	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employees	500		3	-	-	124	-	-	-	-	-	-	-	-	-	-
Cumulative Non-Residential Assessed Value Additions				$ -	$ -	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950
Cumulative Employees				-	-	124	124	124	124	124	124	124	124	124	124	124
50% of Cumulative Employees				-	-	62	62	62	62	62	62	62	62	62	62	62
Cumulative Equivalent Residents				1,119	2,172	3,681	4,907	5,753	6,827	7,863	8,740	10,094	11,296	12,004	12,370	12,605
II. General Fund Recurring Revenues																
A. Property Tax																
Total Residential and Non-Residential Assessed Value				$ 118,220,000	$ 229,250,000	$ 361,510,950	$ 467,600,950	$ 539,990,950	$ 633,600,950	$ 726,850,950	$ 805,780,950	$ 930,830,950	$ 1,045,260,950	$ 1,109,490,950	$ 1,135,460,950	$ 1,151,540,950
Basic Tax Paid	1.00%		4	1,182,200	2,292,500	3,615,110	4,676,010	5,399,910	6,336,010	7,268,510	8,057,810	9,308,310	10,452,610	11,094,910	11,354,610	11,515,410
Total Property Tax	24.84%		4	$ 293,715	$ 569,567	$ 898,167	$ 1,161,746	$ 1,341,598	$ 1,574,170	$ 1,805,848	$ 2,001,948	$ 2,312,632	$ 2,596,932	$ 2,756,510	$ 2,821,032	$ 2,860,982
Total Property Tax Retained in General Fund	58.33%		4	$ 171,324	$ 332,229	$ 523,901	$ 677,646	$ 782,554	$ 918,213	$ 1,053,351	$ 1,167,736	$ 1,348,958	$ 1,514,790	$ 1,607,872	$ 1,645,508	$ 1,668,811
B. Property Transfer Tax																
Residential Property Transfer Tax																
Cumulative Residential Assessed Value				$ 118,220,000	$ 229,250,000	$ 352,200,000	$ 458,290,000	$ 530,680,000	$ 624,290,000	$ 717,540,000	$ 796,470,000	$ 921,520,000	$ 1,035,950,000	$ 1,100,180,000	$ 1,126,150,000	$ 1,142,230,000
Residential Property Turnover Rate	14.0%		4													
Transfer Tax as a % of Price	0.055%		4													
Total Residential Property Transfer Tax				$ 9,103	$ 17,652	$ 27,119	$ 35,288	$ 40,862	$ 48,070	$ 55,251	$ 61,328	$ 70,957	$ 79,768	$ 84,714	$ 86,714	$ 87,952
Non-Residential Property Transfer Tax																
Cumulative Non-Residential Assessed Value				$ -	$ -	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950
Non-Residential Property Turnover Rate	10.00%		4													
Transfer Tax as a % of Price	0.055%		4													
Total Non-Residential Property Transfer Tax				$ -	$ -	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512
Total Property Transfer Tax				$ 9,103	$ 17,652	$ 27,632	$ 35,800	$ 41,374	$ 48,582	$ 55,763	$ 61,840	$ 71,469	$ 80,280	$ 85,226	$ 87,226	$ 88,464
C. Property Tax In-Lieu of Sales Tax																
Off-Site Sales Tax Redirected to Property Tax				$ 6,247	$ 12,127	$ 20,205	$ 27,050	$ 31,773	$ 37,770	$ 43,554	$ 48,451	$ 56,008	$ 62,718	$ 66,670	$ 68,714	$ 70,025
On-Site Sales Tax Redirected to Property Tax				-	-	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788
Total Property Tax In-Lieu of Sales Tax				$ 6,247	$ 12,127	$ 66,994	$ 73,838	$ 78,562	$ 84,558	$ 90,342	$ 95,239	$ 102,797	$ 109,506	$ 113,458	$ 115,502	$ 116,813
D. Off-Site Sales Tax																
Household Income	$ 96,400		5	$ 31,233,600	$ 60,635,600	$ 101,027,200	$ 135,249,200	$ 158,867,200	$ 188,847,600	$ 217,767,600	$ 242,253,200	$ 280,042,000	$ 313,589,200	$ 333,351,200	$ 343,569,600	$ 350,124,800
Retail Taxable Sales	32.00%		5	9,994,752	19,403,392	32,328,704	43,279,744	50,837,504	60,431,232	69,685,632	77,521,024	89,613,440	100,348,544	106,672,384	109,942,272	112,039,936
Projected Off-Site Taxable Sales	25.00%		5	2,498,688	4,850,848	8,082,176	10,819,936	12,709,376	15,107,808	17,421,408	19,380,256	22,403,360	25,087,136	26,668,096	27,485,568	28,009,984
Sales Tax @1.00% of taxable sales	1.00%		5	24,987	48,508	80,822	108,199	127,094	151,078	174,214	193,803	224,034	250,871	266,681	274,856	280,100
Use Tax @10.50% of sales tax	10.50%		5	2,624	5,093	8,486	11,361	13,345	15,863	18,292	20,349	23,524	26,341	28,002	28,860	29,410
Less 0.25% Reclassified to Property Taxes	-0.25%		5	(6,247)	(12,127)	(20,205)	(27,050)	(31,773)	(37,770)	(43,554)	(48,451)	(56,008)	(62,718)	(66,670)	(68,714)	(70,025)
Total Off-Site Sales Tax Revenue				$ 21,364	$ 41,475	$ 69,103	$ 92,510	$ 108,665	$ 129,172	$ 148,953	$ 165,701	$ 191,549	$ 214,495	$ 228,012	$ 235,002	$ 239,485
E. On-Site Sales Tax Revenue																
Total Sales per Sq. Ft	$ 377		5	$ -	$ -	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072
Taxable Sales	80%		5	-	-	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258
Sales Tax (@1% of Taxable Sales)	1.00%		4	-	-	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153
Use Tax (@10.5% of Sales Tax)	10.50%		4	-	-	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651
Less 0.25% Reclassified to Property Taxes	-0.25%		5	-	-	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)
Total On-Site Sales Tax Allocated to County				$ -	$ -	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015	$ 160,015

Exhibit B-1: Alternative A
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 118	$ 229	$ 362	$ 468	$ 540	$ 634	$ 727	$ 806	$ 931	$ 1,045	$ 1,109	$ 1,135	$ 1,152
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 193,290**	**$ 374,824**	**$ 591,070**	**$ 764,528**	**$ 882,885**	**$ 1,035,938**	**$ 1,188,401**	**$ 1,317,452**	**$ 1,521,909**	**$ 1,709,002**	**$ 1,814,018**	**$ 1,856,479**	**$ 1,882,769**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,343	$ 4,548	$ 7,708	$ 10,274	$ 12,046	$ 14,295	$ 16,464	$ 18,300	$ 21,135	$ 23,651	$ 25,133	$ 25,900	$ 26,391
Franchise Fees - Electric	4.44	6	4,969	9,647	16,349	21,794	25,552	30,322	34,923	38,819	44,831	50,169	53,313	54,939	55,981
Franchise Fees - Cable	6.92	6	7,746	15,038	25,056	33,543	39,400	46,836	54,008	60,081	69,453	77,773	82,674	85,208	86,834
Franchise Fees - Refuse	9.04	6	10,116	19,639	33,283	44,367	52,016	61,727	71,093	79,024	91,263	102,129	108,530	111,839	113,962
Franchise Fees - Refuse Household Waste	1.14	6	1,278	2,481	4,204	5,604	6,570	7,797	8,980	9,982	11,528	12,900	13,709	14,127	14,395
Total Franchise Fees			**$ 26,452**	**$ 51,353**	**$ 86,599**	**$ 115,582**	**$ 135,585**	**$ 160,976**	**$ 185,469**	**$ 206,206**	**$ 238,210**	**$ 266,621**	**$ 283,358**	**$ 292,012**	**$ 297,564**
C. Business License Fee	7.55	6	$ -	$ -	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,317	$ 4,499	$ 7,496	$ 10,035	$ 11,787	$ 14,011	$ 16,157	$ 17,974	$ 20,778	$ 23,267	$ 24,733	$ 25,491	$ 25,977
Yard Sale Permits	0.14	6	157	305	508	680	799	949	1,095	1,218	1,408	1,576	1,676	1,727	1,760
Total Licenses & Permits			**$ 2,474**	**$ 4,804**	**$ 8,004**	**$ 10,715**	**$ 12,586**	**$ 14,961**	**$ 17,252**	**$ 19,192**	**$ 22,185**	**$ 24,843**	**$ 26,409**	**$ 27,218**	**$ 27,738**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 532	$ 1,034	$ 1,752	$ 2,335	$ 2,738	$ 3,249	$ 3,742	$ 4,159	$ 4,803	$ 5,375	$ 5,712	$ 5,886	$ 5,998
General Fines	0.32	6	355	689	1,168	1,557	1,825	2,166	2,495	2,773	3,202	3,583	3,808	3,924	3,999
Code Enforcement Fines	0.71	6	799	1,550	2,628	3,503	4,107	4,873	5,613	6,239	7,205	8,063	8,568	8,829	8,997
Administrative Citation Program	0.40	6	444	861	1,460	1,946	2,281	2,707	3,118	3,466	4,003	4,479	4,760	4,905	4,998
Total Fines & Forfeitures			**$ 2,130**	**$ 4,135**	**$ 7,007**	**$ 9,340**	**$ 10,951**	**$ 12,995**	**$ 14,967**	**$ 16,637**	**$ 19,213**	**$ 21,501**	**$ 22,848**	**$ 23,545**	**$ 23,992**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 710	$ 1,378	$ 2,336	$ 3,113	$ 3,650	$ 4,332	$ 4,989	$ 5,546	$ 6,404	$ 7,167	$ 7,616	$ 7,848	$ 7,997
Refuse Penalties & Interest	0.16	6	177	345	584	778	913	1,083	1,247	1,386	1,601	1,792	1,904	1,962	1,999
Total Miscellaneous Revenue			**$ 887**	**$ 1,723**	**$ 2,920**	**$ 3,892**	**$ 4,563**	**$ 5,415**	**$ 6,236**	**$ 6,932**	**$ 8,006**	**$ 8,959**	**$ 9,520**	**$ 9,810**	**$ 9,997**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	2,135	4,146	6,907	9,247	10,862	12,911	14,889	16,563	19,146	21,440	22,791	23,490	23,938
Engineering Fees - Inspections	$ 3.17	6	3,542	6,877	11,458	15,339	18,018	21,418	24,698	27,475	31,761	35,565	37,807	38,965	39,709
Park Fees	0.28	6	314	610	1,016	1,360	1,597	1,899	2,190	2,436	2,816	3,153	3,352	3,454	3,520
Self Hauler fees	0.03	6	31	61	102	136	160	190	219	244	282	315	335	345	352
Recordation of Document Fees	0.13	6	151	293	496	662	776	920	1,060	1,178	1,361	1,523	1,618	1,668	1,699
Vehicle Storage Fees	0.84	6	942	1,829	3,047	4,080	4,792	5,696	6,569	7,307	8,447	9,459	10,055	10,363	10,561
Total Charges for Services			**$ 7,116**	**$ 13,815**	**$ 23,026**	**$ 30,823**	**$ 36,204**	**$ 43,035**	**$ 49,624**	**$ 55,202**	**$ 63,812**	**$ 71,455**	**$ 75,958**	**$ 78,286**	**$ 79,779**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 31,888**	**$ 61,907**	**$ 103,145**	**$ 138,084**	**$ 162,198**	**$ 192,807**	**$ 222,333**	**$ 247,332**	**$ 285,913**	**$ 320,163**	**$ 340,339**	**$ 350,772**	**$ 357,465**

Exhibit B-1: Alternative A
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs																
A. City Council	$	1.15	7	$ 1,290	$ 2,505	$ 4,245	$ 5,659	$ 6,634	$ 7,873	$ 9,068	$ 10,079	$ 11,640	$ 13,026	$ 13,842	$ 14,264	$ 14,535
B. City Clerk		1.93	7	2,162	4,198	7,114	9,483	11,118	13,194	15,196	16,891	19,507	21,830	23,198	23,905	24,359
C. General Government		5.16	7	5,770	11,202	18,985	25,307	29,670	35,209	40,552	45,076	52,057	58,255	61,906	63,793	65,004
D. Personnel		0.58	7	645	1,252	2,123	2,829	3,317	3,936	4,534	5,040	5,820	6,513	6,921	7,132	7,268
E. Finance		3.84	7	4,296	8,341	14,135	18,843	22,092	26,216	30,194	33,562	38,760	43,375	46,093	47,499	48,400
F. Police Department			18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control		8.81	7	9,859	19,141	31,891	42,694	50,149	59,613	68,742	76,471	88,400	98,990	105,228	108,454	110,523
H. Public Works																
Salaries & Wages	$	2.56	7	$ 2,867	$ 5,567	$ 9,434	$ 12,576	$ 14,744	$ 17,496	$ 20,151	$ 22,399	$ 25,868	$ 28,948	$ 30,762	$ 31,701	32,302
Benefits		1.04	7	1,160	2,251	3,815	5,086	5,963	7,076	8,150	9,059	10,462	11,708	12,441	12,821	13,064
Operations & Materials		8.11	7	9,074	17,617	29,855	39,798	46,660	55,370	63,772	70,886	81,865	91,611	97,353	100,322	102,226
Engineering		2.06	7	2,304	4,474	7,582	10,106	11,849	14,061	16,195	18,001	20,789	23,264	24,722	25,476	25,960
Traffic Counts		0.02	7	27	52	88	117	137	162	187	208	240	269	286	294	300
Underground Service Alert		0.02	7	27	52	88	117	137	162	187	208	240	269	286	294	300
Contract Services - Street Maintenance		1.59	7	471,183	471,183	607,621	607,621	607,621	749,903	749,903	749,903	817,214	911,330	911,330	911,330	911,330
Contract Services - Street Sweeping		0.02	7	18	34	58	78	91	108	125	139	160	179	190	196	200
Contract Services - Emergency Work		0.16	7	177	345	584	778	913	1,083	1,247	1,386	1,601	1,792	1,904	1,962	1,999
Contract Services - Striping		0.79	7	887	1,723	2,920	3,892	4,563	5,415	6,236	6,932	8,006	8,959	9,520	9,810	9,997
Contract Services - Traffic Signals		3.33	7	3,727	7,235	12,262	16,346	19,164	22,741	26,192	29,114	33,623	37,626	39,985	41,204	41,986
Contract Services - Maintenance		0.08	7	85	165	280	374	438	520	599	665	769	860	914	942	960
Contract Services - Environmental Health Services		0.05	7	53	103	175	234	274	325	374	416	480	538	571	589	600
Contract Services - Tree Trimming		0.63	7	710	1,378	2,336	3,113	3,650	4,332	4,989	5,546	6,404	7,167	7,616	7,848	7,997
Total Public Works				$ 492,300	$ 512,179	$ 677,097	$ 700,234	$ 716,202	$ 878,754	$ 898,307	$ 914,862	$ 1,007,723	$ 1,124,520	$ 1,137,881	$ 1,144,789	$ 1,149,221
I. Engineering		4.80	7	$ 5,366	$ 10,418	$ 17,655	$ 23,535	$ 27,593	$ 32,744	$ 37,713	$ 41,920	$ 48,412	$ 54,176	$ 57,572	$ 59,327	$ 60,453
J. Planning		5.40	7	6,041	11,729	19,877	26,496	31,064	36,863	42,457	47,194	54,503	60,992	64,814	66,791	68,059
K. Public Services		3.45	7	3,855	7,484	12,683	16,907	19,822	23,522	27,092	30,114	34,778	38,919	41,358	42,619	43,428
L. Code Enforcement		2.37	7	2,650	5,145	8,720	11,624	13,628	16,172	18,626	20,704	23,910	26,757	28,434	29,301	29,857
M. Graffiti		1.73	7	1,938	3,763	6,378	8,502	9,968	11,828	13,623	15,143	17,488	19,570	20,797	21,431	21,838
N. Trails		0.24	7	273	531	899	1,199	1,405	1,668	1,921	2,135	2,466	2,759	2,932	3,022	3,079
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14																
Sergeant				$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective				-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy				148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist				69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist				-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)				-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)				-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)				5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services				12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization				964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance				1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)				-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)				333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support				1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance				348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding				3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost				11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget				$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading				$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget				$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance																
Lane Miles (Assumes Beginning of Phase)																
Backbone Roads				27.42												
Interior Roads				19.34		13.54			14.12			6.68	9.34			
Total Lane Miles				46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)			C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
	Lewis	City														
Cost per Lane Mile (See Exhibit C-2)	3,750	$ 10,077	C-2	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077
Total Street Maintenance Cost				$ 471,183	$ 471,183	$ 607,621	$ 607,621	$ 607,621	$ 749,903	$ 749,903	$ 749,903	$ 817,214	$ 911,330	$ 911,330	$ 911,330	$ 911,330

Exhibit B-1: Alternative A
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance															
Park Acres (Assumes End of Phase)															
20 Acre Park						20.00									
5.5 Acre Park Next to School						5.50									
6.5 Acre Park													6.50		
Total Park Acres			-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres			-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$ -	7	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
R. Drainage Basins															
Acres of Drainage Basins			15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$ 1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement															
Annual Contribution Increase	2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost		C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund															
A. Recurring Revenues			324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
Secured Property Tax Retained in Fire Fund	41.67%	4	$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
Total Recurring Revenues			$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
Revenue per Unit			$ 378	$ 377	$ 357	$ 345	$ 339	$ 335	$ 333	$ 332	$ 332	$ 333	$ 332	$ 330	$ 328
B. Recurring Costs															
Fire Station Cost															
Fire Stations Required for Project (a)			-	-	0.11	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$ 1,237,379	8	$ -	$ -	$ 141,752	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost															
Total Project Acres (b)	[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)															
Phase 1 Acres			353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres					237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres								234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres											133.5	133.5	133.5	133.5	133.5
Phase 5 Acres											160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out	[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres	=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$ 25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Revenue from Outside Project															
Additional Units within the Fire Station Service Area (e)			-	-	111	111	111	111	111	111	111	111	111	111	111
Fire Revenue per Unit			$ 378	$ 377	$ 357	$ 345	$ 339	$ 335	$ 333	$ 332	$ 332	$ 333	$ 332	$ 330	$ 328
Paramedic Revenue per Unit			19	19	20	19	19	19	19	19	19	19	19	19	19
Total Revenue from Outside Project		8	$ -	$ -	$ 41,812	$ 40,462	$ 39,811	$ 39,321	$ 39,126	$ 38,997	$ 38,969	$ 39,071	$ 39,016	$ 38,756	$ 38,579
Total Recurring Costs			$ 33,625	$ 33,625	$ 127,458	$ 1,224,435	$ 1,225,085	$ 1,219,530	$ 1,219,724	$ 1,219,854	$ 1,212,300	$ 1,212,198	$ 1,212,253	$ 1,212,513	$ 1,212,690
			$ 88,767	$ 203,714	$ 246,808	$ (740,335)	$ (666,041)	$ (563,573)	$ (467,228)	$ (385,642)	$ (248,626)	$ (130,057)	$ (63,616)	$ (36,989)	$ (20,519)
III. Paramedic Fund															
A. Recurring Revenues															
A. Property Tax - Paramedic Tax	$ 5.57	9	$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177
B. Recurring Costs (d)			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues			$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177
Revenue per Unit			$ 19	$ 19	$ 20	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.
(e) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/10/2014.

Exhibit B-1: Alternative A
Table 18 - Police Phasing Analysis
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
Cumulative Residents		1,119	2,172	3,619	4,845	5,691	6,765	7,801	8,678	10,032	11,234	11,942	12,308	12,543
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.89	0.92	1.11	0.83	1.05	1.03	1.03	0.92	0.80	0.80	0.75	0.73	0.72
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.89	0.92	0.83	0.62	0.70	0.74	0.77	0.69	0.60	0.62	0.59	0.57	0.56
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	**$ 17,085,854**	**$ 253,594**	**$ 428,541**	**$ 800,592**	**$ 882,095**	**$ 1,257,569**	**$ 1,431,858**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		**$ 380,391**	**$ 503,541**	**$ 875,592**	**$ 957,095**	**$ 1,332,569**	**$ 1,506,858**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**

Exhibit B-2: Alternative B
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. GENERAL FUND	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
A. Recurring Revenues					
Property Tax	4	$ 1,654,308	$ 470.64	$ 133.80	30.4%
Property Transfer Tax	4	87,154	24.79	7.05	1.6%
Property Tax In Lieu of Sales Tax	4	237,684	67.62	19.22	4.4%
Off-Site Sales and Use Tax	5	231,771	65.94	18.75	4.3%
On-Site Sales and Use Tax	5	581,109	165.32	47.00	10.7%
Property Tax-Vehicle License Fee	6	1,866,407	530.98	150.96	34.3%
Franchise Fees	6	290,743	82.71	23.52	5.3%
Business License Fee	6	3,405	0.97	0.28	0.1%
Licenses & Permits	6	26,844	7.64	2.17	0.5%
Fines & Forfeitures	6	23,534	6.70	1.90	0.4%
Miscellaneous Revenue	6	9,806	2.79	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	77,232	21.97	6.25	1.4%
Gas Tax and Traffic Safety Fund Revenue	10	345,949	98.42	27.98	6.4%
Total Recurring Revenues		**$ 5,435,946**	**$ 1,546.50**	**$ 439.66**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,258	$ 4.06	$ 1.15	0.3%
City Clerk	7	$ 23,894	6.80	1.93	0.5%
General Government	7	$ 63,763	18.14	5.16	1.4%
Personnel	7	$ 7,129	2.03	0.58	0.2%
Finance	7	$ 47,476	13.51	3.84	1.1%
Police Department	7	$ 1,793,496	510.24	145.06	39.8%
Animal Control	7	$ 106,963	30.43	8.65	2.4%
Public Works	7	$ 1,144,679	325.66	92.58	25.4%
Engineering	7	$ 59,299	16.87	4.80	1.3%
Planning	7	$ 66,759	18.99	5.40	1.5%
Public Services	7	$ 42,599	12.12	3.45	0.9%
Code Enforcement	7	$ 29,287	8.33	2.37	0.6%
Parks	7	$ 1,044,320	297.10	84.46	23.2%
Graffiti	7	$ 21,421	6.09	1.73	0.5%
Trails	7	$ 3,020	0.86	0.24	0.1%
Drainage Basins	7	$ 29,700	8.45	2.40	0.7%
Storm Drainage Replacement	7	$ 11,115	3.16	0.90	0.2%
Total Recurring Costs		**$ 4,509,177**	**$ 1,282.84**	**$ 364.70**	**100.0%**
General Fund Surplus/(Deficit)		**$ 926,768**	**$ 263.66**	**$ 74.96**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,181,811	$ 336.22	$ 95.59	
Total Recurring Costs	8	1,211,775	344.74	98.01	
Fire Fund Surplus/(Deficit)		**$ (29,964)**	**$ (8.52)**	**$ (2.42)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 68,837	$ 19.58	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 68,837**	**$ 19.58**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,250,647	$ 355.80	$ 101.15	
Total Recurring Costs		1,211,775	344.74	98.01	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 38,872**	**$ 11.06**	**$ 3.14**	
VI. COMBINED NET FISCAL IMPACT B/4 cfd					
Recurring Revenues		$ 6,686,593	$ 1,902.30	$ 540.81	
Total Recurring Costs		5,720,952	1,627.58	462.71	
Total Surplus/(Deficit)		**$ 965,641**	**$ 274.72**	**$ 78.10**	
VI. COMBINED NET FISCAL IMPACT with Services CFD					
Services CFD Special Tax Revenue		$ 1,107,720	$ 315.14	$ 89.59	
Total Surplus/(Deficit)		**$ 2,073,361**	**$ 689.49**	**$ 196.02**	

Exhibit B-2: Alternative B
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-2: Alternative B
Table 3 - Land Use Assumptions
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation	Services CFD Tax CFD Rate 0.10% Per Unit	Services CFD Tax Amount
I. Residential Land Use		(a)	(a)	(a)			
Condo Apartments	40	5	195	$ 210,000	$ 40,950,000	$ 210	$ 40,950
Paired	26	2	173	230,000	39,790,000	230	39,790
Paired	43A	3	130	230,000	29,900,000	230	29,900
HDD	15	2	208	250,000	52,000,000	250	52,000
HDD	25	3	110	250,000	27,500,000	250	27,500
HDD	33	4	105	250,000	26,250,000	250	26,250
6 Pack	27	2	115	250,000	28,750,000	250	28,750
6 Pack	43B	3	99	250,000	24,750,000	250	24,750
4 Pack L	21	2	115	290,000	33,350,000	290	33,350
4 Pack S	22	2	80	270,000	21,600,000	270	21,600
4 Pack S	23	3	77	270,000	20,790,000	270	20,790
SFD - 3,000 Sq. Ft.	3	1	50	310,000	15,500,000	310	15,500
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000	310	17,360
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000	330	30,030
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000	330	31,020
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000	330	35,970
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000	330	37,950
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000	330	14,850
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000	350	12,600
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000	350	16,450
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000	350	22,050
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000	350	54,950
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000	350	53,900
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000	350	18,200
SFD - 4,000 Sq. Ft.	35	4	25	350,000	8,750,000	350	8,750
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000	350	28,350
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000	360	18,360
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000	360	12,960
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000	360	42,120
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000	360	54,720
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000	380	50,540
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000	380	45,220
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000	410	5,330
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000	410	34,440
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000	430	8,170
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000	430	11,610
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000	430	16,770
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000	430	13,330
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000	430	13,330
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000	460	12,880
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000	460	10,580
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000	460	6,900
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000	460	6,900
Total/Weighted Average			3,515	$ 315,141	**$ 1,107,720,000**	$ 315	**$1,107,720**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	1.00	10,890	500	22	150.00	1,633,500
Neighborhood Commercial	3	0.25	13.00	141,570	500	283	150.00	21,235,500
Neighborhood Commercial	40	0.25	1.00	10,890	500	22	150.00	1,633,500
Total			20.70	225,423		451		**$ 33,813,450**

III. Total Residential and Non-Residential **$ 1,141,533,450**

IV. Population Summary

Residential Units	[1]	**3,515**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,139**
Employees	[4]	**451**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	225
Total Equivalent Residents	[3]+[5]=[6]	**12,364**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.

Exhibit B-2: Alternative B
Table 4 - Property Tax Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,141,533,450
Basic Rate			1.000%
Basic Tax Paid		$	11,415,335
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,836,119**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,654,308**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,181,811**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,107,720,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	155,080,800
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	85,294
B. Non-Residential			
Non-Residential Assessed Value	3	$	33,813,450
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	3,381,345
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	1,860
Total Property Transfer Tax	[1]+[2]	**$**	**87,154**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	67,769
On-Site Sales Tax Redirected to Property Tax (e)	5		169,915
Total Property Tax In-Lieu of Sales Tax		**$**	**237,684**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-2: Alternative B
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	338,846,000
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	108,430,720
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 271,077
Use Tax @10.50% of sales tax	10.50%	8	28,463
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(67,769)
Total Off-Site Sales Tax Revenue		$ 85	**$ 231,771**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	10,890	377	80%	3,283,379
Neighborhood Commercial	3	-	141,570	377	80%	42,683,921
Neighborhood Commercial	40	-	10,890	377	80%	3,283,379
Subtotal Taxable Sales for Retail Land Use			225,423			$ 67,965,936
Total Taxable Sales						$ 67,965,936
Sales Tax @1% of taxable sales					1.00%	679,659
Use Tax @10.50% of sales tax (c)					10.50%	71,364
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(169,915)
Total On-Site Sales Tax Revenue						**$ 581,109**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-2: Alternative B
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,866,407**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,364	$ 25,887
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,364	54,912
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,139	84,037
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,364	111,786
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,364	14,120
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 290,743**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	451	**$ 3,405**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,160,555
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,139	$ 25,141
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,139	1,703
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 26,844**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,364	$ 5,883
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,364	3,922
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,364	8,825
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,364	4,903
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,534**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,364	$ 7,845
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,806**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		$ -
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,139	23,167
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,139	38,430
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,139	3,407
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,139	341
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,364	1,667
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,139	10,221
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 77,232**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,297,970

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.
(d) Assumes Project will have a de minimis impact on these revenue sources.
(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.
(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.
(g) See Section II of Table 6.

Exhibit B-2: Alternative B
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05		FY 2011-12			Change
Property Tax Vehicle License Fees (VLF)	$ (a)	2,624,088	$ (b)	3,800,000	[1]	1,175,912
City Assessed Valuation	(c)	1,992,355,699	(d)	2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase					=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV					[3]	$ 1,635
Property Tax in Lieu of MVLF:						
Total Residential and Non-Residential Assessed Value (Table 3)					[4]	$ 1,141,533,450
Assessed Valuation / 1,000,000					[5]	$ 1,142
VLF Increase per $1,000,000 increase in AV					[3]	1,635
Property Tax in Lieu of MVLF					=[3]*[5]	$ 1,866,407

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-2: Alternative B
Table 7 - General Fund Cost Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,364	**$ 14,258**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,364	**23,894**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,364	**63,763**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,364	**7,129**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,364	**47,476**
F. Police Department	156	6,819,830	100%			See Footnote (g)			**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,139	**106,963**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,364	$ 31,685
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,364	12,815
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,364	100,274
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%			See Footnote (d)			
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,364	25,464
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Street Maintenance	164	100,000	100%			See Table 16			911,330
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,364	196
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,364	9,806
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,364	41,184
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,364	941
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,364	588
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,364	7,845
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		$ 1,144,679
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,364	**59,299**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,364	**66,759**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,364	**42,599**
L. Building & Safety	181	412,890	0%			See Footnote (d)			
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,364	**29,287**
N. Parks	188	1,073,620	100%			See Footnote (e)			**1,044,320**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,364	**21,421**
P. Community Volunteer Services	192	57,545	0%			See Footnote (f)			
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,364	**3,020**
R. Drainage Basins		-	0%			See Footnote (i)			**29,700**
S. Storm Drainage Replacement		-	0%			See Footnote (j)			**11,115**
TOTAL GENERAL FUND COSTS		$ 15,356,030		$ 3,592,834			$ 58.33		$ 4,509,177

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. Park maintenance costs assumed at $32,635 per acre for maintenance of 32 acres.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-2: Alternative B
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	See Calculation in Table 4					**$ 1,181,811**
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	See Footnote (e)					
Building Permits - Plan Check Fees	83	33,225	0%	See Footnote (e)					
Interest	83	35,000	0%	See Footnote (e)					
Pass-Thru Fire Department	83	180,000	0%	See Footnote (e)					
Fire Department Fees	83	473,000	0%	See Footnote (e)					
Total Other Fire Fund Revenue									$ -
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,181,811**
Fire Fund Revenue per Unit								[9]	$ 336.22
II. FIRE FUND COST									
A. Typical Cost per Station									
Estimated Cost per Station (d)				[1] $ 1,237,379					
Additional Fire Stations Required to Serve Project (d)				[2] 1.00					
Percent of Fire Station Costs Allocable to Project				[3] 100%					
Total Cost per Station				[1]X[2]X[3]=[4] **$ 1,237,379**					
B. Wildland Fire Protection Agreement Cost									
Acres (f)				[5] 539					
Cost per Acre (g)				[6] $ 25.77					
Total Wildland Fire Protection Agreement Cost				[5]X[6]=[7] **$ 13,890**					
C. Revenue from Outside Project									
Additional Units within the Fire Station Service Area (h)				[8] 111					
Fire Revenue per Unit				[9] $ 336.22					
Paramedic Revenue per Unit (From Table 9)				[10] 19.58					
Total Revenue from Outside Project				[8]*([9]+[10])=[11] **$ 39,494**					
TOTAL FIRE FUND COST				=[4]+[7]-[11] **$ 1,211,775**					

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

(h) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/11/2014.

Exhibit B-2: Alternative B
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,364	$ 68,837
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 68,837**
Paramedic Fund Revenue per Unit									$ 19.58
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	See Footnote (d)					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	See Footnote (d)					
C. Contractual Services - Medical Director	234	10,000	100%	See Footnote (d)					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-2: Alternative B
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,139
Total Gas Tax and Traffic Safety Fund Revenue						**$ 345,949**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-2: Alternative B
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Repo

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	14	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
Property Transfer Tax	14	8,363	16,172	26,627	34,796	40,370	47,578	54,758	60,836	70,373	79,039	83,956	85,891	87,154
Property Tax In Lieu of Sales Tax	14	5,649	10,932	171,949	178,793	183,517	189,513	195,297	200,194	207,655	214,230	226,275	228,242	237,684
Off-Site Sales and Use Tax	14	19,320	37,387	63,102	86,510	102,665	123,171	142,953	159,701	185,219	207,703	220,825	227,551	231,771
On-Site Sales and Use Tax	14	-	-	524,963	524,963	524,963	524,963	524,963	524,963	524,963	524,963	553,036	553,036	581,109
Property Tax-Vehicle License Fee	15	177,577	343,399	579,667	753,124	871,482	1,024,534	1,176,998	1,306,049	1,508,560	1,692,563	1,797,731	1,838,819	1,866,407
Franchise Fees	15	23,921	46,291	81,537	110,520	130,522	155,913	180,406	201,143	232,739	260,579	277,008	285,336	290,743
Business License Fee	15	-	-	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,240	3,240	3,405
Licenses & Permits	15	2,238	4,330	7,309	10,020	11,891	14,266	16,557	18,497	21,452	24,057	25,576	26,355	26,844
Fines & Forfeitures	15	1,926	3,727	6,678	9,012	10,622	12,666	14,638	16,308	18,852	21,093	22,422	23,093	23,534
Miscellaneous Revenue	15	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Intergovernmental Revenue	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	15	6,435	12,453	21,046	28,843	34,224	41,055	47,644	53,223	61,723	69,212	73,584	75,825	77,232
Gas Tax and Traffic Safety Fund Revenue	15	28,837	55,805	94,189	129,128	153,241	183,850	213,376	238,375	276,464	310,026	329,612	339,650	345,949
Total Recurring Revenues		**$ 432,466**	**$ 836,424**	**$ 2,096,719**	**$ 2,540,079**	**$ 2,843,446**	**$ 3,233,970**	**$ 3,620,010**	**$ 3,946,788**	**$ 4,456,057**	**$ 4,915,549**	**$ 5,216,045**	**$ 5,326,514**	**$ 5,435,946**
B. General Fund Recurring Costs														
City Council	16	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
City Clerk	16	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	$ 23,894
General Government	16	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	$ 63,763
Personnel	16	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	$ 7,129
Finance	16	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	$ 47,476
Police Department	18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	16	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	$ 106,963
Public Works	16	490,280	508,138	673,838	696,975	712,943	875,495	895,048	911,603	1,004,138	1,120,478	1,133,654	1,140,302	$ 1,144,679
Engineering	16	4,853	9,391	16,827	22,707	26,765	31,916	36,885	41,092	47,501	53,149	56,497	58,187	$ 59,299
Planning	16	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	$ 66,759
Public Services	16	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	$ 42,599
Code Enforcement	16	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	$ 29,287
Parks	17	-	-	-	832,193	832,193	832,193	832,193	832,193	832,193	832,193	1,044,320	1,044,320	$ 1,044,320
Graffiti	16	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	$ 21,421
Trails	16	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	$ 3,020
Drainage Basins	17	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	17	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 949,059**	**$ 1,127,579**	**$ 1,724,891**	**$ 2,710,279**	**$ 3,135,291**	**$ 3,514,699**	**$ 3,762,673**	**$ 3,814,035**	**$ 3,959,505**	**$ 4,221,805**	**$ 4,474,768**	**$ 4,495,528**	**$ 4,509,177**
Net General Fund Surplus/(Deficit)		**$ (516,593)**	**$ (291,154)**	**$ 371,828**	**$ (170,200)**	**$ (291,845)**	**$ (280,729)**	**$ (142,663)**	**$ 132,753**	**$ 496,552**	**$ 693,743**	**$ 741,278**	**$ 830,986**	**$ 926,768**
II. Fire Fund														
Total Recurring Revenues	17	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Costs	17	33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund Surplus/(Deficit)		**$ 78,817**	**$ 183,816**	**$ 384,367**	**$ (595,562)**	**$ (671,518)**	**$ (569,364)**	**$ (473,225)**	**$ (391,773)**	**$ (256,123)**	**$ (139,597)**	**$ (73,041)**	**$ (47,304)**	**$ (29,964)**
III. Paramedic Fund														
Total Recurring Revenues	17	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 5,633**	**$ 10,902**	**$ 19,534**	**$ 26,359**	**$ 31,070**	**$ 37,049**	**$ 42,817**	**$ 47,701**	**$ 55,141**	**$ 61,698**	**$ 65,584**	**$ 67,546**	**$ 68,837**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 118,076	$ 228,342	$ 386,579	$ 503,238	$ 582,893	$ 685,785	$ 788,093	$ 874,692	$ 1,010,363	$ 1,133,430	$ 1,203,910	$ 1,231,887	$ 1,250,647
Total Recurring Costs		33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 84,451**	**$ 194,717**	**$ 403,901**	**$ (569,203)**	**$ (640,449)**	**$ (532,315)**	**$ (430,408)**	**$ (344,072)**	**$ (200,981)**	**$ (77,900)**	**$ (7,457)**	**$ 20,241**	**$ 38,872**
V. Combined General Fund, Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 550,542	$ 1,064,766	$ 2,483,299	$ 3,043,318	$ 3,426,339	$ 3,919,755	$ 4,408,103	$ 4,821,480	$ 5,466,420	$ 6,048,979	$ 6,419,955	$ 6,558,401	$ 6,686,593
Total Recurring Costs		982,684	1,161,203	1,707,570	3,782,720	4,358,633	4,732,799	4,981,174	5,032,799	5,170,849	5,433,135	5,686,134	5,707,174	5,720,952
Total Surplus/(Deficit)		**$ (432,142)**	**$ (96,437)**	**$ 775,729**	**$ (739,402)**	**$ (932,294)**	**$ (813,044)**	**$ (573,071)**	**$ (211,319)**	**$ 295,571**	**$ 615,844**	**$ 733,821**	**$ 851,227**	**$ 965,641**

Exhibit B-2: Alternative B
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	195		-	-	-	-	-	-	-	-	44	44	44	44	19
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	50		17	17	16	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	25		-	-	-	-	-	-	-	-	6	15	4	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,515		293	274	390	355	245	311	300	254	387	341	199	102	64
Cumulative Units			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Total Cumulative Residents	3.45	3	1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-2: Alternative B
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Repo

I. Residential Assessed Value Additions	Average Value per Unit	O&m cfd per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	210	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 3,990,000
Paired	230,000	230	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	230	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	250	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	250	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	250	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	250	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	250	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	290	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	5,270,000	5,270,000	4,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	2,100,000	5,250,000	1,400,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	360	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	380	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	380	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	410	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	410	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions				$ 108,610,000	$ 101,420,000	$ 113,960,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 123,860,000	$ 112,540,000	$ 62,690,000	$ 25,130,000	$ 15,240,000
Cumulative Residential Assessed Value				$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Total Assessed Value Additions-Average Price				$ 370,683	$ 370,146	$ 292,205	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 320,052	$ 330,029	$ 315,025	$ 246,373	$ 238,125
II CFD Tax - Developed Property																
Annual Additions				$ 108,610	$ 101,420	$ 113,960	$ 106,090	$ 72,390	$ 93,610	$ 93,250	$ 78,930	$ 123,860	$ 112,540	$ 62,690	$ 25,130	$ 15,240
Cumulative Collections on Developed Property				$ 108,610	$ 210,030	$ 323,990	$ 430,080	$ 502,470	$ 596,080	$ 689,330	$ 768,260	$ 892,120	$ 1,004,660	$ 1,067,350	$ 1,092,480	$ 1,107,720

Exhibit B-2: Alternative B
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	203,643	-	-	-	-	-	-	-	10,890	-	10,890
Cumulative Square Feet			-	-	203,643	203,643	203,643	203,643	203,643	203,643	203,643	203,643	214,533	214,533	225,423
Assessed Value Additions	$ 150	3	$ -	$ -	$ 30,546,450	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,633,500	$ -	$ 1,633,500
Employees	500	3	-	-	407	-	-	-	-	-	-	-	22	-	22
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Cumulative Employees			-	-	407	407	407	407	407	407	407	407	429	429	451
50% of Cumulative Employees			-	-	204	204	204	204	204	204	204	204	215	215	225
Cumulative Equivalent Residents			1,012	1,958	3,508	4,734	5,581	6,654	7,690	8,568	9,904	11,082	11,780	12,132	12,364
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 354,536,450	$ 460,626,450	$ 533,016,450	$ 626,626,450	$ 719,876,450	$ 798,806,450	$ 922,666,450	$ 1,035,206,450	$ 1,099,529,950	$ 1,124,659,950	$ 1,141,533,450
Basic Tax Paid	1.00%	4	1,086,100	2,100,300	3,545,365	4,606,265	5,330,165	6,266,265	7,198,765	7,988,065	9,226,665	10,352,065	10,995,300	11,246,600	11,415,335
Total Property Tax	24.84%	4	$ 269,840	$ 521,816	$ 880,839	$ 1,144,418	$ 1,324,270	$ 1,556,842	$ 1,788,520	$ 1,984,620	$ 2,292,348	$ 2,571,951	$ 2,731,762	$ 2,794,197	$ 2,836,119
Total Property Tax Retained in General Fund	58.33%	4	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 8,363	$ 16,172	$ 24,947	$ 33,116	$ 38,690	$ 45,898	$ 53,078	$ 59,156	$ 68,693	$ 77,359	$ 82,186	$ 84,121	$ 85,294
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,770	$ 1,770	$ 1,860
Total Property Transfer Tax			$ 8,363	$ 16,172	$ 26,627	$ 34,796	$ 40,370	$ 47,578	$ 54,758	$ 60,836	$ 70,373	$ 79,039	$ 83,956	$ 85,891	$ 87,154
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 5,649	$ 10,932	$ 18,451	$ 25,295	$ 30,019	$ 36,015	$ 41,799	$ 46,696	$ 54,158	$ 60,732	$ 64,569	$ 66,535	$ 67,769
On-Site Sales Tax Redirected to Property Tax			-	-	153,498	153,498	153,498	153,498	153,498	153,498	153,498	153,498	161,706	161,706	169,915
Total Property Tax In-Lieu of Sales Tax			$ 5,649	$ 10,932	$ 171,949	$ 178,793	$ 183,517	$ 189,513	$ 195,297	$ 200,194	$ 207,655	$ 214,230	$ 226,275	$ 228,242	$ 237,684
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 28,245,200	$ 54,658,800	$ 92,254,800	$ 126,476,800	$ 150,094,800	$ 180,075,200	$ 208,995,200	$ 233,480,800	$ 270,787,600	$ 303,660,000	$ 322,843,600	$ 332,676,400	$ 338,846,000
Retail Taxable Sales	32.00%	5	9,038,464	17,490,816	29,521,536	40,472,576	48,030,336	57,624,064	66,878,464	74,713,856	86,652,032	97,171,200	103,309,952	106,456,448	108,430,720
Projected Off-Site Taxable Sales	25.00%	5	2,259,616	4,372,704	7,380,384	10,118,144	12,007,584	14,406,016	16,719,616	18,678,464	21,663,008	24,292,800	25,827,488	26,614,112	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	5	22,596	43,727	73,804	101,181	120,076	144,060	167,196	186,785	216,630	242,928	258,275	266,141	271,077
Use Tax @10.50% of sales tax	10.50%	5	2,373	4,591	7,749	10,624	12,608	15,126	17,556	19,612	22,746	25,507	27,119	27,945	28,463
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(5,649)	(10,932)	(18,451)	(25,295)	(30,019)	(36,015)	(41,799)	(46,696)	(54,158)	(60,732)	(64,569)	(66,535)	(67,769)
Total Off-Site Sales Tax Revenue			$ 19,320	$ 37,387	$ 63,102	$ 86,510	$ 102,665	$ 123,171	$ 142,953	$ 159,701	$ 185,219	$ 207,703	$ 220,825	$ 227,551	$ 231,771
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 80,853,197	$ 80,853,197	$ 84,957,420
Taxable Sales	80%	5	-	-	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	64,682,558	64,682,558	67,965,936
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	613,992	613,992	613,992	613,992	613,992	613,992	613,992	613,992	646,826	646,826	679,659
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	64,469	64,469	64,469	64,469	64,469	64,469	64,469	64,469	67,917	67,917	71,364
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(161,706)	(161,706)	(169,915)
Total On-Site Sales Tax Allocated to County			$ -	$ -	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 553,036	$ 553,036	$ 581,109

Exhibit B-2: Alternative B
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027 [1]
A. Property Tax - Vehicle License Fee															
Assessed Valuation per $1,000			$ 109	$ 210	$ 355	$ 461	$ 533	$ 627	$ 720	$ 799	$ 923	$ 1,035	$ 1,100	$ 1,125	$ 1,142
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 177,577**	**$ 343,399**	**$ 579,667**	**$ 753,124**	**$ 871,482**	**$ 1,024,534**	**$ 1,176,998**	**$ 1,306,049**	**$ 1,508,560**	**$ 1,692,563**	**$ 1,797,731**	**$ 1,838,819**	**$ 1,866,407**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,119	$ 4,100	$ 7,346	$ 9,913	$ 11,684	$ 13,933	$ 16,102	$ 17,939	$ 20,737	$ 23,203	$ 24,664	$ 25,402	$ 25,887
Franchise Fees - Electric	4.44	6	4,494	8,696	15,582	21,027	24,785	29,555	34,156	38,052	43,987	49,218	52,318	53,883	54,912
Franchise Fees - Cable	6.92	6	7,005	13,556	22,880	31,367	37,225	44,660	51,833	57,905	67,158	75,310	80,068	82,506	84,037
Franchise Fees - Refuse	9.04	6	9,148	17,703	31,721	42,805	50,455	60,165	69,532	77,463	89,546	100,193	106,505	109,689	111,786
Franchise Fees - Refuse Household Waste	1.14	6	1,156	2,236	4,007	5,407	6,373	7,600	8,783	9,785	11,311	12,656	13,453	13,856	14,120
Total Franchise Fees			**$ 23,921**	**$ 46,291**	**$ 81,537**	**$ 110,520**	**$ 130,522**	**$ 155,913**	**$ 180,406**	**$ 201,143**	**$ 232,739**	**$ 260,579**	**$ 277,008**	**$ 285,336**	**$ 290,743**
C. Business License Fee	7.55	6	$ -	$ -	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,240	$ 3,240	$ 3,405
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,096	$ 4,055	$ 6,845	$ 9,384	$ 11,136	$ 13,361	$ 15,506	$ 17,323	$ 20,091	$ 22,530	$ 23,953	$ 24,683	$ 25,141
Yard Sale Permits	0.14	6	142	275	464	636	755	905	1,051	1,174	1,361	1,527	1,623	1,672	1,703
Total Licenses & Permits			**$ 2,238**	**$ 4,330**	**$ 7,309**	**$ 10,020**	**$ 11,891**	**$ 14,266**	**$ 16,557**	**$ 18,497**	**$ 21,452**	**$ 24,057**	**$ 25,576**	**$ 26,355**	**$ 26,844**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 481	$ 932	$ 1,670	$ 2,253	$ 2,656	$ 3,167	$ 3,660	$ 4,077	$ 4,713	$ 5,273	$ 5,606	$ 5,773	$ 5,883
General Fines	0.32	6	321	621	1,113	1,502	1,770	2,111	2,440	2,718	3,142	3,516	3,737	3,849	3,922
Code Enforcement Fines	0.71	6	722	1,398	2,504	3,379	3,983	4,750	5,489	6,115	7,069	7,910	8,408	8,660	8,825
Administrative Citation Program	0.40	6	401	776	1,391	1,877	2,213	2,639	3,050	3,397	3,927	4,394	4,671	4,811	4,903
Total Fines & Forfeitures			**$ 1,926**	**$ 3,727**	**$ 6,678**	**$ 9,012**	**$ 10,622**	**$ 12,666**	**$ 14,638**	**$ 16,308**	**$ 18,852**	**$ 21,093**	**$ 22,422**	**$ 23,093**	**$ 23,534**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 642	$ 1,242	$ 2,226	$ 3,004	$ 3,541	$ 4,222	$ 4,879	$ 5,436	$ 6,284	$ 7,031	$ 7,474	$ 7,698	$ 7,845
Refuse Penalties & Interest	0.16	6	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Total Miscellaneous Revenue			**$ 802**	**$ 1,553**	**$ 2,783**	**$ 3,755**	**$ 4,426**	**$ 5,278**	**$ 6,099**	**$ 6,795**	**$ 7,855**	**$ 8,789**	**$ 9,343**	**$ 9,622**	**$ 9,806**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	1,931	3,737	6,307	8,647	10,262	12,312	14,289	15,963	18,514	20,761	22,073	22,745	23,167
Engineering Fees - Inspections	$ 3.17	6	3,203	6,199	10,463	14,344	17,023	20,423	23,703	26,480	30,711	34,439	36,615	37,730	38,430
Park Fees	0.28	6	284	550	928	1,272	1,509	1,811	2,101	2,348	2,723	3,053	3,246	3,345	3,407
Self Hauler fees	0.03	6	28	55	93	127	151	181	210	235	272	305	325	334	341
Recordation of Document Fees	0.13	6	136	264	473	638	752	897	1,037	1,155	1,335	1,494	1,588	1,636	1,667
Vehicle Storage Fees	0.84	6	852	1,649	2,783	3,815	4,527	5,432	6,304	7,043	8,168	9,159	9,738	10,035	10,221
Total Charges for Services			**$ 6,435**	**$ 12,453**	**$ 21,046**	**$ 28,843**	**$ 34,224**	**$ 41,055**	**$ 47,644**	**$ 53,223**	**$ 61,723**	**$ 69,212**	**$ 73,584**	**$ 75,825**	**$ 77,232**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 28,837**	**$ 55,805**	**$ 94,189**	**$ 129,128**	**$ 153,241**	**$ 183,850**	**$ 213,376**	**$ 238,375**	**$ 276,464**	**$ 310,026**	**$ 329,612**	**$ 339,650**	**$ 345,949**

Exhibit B-2: Alternative B
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs															
A. City Council	$ 1.15	7	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
B. City Clerk	1.93	7	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	23,894
C. General Government	5.16	7	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	63,763
D. Personnel	0.58	7	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	7,129
E. Finance	3.84	7	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	47,476
F. Police Department		18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control	8.81	7	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	106,963
H. Public Works															
Salaries & Wages	$ 2.56	7	$ 2,593	$ 5,018	$ 8,991	$ 12,133	$ 14,301	$ 17,054	$ 19,709	$ 21,957	$ 25,382	$ 28,399	$ 30,188	$ 31,091	31,685
Benefits	1.04	7	1,049	2,029	3,636	4,907	5,784	6,897	7,971	8,880	10,265	11,486	12,209	12,574	12,815
Operations & Materials	8.11	7	8,206	15,880	28,455	38,397	45,259	53,969	62,372	69,485	80,324	89,875	95,537	98,393	100,274
Engineering	2.06	7	2,084	4,033	7,226	9,751	11,493	13,705	15,839	17,645	20,398	22,823	24,261	24,987	25,464
Traffic Counts	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Underground Service Alert	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Contract Services - Street Maintenance	1.59	7	471,183	471,183	607,621	607,621	607,621	749,903	749,903	749,903	817,214	911,330	911,330	911,330	911,330
Contract Services - Street Sweeping	0.02	7	16	31	56	75	89	106	122	136	157	176	187	192	196
Contract Services - Emergency Work	0.16	7	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Contract Services - Striping	0.79	7	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Contract Services - Traffic Signals	3.33	7	3,370	6,522	11,687	15,770	18,589	22,166	25,617	28,539	32,991	36,913	39,239	40,412	41,184
Contract Services - Maintenance	0.08	7	77	149	267	360	425	507	586	652	754	844	897	924	941
Contract Services - Environmental Health Services	0.05	7	48	93	167	225	266	317	366	408	471	527	561	577	588
Contract Services - Tree Trimming	0.63	7	642	1,242	2,226	3,004	3,541	4,222	4,879	5,436	6,284	7,031	7,474	7,698	7,845
Total Public Works			$ 490,280	$ 508,138	$ 673,838	$ 696,975	$ 712,943	$ 875,495	$ 895,048	$ 911,603	$ 1,004,138	$ 1,120,478	$ 1,133,654	$ 1,140,302	$ 1,144,679
I. Engineering	4.80	7	$ 4,853	$ 9,391	$ 16,827	$ 22,707	$ 26,765	$ 31,916	$ 36,885	$ 41,092	$ 47,501	$ 53,149	$ 56,497	$ 58,187	$ 59,299
J. Planning	5.40	7	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	66,759
K. Public Services	3.45	7	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	42,599
L. Code Enforcement	2.37	7	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	29,287
M. Graffiti	1.73	7	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	21,421
N. Trails	0.24	7	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	3,020
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14															
Sergeant			$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective			-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy			148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist			69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist			-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)			-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)			-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)			5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services			12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization			964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance			1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)			-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)			333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support			1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance			348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding			3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost			11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget			$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading			$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget			$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance															
Lane Miles (Assumes Beginning of Phase)															
Backbone Roads			27.42												
Interior Roads			19.34		13.54			14.12			6.68	9.34			
Total Lane Miles			46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)		C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
	Lewis / City														
Cost per Lane Mile (See Exhibit C-2)	3,750 $ 10,077	C-2	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077
Total Street Maintenance Cost			$ 471,183	$ 471,183	$ 607,621	$ 607,621	$ 607,621	$ 749,903	$ 749,903	$ 749,903	$ 817,214	$ 911,330	$ 911,330	$ 911,330	$ 911,330

Exhibit B-2: Alternative B
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance															
Park Acres (Assumes End of Phase)															
20 Acre Park						20.00									
5.5 Acre Park Next to School						5.50									
6.5 Acre Park													6.50		
Total Park Acres			-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres			-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$ 32,635	7	$ -	$ -	$ -	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 1,044,320	$ 1,044,320	$ 1,044,320
R. Drainage Basins															
Acres of Drainage Basins			15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$ 1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement															
Annual Contribution Increase	2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost		C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund															
A. Recurring Revenues			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Secured Property Tax Retained in Fire Fund	41.67%	4	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Revenues			$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
B. Recurring Costs															
Fire Station Cost															
Fire Stations Required for Project (a)			-	-	-	0.88	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$ 1,237,379	8	$ -	$ -	$ -	$ 1,087,500	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost															
Total Project Acres (b)	[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)															
Phase 1 Acres			353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres					237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres								234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres											133.5	133.5	133.5	133.5	133.5
Phase 5 Acres											160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out	[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres	=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$ 25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Revenue from Outside Project															
Additional Units within the Fire Station Service Area (e)			-	-	111	111	111	111	111	111	111	111	111	111	111
Fire Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
Paramedic Revenue per Unit			19	19	20	20	20	20	20	20	20	20	20	20	20
Total Revenue from Outside Project		8	$ -	$ -	$ 44,838	$ 42,576	$ 41,555	$ 40,751	$ 40,350	$ 40,087	$ 39,925	$ 39,940	$ 39,903	$ 39,623	$ 39,494
Total Recurring Costs			$ 33,625	$ 33,625	$ (17,321)	$ 1,072,441	$ 1,223,342	$ 1,218,100	$ 1,218,501	$ 1,218,764	$ 1,211,344	$ 1,211,329	$ 1,211,367	$ 1,211,646	$ 1,211,775
			$ 78,817	$ 183,816	$ 384,367	$ (595,562)	$ (671,518)	$ (569,364)	$ (473,225)	$ (391,773)	$ (256,123)	$ (139,597)	$ (73,041)	$ (47,304)	$ (29,964)
III. Paramedic Fund															
A. Recurring Revenues															
A. Property Tax - Paramedic Tax	$ 5.57	9	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
B. Recurring Costs (d)			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues			$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Revenue per Unit			$ 19	$ 19	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.
(e) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/10/2014.

Exhibit B-2: Alternative B
Table 18 - Police Phasing Analysis
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Cumulative Residents		1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.99	1.02	1.21	0.88	1.12	1.09	1.07	0.96	0.82	0.83	0.78	0.76	0.74
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.99	1.02	0.91	0.66	0.74	0.78	0.80	0.72	0.62	0.64	0.61	0.59	0.58
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	$ 17,085,854	$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496

Exhibit B-3: Alternative C
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
I. GENERAL FUND					
A. Recurring Revenues					
Property Tax	4	$ 1,654,308	$ 470.64	$ 133.80	30.4%
Property Transfer Tax	4	87,154	24.79	7.05	1.6%
Property Tax In Lieu of Sales Tax	4	237,684	67.62	19.22	4.4%
Off-Site Sales and Use Tax	5	231,771	65.94	18.75	4.3%
On-Site Sales and Use Tax	5	581,109	165.32	47.00	10.7%
Property Tax-Vehicle License Fee	6	1,866,407	530.98	150.96	34.3%
Franchise Fees	6	290,743	82.71	23.52	5.3%
Business License Fee	6	3,405	0.97	0.28	0.1%
Licenses & Permits	6	26,844	7.64	2.17	0.5%
Fines & Forfeitures	6	23,534	6.70	1.90	0.4%
Miscellaneous Revenue	6	9,806	2.79	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	77,232	21.97	6.25	1.4%
Gas Tax and Traffic Safety Fund Revenue	10	345,949	98.42	27.98	6.4%
Total Recurring Revenues		**$ 5,435,946**	**$ 1,546.50**	**$ 439.66**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,258	$ 4.06	$ 1.15	0.4%
City Clerk	7	$ 23,894	6.80	1.93	0.7%
General Government	7	$ 63,763	18.14	5.16	1.8%
Personnel	7	$ 7,129	2.03	0.58	0.2%
Finance	7	$ 47,476	13.51	3.84	1.4%
Police Department	7	$ 1,793,496	510.24	145.06	51.8%
Animal Control	7	$ 106,963	30.43	8.65	3.1%
Public Works	7	$ 1,144,679	325.66	92.58	33.0%
Engineering	7	$ 59,299	16.87	4.80	1.7%
Planning	7	$ 66,759	18.99	5.40	1.9%
Public Services	7	$ 42,599	12.12	3.45	1.2%
Code Enforcement	7	$ 29,287	8.33	2.37	0.8%
Parks	7	$ -	-	-	0.0%
Graffiti	7	$ 21,421	6.09	1.73	0.6%
Trails	7	$ 3,020	0.86	0.24	0.1%
Drainage Basins	7	$ 29,700	8.45	2.40	0.9%
Storm Drainage Replacement	7	$ 11,115	3.16	0.90	0.3%
Total Recurring Costs		**$ 3,464,857**	**$ 985.73**	**$ 280.24**	**100.0%**
General Fund Surplus/(Deficit)		**$ 1,971,088**	**$ 560.76**	**$ 159.42**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,181,811	$ 336.22	$ 95.59	
Total Recurring Costs	8	1,211,775	344.74	98.01	
Fire Fund Surplus/(Deficit)		**$ (29,964)**	**$ (8.52)**	**$ (2.42)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 68,837	$ 19.58	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 68,837**	**$ 19.58**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,250,647	$ 355.80	$ 101.15	
Total Recurring Costs		1,211,775	344.74	98.01	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 38,872**	**$ 11.06**	**$ 3.14**	
VI. COMBINED NET FISCAL IMPACT B/4 cfd					
Recurring Revenues		$ 6,686,593	$ 1,902.30	$ 540.81	
Total Recurring Costs		4,676,632	1,330.48	378.25	
Total Surplus/(Deficit)		**$ 2,009,961**	**$ 571.82**	**$ 162.57**	
VI. COMBINED NET FISCAL IMPACT with Services CFD					
Services CFD Special Tax Revenue		$ 1,107,720	$ 315.14	$ 89.59	
Total Surplus/(Deficit)		**$ 3,117,681**	**$ 689.49**	**$ 196.02**	

Exhibit B-3: Alternative C
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-3: Alternative C
Table 3 - Land Use Assumptions
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation	Services CFD Tax CFD Rate 0.10% Per Unit	Services CFD Tax Amount
I. Residential Land Use		(a)	(a)	(a)			
Condo Apartments	40	5	195	$ 210,000	$ 40,950,000	$ 210	$ 40,950
Paired	26	2	173	230,000	39,790,000	230	39,790
Paired	43A	3	130	230,000	29,900,000	230	29,900
HDD	15	2	208	250,000	52,000,000	250	52,000
HDD	25	3	110	250,000	27,500,000	250	27,500
HDD	33	4	105	250,000	26,250,000	250	26,250
6 Pack	27	2	115	250,000	28,750,000	250	28,750
6 Pack	43B	3	99	250,000	24,750,000	250	24,750
4 Pack L	21	2	115	290,000	33,350,000	290	33,350
4 Pack S	22	2	80	270,000	21,600,000	270	21,600
4 Pack S	23	3	77	270,000	20,790,000	270	20,790
SFD - 3,000 Sq. Ft.	3	1	50	310,000	15,500,000	310	15,500
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000	310	17,360
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000	330	30,030
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000	330	31,020
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000	330	35,970
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000	330	37,950
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000	330	14,850
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000	350	12,600
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000	350	16,450
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000	350	22,050
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000	350	54,950
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000	350	53,900
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000	350	18,200
SFD - 4,000 Sq. Ft.	35	4	25	350,000	8,750,000	350	8,750
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000	350	28,350
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000	360	18,360
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000	360	12,960
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000	360	42,120
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000	360	54,720
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000	380	50,540
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000	380	45,220
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000	410	5,330
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000	410	34,440
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000	430	8,170
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000	430	11,610
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000	430	16,770
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000	430	13,330
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000	430	13,330
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000	460	12,880
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000	460	10,580
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000	460	6,900
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000	460	6,900
Total/Weighted Average			3,515	$ 315,141	**$ 1,107,720,000**	$ 315	**$1,107,720**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	1.00	10,890	500	22	150.00	1,633,500
Neighborhood Commercial	3	0.25	13.00	141,570	500	283	150.00	21,235,500
Neighborhood Commercial	40	0.25	1.00	10,890	500	22	150.00	1,633,500
Total			20.70	225,423		451		**$ 33,813,450**
III. Total Residential and Non-Residential								**$ 1,141,533,450**

IV. Population Summary

Residential Units	[1]	**3,515**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,139**
Employees	[4]	**451**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	225
Total Equivalent Residents	[3]+[5]=[6]	**12,364**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.

Exhibit B-3: Alternative C
Table 4 - Property Tax Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,141,533,450
Basic Rate			1.000%
Basic Tax Paid		$	11,415,335
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,836,119**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,654,308**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,181,811**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,107,720,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	155,080,800
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	85,294
B. Non-Residential			
Non-Residential Assessed Value	3	$	33,813,450
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	3,381,345
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	1,860
Total Property Transfer Tax	[1]+[2]	**$**	**87,154**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	67,769
On-Site Sales Tax Redirected to Property Tax (e)	5		169,915
Total Property Tax In-Lieu of Sales Tax		**$**	**237,684**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-3: Alternative C
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	338,846,000
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	108,430,720
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 271,077
Use Tax @10.50% of sales tax	10.50%	8	28,463
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(67,769)
Total Off-Site Sales Tax Revenue		$ 85	**$ 231,771**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	10,890	377	80%	3,283,379
Neighborhood Commercial	3	-	141,570	377	80%	42,683,921
Neighborhood Commercial	40	-	10,890	377	80%	3,283,379
Subtotal Taxable Sales for Retail Land Use			225,423			$ 67,965,936
Total Taxable Sales						$ 67,965,936
Sales Tax @1% of taxable sales					1.00%	679,659
Use Tax @10.50% of sales tax (c)					10.50%	71,364
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(169,915)
Total On-Site Sales Tax Revenue						**$ 581,109**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-3: Alternative C
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,866,407**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,364	$ 25,887
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,364	54,912
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,139	84,037
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,364	111,786
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,364	14,120
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 290,743**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	451	**$ 3,405**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,160,555
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,139	$ 25,141
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,139	1,703
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 26,844**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,364	$ 5,883
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,364	3,922
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,364	8,825
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,364	4,903
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,534**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,364	$ 7,845
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,806**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,139	23,167
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,139	38,430
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,139	3,407
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,139	341
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,364	1,667
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,139	10,221
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 77,232**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,297,970

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.
(d) Assumes Project will have a de minimis impact on these revenue sources.
(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.
(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.
(g) See Section II of Table 6.

Exhibit B-3: Alternative C
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05		FY 2011-12			Change
Property Tax Vehicle License Fees (VLF)	$ (a)	2,624,088	$ (b)	3,800,000	[1]	1,175,912
City Assessed Valuation	(c)	1,992,355,699	(d)	2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase					=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV					[3]	$ 1,635

Property Tax in Lieu of MVLF:			
Total Residential and Non-Residential Assessed Value (Table 3)	[4]	$	1,141,533,450
Assessed Valuation / 1,000,000	[5]	$	1,142
VLF Increase per $1,000,000 increase in AV	[3]		1,635
Property Tax in Lieu of MVLF	=[3]*[5]	$	1,866,407

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-3: Alternative C
Table 7 - General Fund Cost Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,364	**$ 14,258**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,364	**23,894**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,364	**63,763**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,364	**7,129**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,364	**47,476**
F. Police Department	156	6,819,830	100%	----------	See Footnote (g)	----------			**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,139	**106,963**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,364	$ 31,685
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,364	12,815
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,364	100,274
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	----------	See Footnote (d)	----------			
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,364	25,464
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Street Maintenance	164	100,000	100%	----------	See Table 16	----------			911,330
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,364	196
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,364	9,806
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,364	41,184
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,364	941
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,364	588
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,364	7,845
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 1,144,679**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,364	**59,299**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,364	**66,759**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,364	**42,599**
L. Building & Safety	181	412,890	0%	----------	See Footnote (d)	----------			
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,364	**29,287**
N. Parks	188	-	0%	----------	See Footnote (e)	----------			**-**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,364	**21,421**
P. Community Volunteer Services	192	57,545	0%	----------	See Footnote (f)	----------			
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,364	**3,020**
R. Drainage Basins		-	0%	----------	See Footnote (i)	----------			**29,700**
S. Storm Drainage Replacement		-	0%	----------	See Footnote (j)	----------			**11,115**
TOTAL GENERAL FUND COSTS		$ 14,282,410		$ 3,592,834			$ 58.33		$ 3,464,857

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. The development of the Harmony Planned Community ("Project") is not anticipated to increase the City's maintenance cost for these parks. Parks to be developed within the Project are anticipated to be HOA maintained.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-3: Alternative C
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	See Calculation in Table 4					$ 1,181,811
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	See Footnote (e)					
Building Permits - Plan Check Fees	83	33,225	0%	See Footnote (e)					
Interest	83	35,000	0%	See Footnote (e)					
Pass-Thru Fire Department	83	180,000	0%	See Footnote (e)					
Fire Department Fees	83	473,000	0%	See Footnote (e)					
Total Other Fire Fund Revenue									$ -
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		$ 1,181,811
Fire Fund Revenue per Unit								[9]	$ 336.22
II. FIRE FUND COST									
A. Typical Cost per Station									
Estimated Cost per Station (d)				[1] $ 1,237,379					
Additional Fire Stations Required to Serve Project (d)				[2] 1.00					
Percent of Fire Station Costs Allocable to Project				[3] 100%					
Total Cost per Station				[1]X[2]X[3]=[4] **$ 1,237,379**					
B. Wildland Fire Protection Agreement Cost									
Acres (f)				[5] 539					
Cost per Acre (g)				[6] $ 25.77					
Total Wildland Fire Protection Agreement Cost				[5]X[6]=[7] **$ 13,890**					
C. Revenue from Outside Project									
Additional Units within the Fire Station Service Area (h)				[8] 111					
Fire Revenue per Unit				[9] $ 336.22					
Paramedic Revenue per Unit (From Table 9)				[10] 19.58					
Total Revenue from Outside Project				[8]*([9]+[10])=[11] **$ 39,494**					
TOTAL FIRE FUND COST				=[4]+[7]-[11] **$ 1,211,775**					

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

(h) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/11/2014.

Exhibit B-3: Alternative C
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,364	$ 68,837
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 68,837**
Paramedic Fund Revenue per Unit									$ 19.58
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	---------- See Footnote (d) ----------					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	---------- See Footnote (d) ----------					
C. Contractual Services - Medical Director	234	10,000	100%	---------- See Footnote (d) ----------					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-3: Alternative C
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,139
Total Gas Tax and Traffic Safety Fund Revenue						**$ 345,949**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-3: Alternative C
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Repo

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	14	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
Property Transfer Tax	14	8,363	16,172	26,627	34,796	40,370	47,578	54,758	60,836	70,373	79,039	83,956	85,891	87,154
Property Tax In Lieu of Sales Tax	14	5,649	10,932	171,949	178,793	183,517	189,513	195,297	200,194	207,655	214,230	226,275	228,242	237,684
Off-Site Sales and Use Tax	14	19,320	37,387	63,102	86,510	102,665	123,171	142,953	159,701	185,219	207,703	220,825	227,551	231,771
On-Site Sales and Use Tax	14	-	-	524,963	524,963	524,963	524,963	524,963	524,963	524,963	524,963	553,036	553,036	581,109
Property Tax-Vehicle License Fee	15	177,577	343,399	579,667	753,124	871,482	1,024,534	1,176,998	1,306,049	1,508,560	1,692,563	1,797,731	1,838,819	1,866,407
Franchise Fees	15	23,921	46,291	81,537	110,520	130,522	155,913	180,406	201,143	232,739	260,579	277,008	285,336	290,743
Business License Fee	15	-	-	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,240	3,240	3,405
Licenses & Permits	15	2,238	4,330	7,309	10,020	11,891	14,266	16,557	18,497	21,452	24,057	25,576	26,355	26,844
Fines & Forfeitures	15	1,926	3,727	6,678	9,012	10,622	12,666	14,638	16,308	18,852	21,093	22,422	23,093	23,534
Miscellaneous Revenue	15	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Intergovernmental Revenue	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	15	6,435	12,453	21,046	28,843	34,224	41,055	47,644	53,223	61,723	69,212	73,584	75,825	77,232
Gas Tax and Traffic Safety Fund Revenue	15	28,837	55,805	94,189	129,128	153,241	183,850	213,376	238,375	276,464	310,026	329,612	339,650	345,949
Total Recurring Revenues		**$ 432,466**	**$ 836,424**	**$ 2,096,719**	**$ 2,540,079**	**$ 2,843,446**	**$ 3,233,970**	**$ 3,620,010**	**$ 3,946,788**	**$ 4,456,057**	**$ 4,915,549**	**$ 5,216,045**	**$ 5,326,514**	**$ 5,435,946**
B. General Fund Recurring Costs														
City Council	16	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
City Clerk	16	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	$ 23,894
General Government	16	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	$ 63,763
Personnel	16	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	$ 7,129
Finance	16	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	$ 47,476
Police Department	18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	16	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	$ 106,963
Public Works	16	490,280	508,138	673,838	696,975	712,943	875,495	895,048	911,603	1,004,138	1,120,478	1,133,654	1,140,302	$ 1,144,679
Engineering	16	4,853	9,391	16,827	22,707	26,765	31,916	36,885	41,092	47,501	53,149	56,497	58,187	$ 59,299
Planning	16	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	$ 66,759
Public Services	16	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	$ 42,599
Code Enforcement	16	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	$ 29,287
Parks	17	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Graffiti	16	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	$ 21,421
Trails	16	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	$ 3,020
Drainage Basins	17	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	17	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 949,059**	**$ 1,127,579**	**$ 1,724,891**	**$ 1,878,086**	**$ 2,303,099**	**$ 2,682,507**	**$ 2,930,480**	**$ 2,981,843**	**$ 3,127,312**	**$ 3,389,613**	**$ 3,430,448**	**$ 3,451,208**	**$ 3,464,857**
Net General Fund Surplus/(Deficit)		**$ (516,593)**	**$ (291,154)**	**$ 371,828**	**$ 661,993**	**$ 540,347**	**$ 551,464**	**$ 689,530**	**$ 964,946**	**$ 1,328,745**	**$ 1,525,936**	**$ 1,785,598**	**$ 1,875,306**	**$ 1,971,088**
II. Fire Fund														
Total Recurring Revenues	17	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Costs	17	33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund Surplus/(Deficit)		**$ 78,817**	**$ 183,816**	**$ 384,367**	**$ (595,562)**	**$ (671,518)**	**$ (569,364)**	**$ (473,225)**	**$ (391,773)**	**$ (256,123)**	**$ (139,597)**	**$ (73,041)**	**$ (47,304)**	**$ (29,964)**
III. Paramedic Fund														
Total Recurring Revenues	17	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 5,633**	**$ 10,902**	**$ 19,534**	**$ 26,359**	**$ 31,070**	**$ 37,049**	**$ 42,817**	**$ 47,701**	**$ 55,141**	**$ 61,698**	**$ 65,584**	**$ 67,546**	**$ 68,837**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 118,076	$ 228,342	$ 386,579	$ 503,238	$ 582,893	$ 685,785	$ 788,093	$ 874,692	$ 1,010,363	$ 1,133,430	$ 1,203,910	$ 1,231,887	$ 1,250,647
Total Recurring Costs		33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 84,451**	**$ 194,717**	**$ 403,901**	**$ (569,203)**	**$ (640,449)**	**$ (532,315)**	**$ (430,408)**	**$ (344,072)**	**$ (200,981)**	**$ (77,900)**	**$ (7,457)**	**$ 20,241**	**$ 38,872**
V. Combined General Fund, Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 550,542	$ 1,064,766	$ 2,483,299	$ 3,043,318	$ 3,426,339	$ 3,919,755	$ 4,408,103	$ 4,821,480	$ 5,466,420	$ 6,048,979	$ 6,419,955	$ 6,558,401	$ 6,686,593
Total Recurring Costs		982,684	1,161,203	1,707,570	2,950,527	3,526,440	3,900,607	4,148,981	4,200,607	4,338,657	4,600,942	4,641,814	4,662,854	4,676,632
Total Surplus/(Deficit)		**$ (432,142)**	**$ (96,437)**	**$ 775,729**	**$ 92,790**	**$ (100,101)**	**$ 19,148**	**$ 259,122**	**$ 620,874**	**$ 1,127,764**	**$ 1,448,036**	**$ 1,778,141**	**$ 1,895,547**	**$ 2,009,961**

Exhibit B-3: Alternative C
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	195		-	-	-	-	-	-	-	-	44	44	44	44	19
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	50		17	17	16	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	25		-	-	-	-	-	-	-	-	6	15	4	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,515		293	274	390	355	245	311	300	254	387	341	199	102	64
Cumulative Units			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Total Cumulative Residents	3.45	3	1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-3: Alternative C
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Repo

I. Residential Assessed Value Additions	Average Value per Unit	O&m cfd per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	210	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 3,990,000
Paired	230,000	230	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	230	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	250	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	250	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	250	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	250	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	250	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	290	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	270	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	5,270,000	5,270,000	4,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	310	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	330	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	2,100,000	5,250,000	1,400,000	-	-
SFD - 4,000 Sq. Ft.	350,000	350	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	360	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	360	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	380	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	380	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	410	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	410	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	430	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	460	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions				$ 108,610,000	$ 101,420,000	$ 113,960,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 123,860,000	$ 112,540,000	$ 62,690,000	$ 25,130,000	$ 15,240,000
Cumulative Residential Assessed Value				$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Total Assessed Value Additions-Average Price				$ 370,683	$ 370,146	$ 292,205	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 320,052	$ 330,029	$ 315,025	$ 246,373	$ 238,125
II CFD Tax - Developed Property																
Annual Additions				$ 108,610	$ 101,420	$ 113,960	$ 106,090	$ 72,390	$ 93,610	$ 93,250	$ 78,930	$ 123,860	$ 112,540	$ 62,690	$ 25,130	$ 15,240
Cumulative Collections on Developed Property				**$ 108,610**	**$ 210,030**	**$ 323,990**	**$ 430,080**	**$ 502,470**	**$ 596,080**	**$ 689,330**	**$ 768,260**	**$ 892,120**	**$ 1,004,660**	**$ 1,067,350**	**$ 1,092,480**	**$ 1,107,720**

Exhibit B-3: Alternative C
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	203,643	-	-	-	-	-	-	-	10,890	-	10,890
Cumulative Square Feet			-	-	203,643	203,643	203,643	203,643	203,643	203,643	203,643	203,643	214,533	214,533	225,423
Assessed Value Additions	$ 150	3	$ -	$ -	$ 30,546,450	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,633,500	$ -	$ 1,633,500
Employees	500	3	-	-	407	-	-	-	-	-	-	-	22	-	22
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Cumulative Employees			-	-	407	407	407	407	407	407	407	407	429	429	451
50% of Cumulative Employees			-	-	204	204	204	204	204	204	204	204	215	215	225
Cumulative Equivalent Residents			1,012	1,958	3,508	4,734	5,581	6,654	7,690	8,568	9,904	11,082	11,780	12,132	12,364
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 354,536,450	$ 460,626,450	$ 533,016,450	$ 626,626,450	$ 719,876,450	$ 798,806,450	$ 922,666,450	$ 1,035,206,450	$ 1,099,529,950	$ 1,124,659,950	$ 1,141,533,450
Basic Tax Paid	1.00%	4	1,086,100	2,100,300	3,545,365	4,606,265	5,330,165	6,266,265	7,198,765	7,988,065	9,226,665	10,352,065	10,995,300	11,246,600	11,415,335
Total Property Tax	24.84%	4	$ 269,840	$ 521,816	$ 880,839	$ 1,144,418	$ 1,324,270	$ 1,556,842	$ 1,788,520	$ 1,984,620	$ 2,292,348	$ 2,571,951	$ 2,731,762	$ 2,794,197	$ 2,836,119
Total Property Tax Retained in General Fund	58.33%	4	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 8,363	$ 16,172	$ 24,947	$ 33,116	$ 38,690	$ 45,898	$ 53,078	$ 59,156	$ 68,693	$ 77,359	$ 82,186	$ 84,121	$ 85,294
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,770	$ 1,770	$ 1,860
Total Property Transfer Tax			$ 8,363	$ 16,172	$ 26,627	$ 34,796	$ 40,370	$ 47,578	$ 54,758	$ 60,836	$ 70,373	$ 79,039	$ 83,956	$ 85,891	$ 87,154
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 5,649	$ 10,932	$ 18,451	$ 25,295	$ 30,019	$ 36,015	$ 41,799	$ 46,696	$ 54,158	$ 60,732	$ 64,569	$ 66,535	$ 67,769
On-Site Sales Tax Redirected to Property Tax			-	-	153,498	153,498	153,498	153,498	153,498	153,498	153,498	153,498	161,706	161,706	169,915
Total Property Tax In-Lieu of Sales Tax			$ 5,649	$ 10,932	$ 171,949	$ 178,793	$ 183,517	$ 189,513	$ 195,297	$ 200,194	$ 207,655	$ 214,230	$ 226,275	$ 228,242	$ 237,684
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 28,245,200	$ 54,658,800	$ 92,254,800	$ 126,476,800	$ 150,094,800	$ 180,075,200	$ 208,995,200	$ 233,480,800	$ 270,787,600	$ 303,660,000	$ 322,843,600	$ 332,676,400	$ 338,846,000
Retail Taxable Sales	32.00%	5	9,038,464	17,490,816	29,521,536	40,472,576	48,030,336	57,624,064	66,878,464	74,713,856	86,652,032	97,171,200	103,309,952	106,456,448	108,430,720
Projected Off-Site Taxable Sales	25.00%	5	2,259,616	4,372,704	7,380,384	10,118,144	12,007,584	14,406,016	16,719,616	18,678,464	21,663,008	24,292,800	25,827,488	26,614,112	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	5	22,596	43,727	73,804	101,181	120,076	144,060	167,196	186,785	216,630	242,928	258,275	266,141	271,077
Use Tax @10.50% of sales tax	10.50%	5	2,373	4,591	7,749	10,624	12,608	15,126	17,556	19,612	22,746	25,507	27,119	27,945	28,463
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(5,649)	(10,932)	(18,451)	(25,295)	(30,019)	(36,015)	(41,799)	(46,696)	(54,158)	(60,732)	(64,569)	(66,535)	(67,769)
Total Off-Site Sales Tax Revenue			$ 19,320	$ 37,387	$ 63,102	$ 86,510	$ 102,665	$ 123,171	$ 142,953	$ 159,701	$ 185,219	$ 207,703	$ 220,825	$ 227,551	$ 231,771
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 80,853,197	$ 80,853,197	$ 84,957,420
Taxable Sales	80%	5	-	-	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	64,682,558	64,682,558	67,965,936
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	613,992	613,992	613,992	613,992	613,992	613,992	613,992	613,992	646,826	646,826	679,659
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	64,469	64,469	64,469	64,469	64,469	64,469	64,469	64,469	67,917	67,917	71,364
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(161,706)	(161,706)	(169,915)
Total On-Site Sales Tax Allocated to County			$ -	$ -	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 553,036	$ 553,036	$ 581,109

Exhibit B-3: Alternative C
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 109	$ 210	$ 355	$ 461	$ 533	$ 627	$ 720	$ 799	$ 923	$ 1,035	$ 1,100	$ 1,125	$ 1,142
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 177,577**	**$ 343,399**	**$ 579,667**	**$ 753,124**	**$ 871,482**	**$ 1,024,534**	**$ 1,176,998**	**$ 1,306,049**	**$ 1,508,560**	**$ 1,692,563**	**$ 1,797,731**	**$ 1,838,819**	**$ 1,866,407**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,119	$ 4,100	$ 7,346	$ 9,913	$ 11,684	$ 13,933	$ 16,102	$ 17,939	$ 20,737	$ 23,203	$ 24,664	$ 25,402	$ 25,887
Franchise Fees - Electric	4.44	6	4,494	8,696	15,582	21,027	24,785	29,555	34,156	38,052	43,987	49,218	52,318	53,883	54,912
Franchise Fees - Cable	6.92	6	7,005	13,556	22,880	31,367	37,225	44,660	51,833	57,905	67,158	75,310	80,068	82,506	84,037
Franchise Fees - Refuse	9.04	6	9,148	17,703	31,721	42,805	50,455	60,165	69,532	77,463	89,546	100,193	106,505	109,689	111,786
Franchise Fees - Refuse Household Waste	1.14	6	1,156	2,236	4,007	5,407	6,373	7,600	8,783	9,785	11,311	12,656	13,453	13,856	14,120
Total Franchise Fees			**$ 23,921**	**$ 46,291**	**$ 81,537**	**$ 110,520**	**$ 130,522**	**$ 155,913**	**$ 180,406**	**$ 201,143**	**$ 232,739**	**$ 260,579**	**$ 277,008**	**$ 285,336**	**$ 290,743**
C. Business License Fee	7.55	6	$ -	$ -	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,240	$ 3,240	$ 3,405
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,096	$ 4,055	$ 6,845	$ 9,384	$ 11,136	$ 13,361	$ 15,506	$ 17,323	$ 20,091	$ 22,530	$ 23,953	$ 24,683	$ 25,141
Yard Sale Permits	0.14	6	142	275	464	636	755	905	1,051	1,174	1,361	1,527	1,623	1,672	1,703
Total Licenses & Permits			**$ 2,238**	**$ 4,330**	**$ 7,309**	**$ 10,020**	**$ 11,891**	**$ 14,266**	**$ 16,557**	**$ 18,497**	**$ 21,452**	**$ 24,057**	**$ 25,576**	**$ 26,355**	**$ 26,844**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 481	$ 932	$ 1,670	$ 2,253	$ 2,656	$ 3,167	$ 3,660	$ 4,077	$ 4,713	$ 5,273	$ 5,606	$ 5,773	$ 5,883
General Fines	0.32	6	321	621	1,113	1,502	1,770	2,111	2,440	2,718	3,142	3,516	3,737	3,849	3,922
Code Enforcement Fines	0.71	6	722	1,398	2,504	3,379	3,983	4,750	5,489	6,115	7,069	7,910	8,408	8,660	8,825
Administrative Citation Program	0.40	6	401	776	1,391	1,877	2,213	2,639	3,050	3,397	3,927	4,394	4,671	4,811	4,903
Total Fines & Forfeitures			**$ 1,926**	**$ 3,727**	**$ 6,678**	**$ 9,012**	**$ 10,622**	**$ 12,666**	**$ 14,638**	**$ 16,308**	**$ 18,852**	**$ 21,093**	**$ 22,422**	**$ 23,093**	**$ 23,534**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 642	$ 1,242	$ 2,226	$ 3,004	$ 3,541	$ 4,222	$ 4,879	$ 5,436	$ 6,284	$ 7,031	$ 7,474	$ 7,698	$ 7,845
Refuse Penalties & Interest	0.16	6	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Total Miscellaneous Revenue			**$ 802**	**$ 1,553**	**$ 2,783**	**$ 3,755**	**$ 4,426**	**$ 5,278**	**$ 6,099**	**$ 6,795**	**$ 7,855**	**$ 8,789**	**$ 9,343**	**$ 9,622**	**$ 9,806**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	1,931	3,737	6,307	8,647	10,262	12,312	14,289	15,963	18,514	20,761	22,073	22,745	23,167
Engineering Fees - Inspections	$ 3.17	6	3,203	6,199	10,463	14,344	17,023	20,423	23,703	26,480	30,711	34,439	36,615	37,730	38,430
Park Fees	0.28	6	284	550	928	1,272	1,509	1,811	2,101	2,348	2,723	3,053	3,246	3,345	3,407
Self Hauler fees	0.03	6	28	55	93	127	151	181	210	235	272	305	325	334	341
Recordation of Document Fees	0.13	6	136	264	473	638	752	897	1,037	1,155	1,335	1,494	1,588	1,636	1,667
Vehicle Storage Fees	0.84	6	852	1,649	2,783	3,815	4,527	5,432	6,304	7,043	8,168	9,159	9,738	10,035	10,221
Total Charges for Services			**$ 6,435**	**$ 12,453**	**$ 21,046**	**$ 28,843**	**$ 34,224**	**$ 41,055**	**$ 47,644**	**$ 53,223**	**$ 61,723**	**$ 69,212**	**$ 73,584**	**$ 75,825**	**$ 77,232**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 28,837**	**$ 55,805**	**$ 94,189**	**$ 129,128**	**$ 153,241**	**$ 183,850**	**$ 213,376**	**$ 238,375**	**$ 276,464**	**$ 310,026**	**$ 329,612**	**$ 339,650**	**$ 345,949**

Exhibit B-3: Alternative C
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs																
A. City Council	$	1.15	7	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
B. City Clerk		1.93	7	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	23,894
C. General Government		5.16	7	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	63,763
D. Personnel		0.58	7	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	7,129
E. Finance		3.84	7	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	47,476
F. Police Department			18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control		8.81	7	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	106,963
H. Public Works																
Salaries & Wages	$	2.56	7	$ 2,593	$ 5,018	$ 8,991	$ 12,133	$ 14,301	$ 17,054	$ 19,709	$ 21,957	$ 25,382	$ 28,399	$ 30,188	$ 31,091	31,685
Benefits		1.04	7	1,049	2,029	3,636	4,907	5,784	6,897	7,971	8,880	10,265	11,486	12,209	12,574	12,815
Operations & Materials		8.11	7	8,206	15,880	28,455	38,397	45,259	53,969	62,372	69,485	80,324	89,875	95,537	98,393	100,274
Engineering		2.06	7	2,084	4,033	7,226	9,751	11,493	13,705	15,839	17,645	20,398	22,823	24,261	24,987	25,464
Traffic Counts		0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Underground Service Alert		0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Contract Services - Street Maintenance		1.59	7	471,183	471,183	607,621	607,621	607,621	749,903	749,903	749,903	817,214	911,330	911,330	911,330	911,330
Contract Services - Street Sweeping		0.02	7	16	31	56	75	89	106	122	136	157	176	187	192	196
Contract Services - Emergency Work		0.16	7	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Contract Services - Striping		0.79	7	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Contract Services - Traffic Signals		3.33	7	3,370	6,522	11,687	15,770	18,589	22,166	25,617	28,539	32,991	36,913	39,239	40,412	41,184
Contract Services - Maintenance		0.08	7	77	149	267	360	425	507	586	652	754	844	897	924	941
Contract Services - Environmental Health Services		0.05	7	48	93	167	225	266	317	366	408	471	527	561	577	588
Contract Services - Tree Trimming		0.63	7	642	1,242	2,226	3,004	3,541	4,222	4,879	5,436	6,284	7,031	7,474	7,698	7,845
Total Public Works				$ 490,280	$ 508,138	$ 673,838	$ 696,975	$ 712,943	$ 875,495	$ 895,048	$ 911,603	$ 1,004,138	$ 1,120,478	$ 1,133,654	$ 1,140,302	$ 1,144,679
I. Engineering		4.80	7	$ 4,853	$ 9,391	$ 16,827	$ 22,707	$ 26,765	$ 31,916	$ 36,885	$ 41,092	$ 47,501	$ 53,149	$ 56,497	$ 58,187	$ 59,299
J. Planning		5.40	7	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	66,759
K. Public Services		3.45	7	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	42,599
L. Code Enforcement		2.37	7	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	29,287
M. Graffiti		1.73	7	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	21,421
N. Trails		0.24	7	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	3,020
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14																
Sergeant				$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective				-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy				148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist				69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist				-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)				-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)				-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)				5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services				12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization				964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance				1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)				-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)				333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support				1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance				348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding				3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost				11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget				$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading				$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget				$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance																
Lane Miles (Assumes Beginning of Phase)																
Backbone Roads				27.42												
Interior Roads				19.34		13.54			14.12			6.68	9.34			
Total Lane Miles				46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)			C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
	Lewis	City														
Cost per Lane Mile (See Exhibit C-2)	3,750	$ 10,077	C-2	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077	$ 10,077
Total Street Maintenance Cost				$ 471,183	$ 471,183	$ 607,621	$ 607,621	$ 607,621	$ 749,903	$ 749,903	$ 749,903	$ 817,214	$ 911,330	$ 911,330	$ 911,330	$ 911,330

Exhibit B-3: Alternative C
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance																
Park Acres (Assumes End of Phase)																
20 Acre Park							20.00									
5.5 Acre Park Next to School							5.50									
6.5 Acre Park														6.50		
Total Park Acres				-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres				-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$	-	7	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
R. Drainage Basins																
Acres of Drainage Basins				15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$	1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement																
Annual Contribution Increase		2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost			C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund																
A. Recurring Revenues				293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Secured Property Tax Retained in Fire Fund		41.67%	4	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Revenues				$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Revenue per Unit				$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
B. Recurring Costs																
Fire Station Cost																
Fire Stations Required for Project (a)				-	-	-	0.88	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$	1,237,379	8	$ -	$ -	$ -	$ 1,087,500	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost																
Total Project Acres (b)		[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)																
Phase 1 Acres				353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres						237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres									234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres												133.5	133.5	133.5	133.5	133.5
Phase 5 Acres												160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out		[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres		=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$	25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Revenue from Outside Project																
Additional Units within the Fire Station Service Area (e)				-	-	111	111	111	111	111	111	111	111	111	111	111
Fire Revenue per Unit				$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
Paramedic Revenue per Unit				19	19	20	20	20	20	20	20	20	20	20	20	20
Total Revenue from Outside Project			8	$ -	$ -	$ 44,838	$ 42,576	$ 41,555	$ 40,751	$ 40,350	$ 40,087	$ 39,925	$ 39,940	$ 39,903	$ 39,623	$ 39,494
Total Recurring Costs				$ 33,625	$ 33,625	$ (17,321)	$ 1,072,441	$ 1,223,342	$ 1,218,100	$ 1,218,501	$ 1,218,764	$ 1,211,344	$ 1,211,329	$ 1,211,367	$ 1,211,646	$ 1,211,775
				$ 78,817	$ 183,816	$ 384,367	$ (595,562)	$ (671,518)	$ (569,364)	$ (473,225)	$ (391,773)	$ (256,123)	$ (139,597)	$ (73,041)	$ (47,304)	$ (29,964)
III. Paramedic Fund																
A. Recurring Revenues																
A. Property Tax - Paramedic Tax	$	5.57	9	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
B. Recurring Costs (d)				-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues				$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Revenue per Unit				$ 19	$ 19	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.
(e) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/10/2014.

Exhibit B-3: Alternative C
Table 18 - Police Phasing Analysis
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Cumulative Residents		1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.99	1.02	1.21	0.88	1.12	1.09	1.07	0.96	0.82	0.83	0.78	0.76	0.74
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.99	1.02	0.91	0.66	0.74	0.78	0.80	0.72	0.62	0.64	0.61	0.59	0.58
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	**$ 17,085,854**	**$ 253,594**	**$ 428,541**	**$ 800,592**	**$ 882,095**	**$ 1,257,569**	**$ 1,431,858**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		**$ 380,391**	**$ 503,541**	**$ 875,592**	**$ 957,095**	**$ 1,332,569**	**$ 1,506,858**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**

Exhibit C-1
Street Maintenance Cost Calculations
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Description - City Maintained	Quantity (a)	Unit	Lewis April 2014 Unit Cost	Ref	City Oct. 2015 Unit Cost		City Total Cost
Linear Feet of Roadway	477,540						
1. Street Sweeping	90.44	Curb Mile	$ 47.50	(d)	$ 47.50	(d)	$ 4,296
2. Slurry Seal (SS)							
Place (SS)	8,951,144	SF	$ 0.12	(d)	$ 0.16	(d)	$ 1,432,183
Mobilization	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Striping	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Crack Seal	20.0% of SS	Lump Sum	179,023		179,023		179,023
Traffic Control	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Subtotal							1,761,206
Contingency (15%)							264,181
Total Slurry Seal							**$ 2,025,387**
3. Grind and Overlay							
Grind	8,951,144	SF	$ 0.08	(d)	$ 0.32	(d)	$ 2,864,366
Mobilization	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
.15" Asphalt & Conc. Overlay (Estimate @.0105	8,951,144	SF	0.60	(c)	0.88	(c)	7,877,007
Striping	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Traffic Control	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Subtotal							$ 10,891,373
Contingency (15%)							1,633,706
Total Grind and Overlay							**$ 12,525,079**
4. Remove and Reconstruct							
a. Curb and Sidewalk Component							
6" Curb & Gutter	477,540	LF	9.00	(b)	34.27	(b)	16,365,289
Concrete Median Curb	72,407	LF	9.00	(b)	19.15	(b)	1,386,594
Interior Streets Curb	-	LF	9.00	(b)	19.15	(b)	-
Concrete Sidewalk/Trail	2,413,041	SF	3.00	(b)	5.16	(b)	12,451,294
Mobilization	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Subtotal							$ 30,253,177
Estimated Failure Rate							10%
Total Curb and Sidewalk							$ 3,025,318
b. Street Component							
Grind	8,951,144	SF	$ 0.10	(d)	$ 0.32	(d)	$ 2,864,366
Mobilization	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
.25" Asphalt & Concrete Overlay (Estimate)	8,951,144	SF	0.60	(c)	$ 1.32	(c)	11,815,511
Striping	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Traffic Control	1	Lump Sum	50,000	(b)	50,000	(b)	50,000
Total Street Component							$ 14,829,877
Subtotal Remove and Reconstruct							$ 17,855,195
Contingency (15%)							2,678,279
Total Remove and Reconstruct							**$ 20,533,474**
Total							**$ 38,113,554**
					Cost Per Lane Mile		$ 10,077

Footnotes
(a) Per public roadway calculations provided by Placeworks dated April 2014.
(b) Per Lewis Operating Companies email dated 4/23/2014.
(c) Per call with Lewis Operating Companies on 4/24/2014.
(d) Per Lewis Operating Companies email dated 4/28/2014.

Exhibit C-2
Hypothetical Street Maintenance Schedule-City
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Linear Feet of Public Road	477,540
Lane Miles	90.4
Total	$ 911,362
Cost Per Lane Mile	$ 10,077
Balance Year 42	(0.00)

	Buildout Annual Cost	Per Unit	Street Sweeping	Slurry Seal (a)	Grind and Overlay (a)	Remove & Reconstruct	Subtotal	Other Costs	Total Annual Expenditures	Earnings (b)	Annual Fund Balance-End
Exhibit Reference			C-1	C-1	C-1	C-1					
0	$ 911,362	$ 139	$ 4,296	$ 2,025,387	$ 12,525,079	$ 20,533,474	$ 35,088,236	$ 90,299	$ -	$ -	$ -
1	911,362	139	4,296				4,296	90,299	94,595	-	816,767
2	911,362	139	4,296				4,296	90,299	94,595	28,013	1,661,547
3	911,362	139	4,296				4,296	90,299	94,595	56,987	2,535,300
4	911,362	139	4,296				4,296	90,299	94,595	86,954	3,439,021
5	911,362	139	4,296				4,296	90,299	94,595	117,950	4,373,738
6	911,362	139	4,296				4,296	90,299	94,595	150,008	5,340,513
7	911,362	139	4,296	2,025,387			2,029,683	90,299	2,119,982	183,166	4,315,059
8	911,362	139	4,296				4,296	90,299	94,595	147,996	5,279,822
9	911,362	139	4,296				4,296	90,299	94,595	181,085	6,277,673
10	911,362	139	4,296				4,296	90,299	94,595	215,308	7,309,748
11	911,362	139	4,296				4,296	90,299	94,595	250,706	8,377,221
12	911,362	139	4,296				4,296	90,299	94,595	287,318	9,481,305
13	911,362	139	4,296				4,296	90,299	94,595	325,185	10,623,257
14	911,362	139	4,296	2,025,387			2,029,683	90,299	2,119,982	364,351	9,778,988
15	911,362	139	4,296				4,296	90,299	94,595	335,395	10,931,150
16	911,362	139	4,296				4,296	90,299	94,595	374,911	12,122,828
17	911,362	139	4,296				4,296	90,299	94,595	415,783	13,355,377
18	911,362	139	4,296				4,296	90,299	94,595	458,056	14,630,200
19	911,362	139	4,296				4,296	90,299	94,595	501,779	15,948,746
20	911,362	139	4,296				4,296	90,299	94,595	547,002	17,312,515
21	911,362	139	4,296		12,525,079		12,529,375	90,299	12,619,674	593,776	6,197,978
22	911,362	139	4,296				4,296	90,299	94,595	212,575	7,227,320
23	911,362	139	4,296				4,296	90,299	94,595	247,879	8,291,966
24	911,362	139	4,296				4,296	90,299	94,595	284,394	9,393,126
25	911,362	139	4,296				4,296	90,299	94,595	322,161	10,532,054
26	911,362	139	4,296				4,296	90,299	94,595	361,223	11,710,044
27	911,362	139	4,296				4,296	90,299	94,595	401,625	12,928,436
28	911,362	139	4,296	2,025,387			2,029,683	90,299	2,119,982	443,413	12,163,229
29	911,362	139	4,296				4,296	90,299	94,595	417,168	13,397,164
30	911,362	139	4,296				4,296	90,299	94,595	459,489	14,673,420
31	911,362	139	4,296				4,296	90,299	94,595	503,262	15,993,448
32	911,362	139	4,296				4,296	90,299	94,595	548,535	17,358,750
33	911,362	139	4,296				4,296	90,299	94,595	595,362	18,770,878
34	911,362	139	4,296				4,296	90,299	94,595	643,794	20,231,439
35	911,362	139	4,296	2,025,387			2,029,683	90,299	2,119,982	693,888	19,716,707
36	911,362	139	4,296				4,296	90,299	94,595	676,234	21,209,707
37	911,362	139	4,296				4,296	90,299	94,595	727,440	22,753,914
38	911,362	139	4,296				4,296	90,299	94,595	780,402	24,351,083
39	911,362	139	4,296				4,296	90,299	94,595	835,181	26,003,031
40	911,362	139	4,296				4,296	90,299	94,595	891,839	27,711,637
41	911,362	139	4,296				4,296	90,299	94,595	950,440	29,478,844
42	911,362	139	4,296			20,533,474	20,537,770	90,299	20,628,069	676,234	$ (0.0)
Totals			$ 180,434	$ 8,101,548	$ 12,525,079	$ 20,533,474	$ 41,340,535	$ 3,792,558	$ 45,133,093		

Footnotes:
(a) Timing of cost per call with Client on 4/24/2014.
(b) Represents earnings invested at Local Agency Investment Fund Rate ("LAIF RATE") of 3.43%, a 20 year average from 1994 to 2013 per the California State Treasurer. See Exhibit I.

Exhibit C-3
Storm Drainage Reserve Calculation
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

	Beginning Balance	Reserve Deposit	Earnings	Ending Balance	Replacement Cost
1	$ -	$ 8,764	$ 150	$ 8,914	$ 1,500,000
2	8,914	8,939	459	18,313	1,524,880
3	18,313	9,118	784	28,215	1,550,173
4	28,215	9,300	1,127	38,643	1,575,885
5	38,643	9,486	1,488	49,617	1,602,024
6	49,617	9,676	1,868	61,161	1,628,597
7	61,161	9,870	2,267	73,298	1,655,610
8	73,298	10,067	2,687	86,051	1,683,071
9	86,051	10,268	3,127	99,447	1,710,988
10	99,447	10,474	3,590	113,512	1,739,368
11	113,512	10,683	4,076	128,271	1,768,218
12	128,271	10,897	4,586	143,754	1,797,547
13	143,754	11,115	5,121	159,990	1,827,363
14	159,990	11,337	5,682	177,009	1,857,673
15	177,009	11,564	6,269	194,842	1,888,485
16	194,842	11,795	6,885	213,523	1,919,809
17	213,523	12,031	7,530	233,083	1,951,653
18	233,083	12,272	8,205	253,560	1,984,024
19	253,560	12,517	8,911	274,988	2,016,933
20	274,988	12,768	9,650	297,406	2,050,387
21	297,406	13,023	10,424	320,852	2,084,397
22	320,852	13,283	11,232	345,368	2,118,970
23	345,368	13,549	12,078	370,994	2,154,117
24	370,994	13,820	12,961	397,776	2,189,847
25	397,776	14,096	13,884	425,756	2,226,169
26	425,756	14,378	14,849	454,984	2,263,094
27	454,984	14,666	15,856	485,506	2,300,632
28	485,506	14,959	16,908	517,373	2,338,792
29	517,373	15,258	18,006	550,638	2,377,585
30	550,638	15,564	19,152	585,354	2,417,021
31	585,354	15,875	20,348	621,577	2,457,112
32	621,577	16,192	21,596	659,366	2,497,867
33	659,366	16,516	22,898	698,779	2,539,299
34	698,779	16,846	24,255	739,881	2,581,418
35	739,881	17,183	25,671	782,735	2,624,235
36	782,735	17,527	27,146	827,409	2,667,763
37	827,409	17,878	28,685	873,971	2,712,012
38	873,971	18,235	30,288	922,494	2,756,996
39	922,494	18,600	31,958	973,052	2,802,725
40	973,052	18,972	33,699	1,025,723	2,849,214
41	1,025,723	19,351	35,512	1,080,585	2,896,473
42	1,080,585	19,738	37,400	1,137,724	2,944,516
43	1,137,724	20,133	39,366	1,197,223	2,993,356
44	1,197,223	20,536	41,414	1,259,173	3,043,006
45	1,259,173	20,946	43,546	1,323,665	3,093,480
46	1,323,665	21,365	45,765	1,390,795	3,144,791
47	1,390,795	21,793	48,075	1,460,662	3,196,952
48	1,460,662	22,229	50,478	1,533,369	3,249,980
49	1,533,369	22,673	52,980	1,609,022	3,303,886
50	1,609,022	23,127	55,582	1,687,730	3,358,687
51	1,687,730	23,589	58,289	1,769,609	3,414,397
52	1,769,609	24,061	61,106	1,854,776	3,471,031
53	1,854,776	24,542	64,035	1,943,353	3,528,604
54	1,943,353	25,033	67,081	2,035,467	3,587,132
55	2,035,467	25,534	70,249	2,131,250	3,646,631
56	2,131,250	26,044	73,543	2,230,838	3,707,117
57	2,230,838	26,565	76,968	2,334,371	3,768,606
58	2,334,371	27,096	80,528	2,441,995	3,831,115
59	2,441,995	27,638	84,228	2,553,861	3,894,661
60	2,553,861	28,191	88,075	2,670,127	3,959,261
61	2,670,127	28,755	92,072	2,790,954	4,024,932
62	2,790,954	29,330	96,226	2,916,510	4,091,693
63	2,916,510	29,917	100,542	3,046,969	4,159,561
64	3,046,969	30,515	105,027	3,182,510	4,228,554
65	3,182,510	31,125	109,686	3,323,322	4,298,692
66	3,323,322	31,748	114,526	3,469,596	4,369,994
67	3,469,596	32,383	119,554	3,621,532	4,442,478
68	3,621,532	33,030	124,776	3,779,339	4,516,164
69	3,779,339	33,691	130,200	3,943,229	4,591,073
70	3,943,229	34,365	135,832	4,113,426	4,667,224
71	4,113,426	35,052	141,681	4,290,160	4,744,638
72	4,290,160	35,753	147,755	4,473,668	4,823,336
73	4,473,668	36,468	154,061	4,664,197	4,903,340
74	4,664,197	37,198	160,608	4,862,003	4,984,670
75	4,862,003	37,942	167,405	5,067,350	5,067,350

Assumptions

Storm Drain Cost (a)	$ 1,500,000
LAIF Rate (b)	3.43%
CPI (c)	1.66%
Annual Contribution Increase	2.00%
Annual Reserve Deposit	$ 8,764
Annual Reserve Percentage	0.58%

(a) Assumes a 10% failure rate on $15,000,000 cost or $1,500,000.

(b) Local Agency Investment Fund Rate ("LAIF RATE") represents a 20 year average from 1994 to 2013 per the California State Treasurer. See Exhibit I.

(c) Represents the 20 year average of the Consumer Price Index for Los Angeles, Riverside and Orange County from 1994 to 2013 per the Bureau of Labor Statistics. See Exhibit H.

Exhibit D-1
Map of Firestation 4 Service Area Outside of Project
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

Source: Map of Fire Station 4 Service Area outside of Project per memo from Larry Mainez at the City of Highland, dated 6/11/2014.

Exhibit D-2
Calculation of Units Outside of Project
Harmony Planned Community
October 23, 2015 update to June 19, 2014 Report

APN (a)	Zoning (a)	Estimated Acres (a)
Estimated Acres Outside of Project		
Open Space Acres:		
29706129	Open Space	9.67
29706105	Open Space	0.92
29706106	Open Space	2.62
29706129	Open Space	6.72
29706129	Open Space	3.33
29710122	Open Space	2.48
29710122	Open Space	1.21
Open Space Acres Subtotal		26.95
AQ/EQ Acres:		
29720105	AG/EQ	38.24
29706106	AG/EQ	6.08
29706109	AG/EQ	4.85
29706120	AG/EQ	8.08
29706126	AG/EQ	2.38
29706120	AG/EQ	0.99
29706105	AG/EQ	7.24
29706107	AG/EQ	7.11
29706125	AG/EQ	1.95
29706113	AG/EQ	4.62
AG/EQ Acres Subtotal		81.54
Total Estimated Acres		**108.49**
Less Hillside Acres		25.87
Less Open Space Acres		26.95
Total Developable Acres		**55.67**
Dwelling Units per Acre		2
Total Units Outside of Project		**111**

Footnotes:

(a) Land use information and calculation for units in Fire Station 4 Service Area outside of Project per memo from Larry Mainez at the City of Highland, dated 6/11/2014.

FISCAL IMPACT ANALYSIS

FOR

THE HARMONY PLANNED COMMUNITY

June 19, 2014

Prepared For:

County of Orange / LCD Greenspot, LLC

Prepared By:

DPFG
DEVELOPMENT PLANNING & FINANCING GROUP, INC.

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C-3. Storm Drainage Reserve Calculation
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D-2. Calculation of Units Outside Project

1. Purpose of Fiscal Impact Analysis

Development Planning & Financing Group has prepared this Fiscal Impact Analysis ("FIA") to determine the estimated fiscal impacts on the City of Highland ("City") in connection with the proposed development of the Harmony Planned Community ("Project"). The reader should be aware that the FIA contains estimates or projections of the Project's future revenue and cost impact on the City, and actual fiscal results may vary from estimates because events and circumstances can occur in a manner different than described in the FIA.

This FIA contains a description of the Project, calculation methodologies, conclusions, and revenues and expenses projected for the Project's alternative scenarios: Alternative A, Alternative B, and Alternative C ("Alternative Scenarios"). The differences among the Alternative Scenarios are as follows:

Assumptions	Alternative A	Alternative B	Alternative C
20 Acre Commercial Overlay	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
Park Maintenance	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
Offsetting Fire and Paramedic Revenues	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project

The summary of the Alternative Scenarios is attached as Exhibit A. Detailed calculations, attached as Exhibit B-1, Exhibit B-2, and Exhibit B-3, are organized as follows:

Table	Description	Alternative (Page)		
		A	B	C
1	Fiscal Impact Analysis Summary	3	22	41
2	Post-ERAF Share of the Basic Tax Calculation	4	23	42
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16	Phased General Fund Recurring Costs	19	38	57
17	Phased General Fund Recurring Costs and Fire Fund and Paramedic Fund Impact	20	39	58
18	Police Phasing Analysis	21	40	59

2. Project Description

The County of Orange owns the Project and has engaged LCD Greenspot, LLC ("Developer") to assist with entitling the Project for development, the Project is anticipated to be developed over a period of 13 years.

Encompassing approximately 1,658 acres of land in the City of Highland, the table below shows the total residential units developed in a wide variety of unit types and sizes as well as the total acres of neighborhood commercial land use that the Project is anticipated to provide.

Assumptions	Alternative A	Alternative B	Alternative C
Residential Units	3,632	3,515	3,515
Neighborhood Commercial Acres	5.7	20.7	20.7

3. Limiting Conditions

The FIA is subject to the following limiting conditions:

- The FIA contains an analysis of recurring revenues and costs to the City from development of the Project. The FIA is based on estimates, assumptions and other information developed from DPFG's research, interviews, meetings, and correspondences with City and County staff, California Department of Finance, and information from DPFG's database which was collected through fiscal impact analyses previously prepared by DPFG and others.

- The sources of information and basis of the estimates are stated herein. While we believe the sources of information are reliable, DPFG does not express an opinion or any other form of assurance on the accuracy of such information.

- The analysis of recurring revenues and cost impacts to the City contained in the FIA is not considered to be a "financial forecast" or a "financial projection" as technically defined by the American Institute of Certified Public Accountants. The word "projection" used within this report relates to broad expectations of future events or market conditions.

- Since the analyses contained herein are based on estimates and assumptions which are inherently subject to uncertainty and variation depending on evolving events, DPFG cannot represent that results will definitely be achieved. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur; therefore, the actual results achieved may vary from the projections.

4. General Sources of Information and Methodologies Used in FIA

The FIA was prepared to estimate the allocable revenue and cost impacts to the City's general fund ("General Fund"), fire fund ("Fire Fund") and paramedic fund ("Paramedic Fund") as a result of the Project's development. The FIA uses a combination of case study methods and multiplier methods to estimate Project impacts. When projecting fiscal impacts using a multiplier method, the FIA determines per capita/employee impacts by applying the appropriate per capita, per employee and per equivalent resident factors ("Factors") to the Project's land use assumptions. The FIA calculates equivalent residents by adding residential population plus 50% of employees. Employment is reduced by 50% to account for the estimated less frequent use of City public services by employees than residents. Factors were calculated using the City of Highland Fiscal Years 2011-2013 Adopted Budget ("Budget"). Cost and revenue Factors are projected in 2011 dollars, and are not adjusted for inflation.

Information used in preparing the FIA was obtained from the following sources:

1. City of Highland Fiscal Years 2011-2013 Adopted Budget
2. City of Highland
3. California Department of Forestry and Fire Protection ("Cal Fire")
4. San Bernardino County Sheriff
5. LCD Greenspot, LLC (land use information)
6. The California Department of Finance (population information)
7. The California Employment Development Department (employment information)
8. San Bernardino County Auditor-Controller's Office (fiscal year 2011-12 share of the basic tax information)
9. The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute (sales tax generation data)
10. Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011 (household income data)
11. U.S. Department of Labor (household expenditure data)

The following table shows selected assumptions used in the FIA:

City Residential Population (a)	53,444
Residents Per Household (a)	3.45
City Employment (b)	19,200
City Share of the Basic Tax (c)	24.8448%
Share of Property Tax Retained in the General Fund (d)	58.33%
Share of Property Tax Retained in the Fire Fund (d)	41.67%
Average Household Income (e)	$96,400
Commercial Sales Tax Generation per Sq. Ft. (f)	$377

(a) Per the California Department of Finance as of January 1, 2011.
(b) Per the California Employment Development Department, November 2011.
(c) Per San Bernardino County Auditor/Controller, See Exhibit B-1, Exhibit B-2, and Exhibit B-3, Table 2.
(d) Per information provided by City staff. See Exhibit B-1, Exhibit B-2, and Exhibit B-3, Table 4.
(e) Per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.
(f) Per the Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

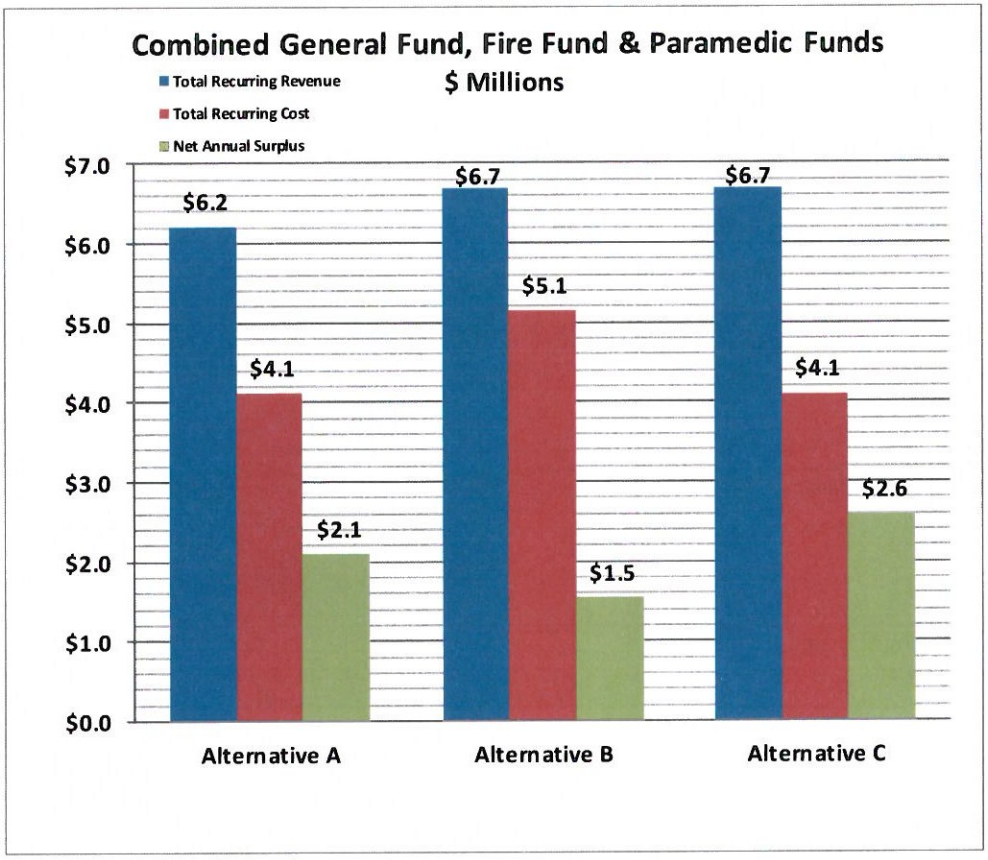
5. FIA Summary and Conclusions

The FIA examines the financial impact the Project will have on the General Fund, Fire Fund and Paramedic Fund. The Project will generate additional revenue for the General Fund primarily through increased property taxes, vehicle license fees, sales tax, gas tax, and franchise fees. The additional costs incurred to the General Fund consist primarily of police, and public works services costs. The Project's direct impact to the General Fund, Fire Fund, and Paramedic Fund is summarized in the table below.

At buildout, the Project is anticipated to generate a surplus to the City on an annual basis under each of the Alternative Scenarios.

Assumptions	**Report Section**	**Alternative A**	**Alternative B**	**Alternative C**
Exhibit Reference		B-1	B-2	B-3
20 Acre Commercial Overlay	1	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
Park Maintenance	1	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
Offsetting Fire and Paramedic Revenues	8	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project	Includes 111 Units from Outside of the Project
General Fund				
Recurring Revenues	6	$4,953,830	$5,435,946	$5,435,946
Recurring Costs	7	$2,908,126	$3,936,967	$2,892,647
Surplus / (Deficit)		$2,045,704	$1,498,979	$2,543,299
Fire Fund				
Recurring Revenues	8	$1,192,171	$1,181,811	$1,181,811
Recurring Costs	8	$1,212,690	$1,211,775	$1,211,775
Surplus / (Deficit)		$(20,519)	$(29,964)	$(29,964)
Paramedic Fund				
Recurring Revenues	9	$70,177	$68,837	$68,837
Recurring Costs	9	$-	$-	$-
Surplus / (Deficit)		$70,177	$68,837	$68,837
Combined Fire Fund & Paramedic Fund				
Recurring Revenues		$1,262,348	$1,250,647	$1,250,647
Recurring Costs		$1,212,690	$1,211,775	$1,211,775
Surplus / (Deficit)		$49,658	$38,872	$38,872
Combined Net Fiscal Impact				
Recurring Revenues		$6,216,178	$6,686,593	$6,686,593
Recurring Costs		$4,120,816	$5,148,742	$4,104,422
Surplus / (Deficit)		$2,095,362	$1,537,851	$2,582,171

The chart below shows the total recurring revenues, total recurring costs and net annual surpluses the Project is anticipated to generate at buildout under each of the Alternative Scenarios.



The FIA does not consider the impact of potential revenues and/or reduced General Fund costs due to a City Landscape Maintenance District or Community Facilities District which could serve to increase the ongoing annual surplus.

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6. Recurring Revenues

6.1 Property Tax

In addition to other ad valorem charges imposed by various local agencies, land owners in the State of California ("State") are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each county in California is divided into various tax rate areas ("TRA" or "TRAs"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRAs. Table 2 of Exhibits B-1 through B-3 shows the share of the basic tax applicable to each of the four TRAs that are within the Project.

In 1992, to meet its obligations to fund education at specific levels under Proposition 98, the State enacted legislation that shifted partial financial responsibility for funding education to local governments (cities, counties, and special districts). The State did this by instructing county auditors to shift the allocation of local property tax revenues to educational revenue augmentation funds ("ERAF") to support schools. As such, the FIA calculates a weighted average share of the basic tax after the shift of revenue to ERAF.

As shown in Table 2 of Exhibits B-1 through B-3, the Project is within four different tax rate areas, but tax rate area 104002 is excluded from the share of the basic tax calculations since this tax rate area does not appear to contribute a share of its property tax to the City. The FIA calculates the Project's weighted average post-ERAF share of the basic tax to be 24.8448%.

Revenue amounts are determined assuming the calculated 24.8448% weighted average share of the basic tax. This number is then adjusted based on the City's historical General Fund vs. Fire Fund split. Per information provided by City staff, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

Revenue amounts are calculated after adjusting for the 58.33% that is retained in the General Fund. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

6.2 Property Transfer Tax

The City receives property transfer tax revenue as new or existing property is sold and ownership is transferred. In accordance with California Revenue and Taxation Code Section 11911, a county may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A city within the county that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the county and city levy the transfer tax, a credit shall be allowed against the amount imposed by the county in the amount of tax that is imposed by the city. The City's share of the tax is $0.55 per $1,000 of value transferred. The FIA assumes a residential turnover rate of 14.00% of total assessed value per year (i.e. properties change ownership every 7 years on average) and a non-residential turnover rate of 10.00% of total assessed value per year (i.e. properties change ownership every 10 years on average). Revenue amounts are calculated using these assumptions. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

6.3 Sales and Use Tax

Under the California Sales and Use Tax Law, the sale of tangible personal property is subject to sales or use tax unless exempt or otherwise excluded. When the sales tax applies, the use tax does not apply and the opposite is also true. The sales tax is imposed on all retailers for the privilege of selling tangible personal property in the State and is measured by the retailer's gross receipts. Use tax is imposed on purchasers of tangible personal property from any retailer for the purpose of storage, use, or other consumption in the State and is measured by the sales price of the property purchased. If an out-of-state retailer is engaged in business in this state, it is required to register with the State and collect the use tax from the purchaser at the time of making the sale. Purchases made over the Internet or out-of-state are the most common transactions subject to a use tax.

There is a 7.50% statewide sales and use tax base rate that is collected by the State. Since January 1, 2013, the State government has received 6.50% of the 7.50% and local governments receive the remaining 1% which is transferred to the local government's general fund.

6.3.1 Property Tax In-Lieu Sales Tax

This analysis assumes that 0.25% of sales and use tax is redirected to property tax per the Sales Tax Triple Flip ("Triple Flip"). In March 2004, voters approved Proposition 57, the California Economic Recovery Bond Act which allowed the State to purchase bonds to reduce the State budget deficit. The legislature enacted provisions that changed how sales and use taxes and other revenues are distributed to schools and local governments on and after July 1, 2004. These changes will remain in effect until the State Director of Finance notifies the Board of Equalization that the State's bond obligations have been satisfied.

Under the new revenue "swapping" procedures commonly referred to as the Triple Flip, the local government portion of the statewide sales tax rate will decrease by 0.25%, and the state portion will increase by 0.25%. The County Auditor in each county uses property tax revenues to reimburse the county and cities within the county. County Auditors set aside some funds from the County Educational Revenue Augmentation Fund and place them in a Sales and Use Tax Compensation Fund. In January and May of each year, the State Director of Finance instructs County Auditors to allocate revenues from the Compensation Fund to the county and to the cities within the county. Revenue amounts are calculated based on the on-site and off-site sales tax calculations. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

6.3.2 Off-Site Sales and Use Tax

The City will receive sales tax revenue from taxable purchases made within the City but outside the Project area by the Project's residents ("Off-Site Sales"). The FIA assumes that households within the Project will have an average annual income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011. The FIA assumes that 32% of household income is spent on retail taxable expenditures per information obtained from the Bureau of Labor Statistics, and that 25% of retail taxable expenditures are captured through Off-Site Sales within the City. After calculating the Project's total taxable Off-Site Sales captured in the City, the FIA assumes the City receives sales tax revenue of 1% of taxable sales. Revenue amounts are calculated applying this methodology. See detailed calculations in Table 5 of Exhibits B-1 through B-3. This analysis assumes use tax revenue at 10.5% of sales tax revenue.

6.3.3 On-Site Sales and Use Tax

The FIA assumes that the City will receive sales tax revenue from taxable purchases made within the Project. The FIA assumes that retail land use will generate approximately $377 of total sales per building square foot per the Dollars & Cents of Shopping Centers, published by the Urban Land Institute, and that 80% of the sales will be taxable. Revenue amounts are calculated applying this methodology. See detailed calculations in Table 5 of Exhibits B-1 through B-3. This analysis assumes use tax revenue at 10.5% of sales tax revenue.

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6.4 Property Tax In-Lieu of Vehicle License Fees ("VLF")

Revenue amounts are calculated on a valuation basis. See detailed calculations in Table 6 Section II of Exhibits B-1 through B-3.

6.5 Franchise Fees

The City receives utility franchise fee revenue from utility franchises which service the local area and the Project. Revenue amounts are calculated based on various applicable per capita and per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.6 Business License Fee

A business license fee is a fee paid annually for the privilege of conducting business within the City. Revenue amounts are calculated based on a per employee multiplier determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.7 Licenses and Permits

Revenue amounts are calculated based on various applicable per capita multipliers calculated determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.8 Fines & Forfeitures

Revenue amounts are calculated based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.9 Miscellaneous Revenue

Revenue amounts are calculated based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.10 Intergovernmental Revenue

For purposes of the FIA, there are no intergovernmental revenues anticipated to be generated as a result of the Project.

6.11 Gas Tax Revenue

Revenue amounts are calculated based on the per capita multiplier determined from a 5-year average of the budgets from Fiscal Year 2007-08 to Fiscal Year 2011-12 provided by City staff. See detailed calculations in Table 10 of Exhibits B-1 through B-3.

6.12 Charges for Services

Revenue amounts are calculated based on various applicable per capita and per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

7. Recurring Costs

7.1 City Council

Per the Budget, the city council, which consists of the mayor, mayor pro-term, and three council members, serves as the policy making body of the City.

The FIA assumes a 50% marginal increase as City council costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.2 City Clerk

The office of the City clerk is a service department that fulfills the responsibilities of an election official, legislative administrator and record manager for the City.

The FIA assumes a 50% marginal increase as City clerk costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.3 General Government

General government services include the operations of the City manager and administrative services. The City manager serves as the chief administrative officer of the City and is responsible for the management of all municipal affairs. Administrative services include providing contract maintenance, major purchase analysis, and staff support as required by the City manager and City council.

The FIA assumes a 50% marginal increase as general government costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.4 Personnel

The personnel department is responsible for human resources functions such as recruitment, training programs, employee benefits monitoring, compensation studies and employee relations.

The FIA assumes a 50% marginal increase as personnel costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.5 Finance

The finance department administers all financial recording and reporting functions and prepares the fiscal budget and financial statements for the City.

The FIA assumes a 50% marginal increase as finance costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.6 Police Department

The City contracts with the San Bernardino County Sheriff's Department for police protection services.

Cost amounts are calculated per the adjusted phased police department budget by Lieutenant Anthony DeCecio dated February 12, 2014. See detailed calculations in Table 18 of Exhibits B-1 through B-3. Table 18 also contains a phasing plan as provided by Lieutenant Anthony DeCecio.

7.7 Animal Control

The City contracts with San Bernardino County for animal care, animal control and shelter services.

Cost amounts are based on a per capita multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.8 Public Works

The public works department consists of two divisions: maintenance services and public services. Maintenance services include street maintenance, weed abatement, traffic signal maintenance, storm drain maintenance, street sweeping, striping/traffic signage, tree trimming, building and grounds maintenance, and parkway maintenance. Public services include crossing guards, bus shelter contract, graffiti abatement, and assessment district administration.

Cost amounts are based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3. Street maintenance and replacement costs are included in Exhibits C-1 and C-2.

7.9 Engineering

The engineering department provides engineering services through contracts with a number of engineering firms under the direction of the Public Works Director/City Engineer. This department is responsible for the conditioning, plan checking and inspection of grading, street, traffic and storm drain improvements associated with development projects.

The FIA assumes a marginal increase of 47% per information obtained from the City's Community Development Director on April 14, 2014. Cost amounts are calculated after adjusting for the 47% marginal increase and are based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.10 Planning

The planning department is part of the Community Development Department and primarily serves as the City's Planning Agency. To assist the public through the land use entitlement and development process the department meets weekly with various individuals and developers and is the clearinghouse for general statistical information regarding past current and proposed development. This department has a responsibility to oversee maintenance and ensure implementation of the General Plan and Land Use Development Code and makes recommendations for revisions as appropriate to meet the changing vision of the City.

The FIA assumes a marginal increase of 51% per information obtained from the City's Community Development Director on April 14, 2014. Cost amounts are calculated after adjusting for the 51% marginal increase and are based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.11 Public Services

The public services department serves as the program manager and coordinator of several state and federal mandated programs. The public service department manages solid waste, the City's National Pollution Discharge Elimination System Program, and the household hazardous waste program.

The FIA assumes a 50% marginal increase as public services costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.12 Code Enforcement

The code enforcement division enforces City municipal codes and State laws. Code enforcement staff responds to concerns related to land use, public nuisance, vehicle abatement, substandard housing, street vendors, and business license requirements.

The FIA assumes a 50% marginal increase as code enforcement costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.13 Parks

Alternative A and Alternative C assume the Project's parks and open space are maintained by an HOA. The FIAs for Alternative A and Alternative C, assume 0% marginal increase as it is not anticipating the City's park costs will increase as a result of the Project.

Alternative B assumes that parks are maintained by the City. The Alternative B FIA assumes park maintenance costs of $32,635 per acre for maintenance of 32 acres.

7.14 Graffiti

The Graffiti Abatement Program is currently staffed by one full-time employee who removes graffiti primarily from public property and some private properties.

Cost amounts are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.15 Trails

The trails budget provides for the maintenance of various public trails within the City.

Cost amounts are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.16 Drainage Basins

Cost amounts are based on the assumption that drainage basins are maintained by the City at drainage basin maintenance costs of $1,980 per acre for maintenance of 15 acres.

7.17 Storm Drainage Replacement

Replacement cost amounts for storm drainage are based on a reserve calculation that has been prepared and included as Exhibit C-3.

8. Recurring Fire Fund Fiscal Impact

The City contracts with Cal Fire for fire protection services. Table 8 of Exhibits B-1 through B-3, summarizes the Project's fiscal impact on the Fire Fund.

The Fire Fund is primarily funded by property tax revenue. Revenue amounts are calculated assuming a 24.8448% weighted average share of the basic tax. See detailed calculations in Table 4 of Exhibits B-1 through B-3. Per City staff, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

Revenue amounts are calculated after adjusting for the 41.67% that is retained in the Fire Fund. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

This FIA assumes that the Project will require one additional fire station. The FIA currently attributes 100% of the estimated operating cost of the fire station to the Project. The additional fire station will service residents outside of the Project area that will contribute to the station's operating budget. Per Larry Mainez at the City of Highland, there will be additional revenue generated from within the service area for the additional fire station outside the Project. 111 units outside of the Project will provide additional revenue to offset the cost of operating the fire station. The offsetting revenues of the 111 units outside of the Project assumes an equivalent fire and paramedic revenue per unit to the units in the Harmony Project. Jim Rissmiller at the City of Highland has reviewed the appropriate service area in determining potential development areas for these assumptions. See map of the service area and detailed calculations in Exhibits D-1 and D-2.

The FIA uses the case study method to calculate recurring costs to the Fire Fund. Per Jim Rissmiller, the cost to staff and operate a fire station in the City of Highland, including paramedic staffing and operation costs, is approximately $1,237,379 annually. Jim Rissmiller also provided us with anticipated annual Wildland Fire Protection Agreement costs of $25.77 per wildland acre. See detailed calculations in Tables 8 and 17 of Exhibits B-1 through B-3.

9. Recurring Paramedic Fund Fiscal Impact

The City contracts with Cal Fire for paramedic services. See detailed calculations in Table 9 of Exhibits B-1 through B-3.

Revenue amounts are calculated based on a citywide paramedic tax from homeowners and from businesses as well as a transfer in from the Fire Department. The FIA calculates revenue amounts based on a per equivalent resident determined from the Budget. See detailed calculations in Table 9 of Exhibits B-1 through B-3.

The FIA assumes that additional paramedics required to serve the Project will operate out of the Project funded fire station. As discussed in Section 8, paramedic staffing and operation costs are included in the Fire Fund cost estimates.

At buildout, the Project is projected to have a positive annual fiscal impact on the Paramedic Fund.

10. Glossary of Selected Defined Terms and Acronyms

Budget	City of Highland Fiscal Years 2011-2013 Adopted Budget
Cal Fire	California Department of Forestry and Fire Protection
City	City of Highland
Developer	LCD Greenspot, LLC
DPFG	Development, Planning & Financing Group
ERAF	Educational Revenue Augmentation Fund
Factors	Per Capita, Per Employee, and Per Equivalent Resident Factors
FIA	Fiscal Impact Analysis
General Fund	City of Highland General Fund
Fire Fund	City of Highland Fire Fund
Paramedic Fund	City of Highland Paramedic Fund
Project	Harmony Planned Community
State	State of California
Triple Flip	Revenue "Swapping" Procedures
TRA	Tax Rate Area
VLF	Vehicle License Fees

Exhibit A
Scenario Summary
Harmony Planned Community
June 19, 2014

Scenario	Alternative A	Alternative B	Alternative C
Exhibit in Detailed Report	**B-1**	**B-2**	**B-3**
Analysis Date	6/19/2014	6/19/2014	6/19/2014
Key Assumptions:			
1. 20 Acre Commercial Overlay	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
2. Park Maintenance	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
3. Offsetting Fire and Paramedic Revenues	Includes 111 Units from Outside of Project	Includes 111 Units from Outside of Project	Includes 111 Units from Outside of Project
I. GENERAL FUND			
Recurring Revenues	$ 4,953,830	$ 5,435,946	$ 5,435,946
Total Recurring Costs	2,908,126	3,936,967	2,892,647
Surplus/(Deficit)	**$ 2,045,704**	**$ 1,498,979**	**$ 2,543,299**
II. FIRE FUND			
Recurring Revenues	$ 1,192,171	$ 1,181,811	$ 1,181,811
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Surplus/(Deficit)	**$ (20,519)**	**$ (29,964)**	**$ (29,964)**
III. PARAMEDIC FUND			
Recurring Revenues	$ 70,177	$ 68,837	$ 68,837
Total Recurring Costs	-	-	-
Surplus/(Deficit)	**$ 70,177**	**$ 68,837**	**$ 68,837**
IV. COMBINED FIRE FUND & PARAMEDIC FUND			
Recurring Revenues	$ 1,262,348	$ 1,250,647	$ 1,250,647
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Surplus/(Deficit)	**$ 49,658**	**$ 38,872**	**$ 38,872**
V. COMBINED NET FISCAL IMPACT			
Recurring Revenues	$ 6,216,178	$ 6,686,593	$ 6,686,593
Total Recurring Costs	4,120,816	5,148,742	4,104,422
Surplus/(Deficit)	**$ 2,095,362**	**$ 1,537,851**	**$ 2,582,171**

Scenario	Alternative A	Alternative B	Alternative C
TIME PHASED NET FISCAL IMPACT - No Inflation			
Total Through 2027	**$ 10,374,995**	**$ 6,390,882**	**$ 15,349,189**
Sum of Deficits Through 2027	**$ (349,211)**	**$ (1,489,369)**	**$ (136,293)**
2015	$ (92,184)	$ (136,293)	$ (136,293)
2016	287,631	199,412	199,412
2017	582,961	1,157,245	1,157,245
2018	(107,193)	(357,887)	474,306
2019	(149,834)	(550,778)	281,414
2020	59,066	(342,192)	490,001
2021	299,246	(102,218)	729,974
2022	661,131	259,533	1,091,726
2023	1,216,023	808,688	1,640,880
2024	1,604,262	1,188,054	2,020,246
2025	1,898,543	1,306,031	2,350,351
2026	2,019,983	1,423,437	2,467,757
2027	2,095,362	1,537,851	2,582,171

Exhibit A
Scenario Summary
Harmony Planned Community
June 19, 2014

Scenario	Alternative A	Alternative B	Alternative C
Exhibit in Detailed Report	B-1	B-2	B-3
Analysis Date	6/19/2014	6/19/2014	6/19/2014
I. GENERAL FUND			
A. Recurring Revenues			
Property Tax	$ 1,668,811	$ 1,654,308	$ 1,654,308
Property Transfer Tax	88,464	87,154	87,154
Property Tax In Lieu of Sales Tax	116,813	237,684	237,684
Off-Site Sales and Use Tax	239,485	231,771	231,771
On-Site Sales and Use Tax	160,015	581,109	581,109
Property Tax-Vehicle License Fee	1,882,769	1,866,407	1,866,407
Franchise Fees	297,564	290,743	290,743
Business License Fee	938	3,405	3,405
Licenses & Permits	27,738	26,844	26,844
Fines & Forfeitures	23,992	23,534	23,534
Miscellaneous Revenue	9,997	9,806	9,806
Intergovernmental Revenue	-	-	-
Charges for Services	79,779	77,232	77,232
Gas Tax and Traffic Safety Fund Revenue	357,465	345,949	345,949
Total Recurring Revenues	**$ 4,953,830**	**$ 5,435,946**	**$ 5,435,946**
B. Recurring Costs			
City Council	$ 14,535	$ 14,258	$ 14,258
City Clerk	24,359	23,894	23,894
General Government	65,004	63,763	63,763
Personnel	7,268	7,129	7,129
Finance	48,400	47,476	47,476
Police Department	1,793,496	1,793,496	1,793,496
Animal Control	110,523	106,963	106,963
Public Works	577,011	572,469	572,469
Engineering	60,453	59,299	59,299
Planning	68,059	66,759	66,759
Public Services	43,428	42,599	42,599
Code Enforcement	29,857	29,287	29,287
Parks	-	1,044,320	-
Graffiti	21,838	21,421	21,421
Trails	3,079	3,020	3,020
Drainage Basins	29,700	29,700	29,700
Storm Drainage Replacement	11,115	11,115	11,115
Total Recurring Costs	**$ 2,908,126**	**$ 3,936,967**	**$ 2,892,647**
General Fund Surplus/(Deficit)	**$ 2,045,704**	**$ 1,498,979**	**$ 2,543,299**
II. FIRE FUND			
Recurring Revenues	$ 1,192,171	$ 1,181,811	$ 1,181,811
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Fire Fund Surplus/(Deficit)	**$ (20,519)**	**$ (29,964)**	**$ (29,964)**
III. PARAMEDIC FUND			
Recurring Revenues	$ 70,177	$ 68,837	$ 68,837
Total Recurring Costs	-	-	-
Paramedic Fund Surplus/(Deficit)	**$ 70,177**	**$ 68,837**	**$ 68,837**
IV. COMBINED FIRE FUND & PARAMEDIC FUND			
Recurring Revenues	$ 1,262,348	$ 1,250,647	$ 1,250,647
Total Recurring Costs	1,212,690	1,211,775	1,211,775
Fire Fund & Paramedic Fund Surplus/(Deficit)	**$ 49,658**	**$ 38,872**	**$ 38,872**
V. COMBINED NET FISCAL IMPACT			
Recurring Revenues	$ 6,216,178	$ 6,686,593	$ 6,686,593
Total Recurring Costs	4,120,816	5,148,742	4,104,422
Total Surplus/(Deficit)	**$ 2,095,362**	**$ 1,537,851**	**$ 2,582,171**

Exhibit B-1: Alternative A
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
June 19, 2014

I. GENERAL FUND	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
A. Recurring Revenues					
Property Tax	4	$ 1,668,811	$ 459.47	$ 132.40	33.7%
Property Transfer Tax	4	88,464	24.36	7.02	1.8%
Property Tax In Lieu of Sales Tax	4	116,813	32.16	9.27	2.4%
Off-Site Sales and Use Tax	5	239,485	65.94	19.00	4.8%
On-Site Sales and Use Tax	5	160,015	44.06	12.69	3.2%
Property Tax-Vehicle License Fee	6	1,882,769	518.38	149.37	38.0%
Franchise Fees	6	297,564	81.93	23.61	6.0%
Business License Fee	6	938	0.26	0.07	0.0%
Licenses & Permits	6	27,738	7.64	2.20	0.6%
Fines & Forfeitures	6	23,992	6.61	1.90	0.5%
Miscellaneous Revenue	6	9,997	2.75	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	79,779	21.97	6.33	1.6%
Gas Tax and Traffic Safety Fund Revenue	10	357,465	98.42	28.36	7.2%
Total Recurring Revenues		**$ 4,953,830**	**$ 1,363.94**	**$ 393.02**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,535	$ 4.00	$ 1.15	0.5%
City Clerk	7	$ 24,359	6.71	1.93	0.8%
General Government	7	$ 65,004	17.90	5.16	2.2%
Personnel	7	$ 7,268	2.00	0.58	0.2%
Finance	7	$ 48,400	13.33	3.84	1.7%
Police Department	7	$ 1,793,496	493.80	142.29	61.7%
Animal Control	7	$ 110,523	30.43	8.77	3.8%
Public Works	7	$ 577,011	158.87	45.78	19.8%
Engineering	7	$ 60,453	16.64	4.80	2.1%
Planning	7	$ 68,059	18.74	5.40	2.3%
Public Services	7	$ 43,428	11.96	3.45	1.5%
Code Enforcement	7	$ 29,857	8.22	2.37	1.0%
Parks	7	$ -	-	-	0.0%
Graffiti	7	$ 21,838	6.01	1.73	0.8%
Trails	7	$ 3,079	0.85	0.24	0.1%
Drainage Basins	7	$ 29,700	8.18	2.36	1.0%
Storm Drainage Replacement	7	$ 11,115	3.06	0.88	0.4%
Total Recurring Costs		**$ 2,908,126**	**$ 800.70**	**$ 230.72**	**100.0%**
General Fund Surplus/(Deficit)		**$ 2,045,704**	**$ 563.24**	**$ 162.30**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,192,171	$ 328.24	$ 94.58	
Total Recurring Costs	8	1,212,690	333.89	96.21	
Fire Fund Surplus/(Deficit)		**$ (20,519)**	**$ (5.65)**	**$ (1.63)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 70,177	$ 19.32	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 70,177**	**$ 19.32**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,262,348	$ 347.56	$ 100.15	
Total Recurring Costs		1,212,690	333.89	96.21	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 49,658**	**$ 13.67**	**$ 3.94**	
V. COMBINED NET FISCAL IMPACT					
Recurring Revenues		$ 6,216,178	$ 1,711.50	$ 493.17	
Total Recurring Costs		4,120,816	1,134.59	326.93	
Total Surplus/(Deficit)		**$ 2,095,362**	**$ 576.92**	**$ 166.24**	

Exhibit B-1: Alternative A
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
June 19, 2014

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-1: Alternative A
Table 3 - Land Use Assumptions
Harmony Planned Community
June 19, 2014

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation
I. Residential Land Use		(a)	(a)	(a)	
Condo Apartments	40	5	215	$ 210,000	$ 45,150,000
Paired	26	2	173	230,000	39,790,000
Paired	43A	3	130	230,000	29,900,000
HDD	15	2	208	250,000	52,000,000
HDD	25	3	110	250,000	27,500,000
HDD	33	4	105	250,000	26,250,000
6 Pack	27	2	115	250,000	28,750,000
6 Pack	43B	3	99	250,000	24,750,000
4 Pack L	21	2	115	290,000	33,350,000
4 Pack S	22	2	80	270,000	21,600,000
4 Pack S	23	3	77	270,000	20,790,000
SFD - 3,000 Sq. Ft.	3	1	141	310,000	43,710,000
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000
SFD - 4,000 Sq. Ft.	35	4	31	350,000	10,850,000
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000
Total/Weighted Average			3,632	$ 314,491	**$ 1,142,230,000**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	-	-	500	-	150.00	-
Neighborhood Commercial	3	0.25	-	-	500	-	150.00	-
Neighborhood Commercial	40	0.25	-	-	500	-	150.00	-
Total			5.70	62,073		124		**$ 9,310,950**

III. Total Residential and Non-Residential **$ 1,151,540,950**

IV. Population Summary

Residential Units	[1]	**3,632**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,543**
Employees	[4]	**124**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	62
Total Equivalent Residents	[3]+[5]=[6]	**12,605**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.

Exhibit B-1: Alternative A
Table 4 - Property Tax Calculations
Harmony Planned Community
June 19, 2014

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,151,540,950
Basic Rate			1.000%
Basic Tax Paid		$	11,515,410
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,860,982**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,668,811**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,192,171**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,142,230,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	159,912,200
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	87,952
B. Non-Residential			
Non-Residential Assessed Value	3	$	9,310,950
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	931,095
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	512
Total Property Transfer Tax	[1]+[2]	**$**	**88,464**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	70,025
On-Site Sales Tax Redirected to Property Tax (e)	5		46,788
Total Property Tax In-Lieu of Sales Tax		**$**	**116,813**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-1: Alternative A
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
June 19, 2014

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	350,124,800
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	112,039,936
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	28,009,984
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 280,100
Use Tax @10.50% of sales tax	10.50%	8	29,410
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(70,025)
Total Off-Site Sales Tax Revenue		$ 85	**$ 239,485**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	-	377	80%	-
Neighborhood Commercial	3	-	-	377	80%	-
Neighborhood Commercial	40	-	-	377	80%	-
Subtotal Taxable Sales for Retail Land Use			62,073			$ 18,715,258
Total Taxable Sales						$ 18,715,258
Sales Tax @1% of taxable sales					1.00%	187,153
Use Tax @10.50% of sales tax (c)					10.50%	19,651
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(46,788)
Total On-Site Sales Tax Revenue						**$ 160,015**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-1: Alternative A
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,882,769**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,605	$ 26,391
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,605	55,981
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,543	86,834
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,605	113,962
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,605	14,395
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 297,564**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	124	**$ 938**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,181,271
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,543	$ 25,977
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,543	1,760
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 27,738**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,605	$ 5,998
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,605	3,999
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,605	8,997
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,605	4,998
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,992**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,605	$ 7,997
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,605	1,999
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,997**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,543	23,938
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,543	39,709
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,543	3,520
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,543	352
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,605	1,699
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,543	10,561
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 79,779**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,322,777

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.
(d) Assumes Project will have a de minimis impact on these revenue sources.
(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.
(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.
(g) See Section II of Table 6.

Exhibit B-1: Alternative A
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
June 19, 2014

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05		FY 2011-12			Change
Property Tax Vehicle License Fees (VLF)	$ (a)	2,624,088	$ (b)	3,800,000	[1]	1,175,912
City Assessed Valuation	(c)	1,992,355,699	(d)	2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase					=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV					[3]	$ 1,635
Property Tax in Lieu of MVLF:						
Total Residential and Non-Residential Assessed Value (Table 3)					[4]	$ 1,151,540,950
Assessed Valuation / 1,000,000					[5]	$ 1,152
VLF Increase per $1,000,000 increase in AV					[3]	1,635
Property Tax in Lieu of MVLF					=[3]*[5]	$ 1,882,769

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-1: Alternative A
Table 7 - General Fund Cost Calculations
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,605	**$ 14,535**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,605	**24,359**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,605	**65,004**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,605	**7,268**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,605	**48,400**
F. Police Department	156	6,819,830	100%	See Footnote (g)					**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,543	**110,523**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,605	$ 32,302
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,605	13,064
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,605	102,226
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	See Footnote (d)					
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,605	25,960
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,605	300
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,605	300
Street Maintenance	164	100,000	100%	See Table 16					339,120
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,605	200
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,605	1,999
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,605	9,997
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,605	41,986
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,605	960
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,605	600
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,605	7,997
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 577,011**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,605	**60,453**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,605	**68,059**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,605	**43,428**
L. Building & Safety	181	412,890	0%	See Footnote (d)					
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,605	**29,857**
N. Parks	188	-	0%	See Footnote (e)					**-**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,605	**21,838**
P. Community Volunteer Services	192	57,545	0%	See Footnote (f)					
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,605	**3,079**
R. Drainage Basins		-	0%	See Footnote (i)					**29,700**
S. Storm Drainage Replacement		-	0%	See Footnote (j)					**11,115**
TOTAL GENERAL FUND COSTS		$ 14,282,410		$ 3,592,834			$ 58.33		$ 2,908,126

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. The development of the Harmony Planned Community ("Project") is not anticipated to increase the City's maintenance cost for these parks. Parks to be developed within the Project are anticipated to be HOA maintained.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-1: Alternative A
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	See Calculation in Table 4					**$ 1,192,171**
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	See Footnote (e)					
Building Permits - Plan Check Fees	83	33,225	0%	See Footnote (e)					
Interest	83	35,000	0%	See Footnote (e)					
Pass-Thru Fire Department	83	180,000	0%	See Footnote (e)					
Fire Department Fees	83	473,000	0%	See Footnote (e)					
Total Other Fire Fund Revenue									**$ -**
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,192,171**
Fire Fund Revenue per Unit								[9]	$ 328.24
II. FIRE FUND COST									
A. Typical Cost per Station									
Estimated Cost per Station (d)				[1] $ 1,237,379					
Additional Fire Stations Required to Serve Project (d)				[2] 1.00					
Percent of Fire Station Costs Allocable to Project				[3] 100%					
Total Cost per Station				[1]X[2]X[3]=[4] **$ 1,237,379**					
B. Wildland Fire Protection Agreement Cost									
Acres (f)				[5] 539					
Cost per Acre (g)				[6] $ 25.77					
Total Wildland Fire Protection Agreement Cost				[5]X[6]=[7] **$ 13,890**					
C. Revenue from Outside Project									
Additional Units within the Fire Station Service Area (h)				[8] 111					
Fire Revenue per Unit				[9] $ 328.24					
Paramedic Revenue per Unit (From Table 9)				[10] 19.32					
Total Revenue from Outside Project				[8]*([9]+[10])=[11] **$ 38,579**					
TOTAL FIRE FUND COST				=[4]+[7]-[11] **$ 1,212,690**					

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

(h) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/11/2014.

See Exhibits D-1 and D-2.

Exhibit B-1: Alternative A
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,605	$ 70,177
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 70,177**
Paramedic Fund Revenue per Unit									$ 19.32
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	---------- See Footnote (d) ----------					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	---------- See Footnote (d) ----------					
C. Contractual Services - Medical Director	234	10,000	100%	---------- See Footnote (d) ----------					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-1: Alternative A
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
June 19, 2014

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,543
Total Gas Tax and Traffic Safety Fund Revenue						**$ 357,465**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-1: Alternative A
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
June 19, 2014

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	14	$ 171,324	$ 332,229	$ 523,901	$ 677,646	$ 782,554	$ 918,213	$ 1,053,351	$ 1,167,736	$ 1,348,958	$ 1,514,790	$ 1,607,872	$ 1,645,508	$ 1,668,811
Property Transfer Tax	14	9,103	17,652	27,632	35,800	41,374	48,582	55,763	61,840	71,469	80,280	85,226	87,226	88,464
Property Tax In Lieu of Sales Tax	14	6,247	12,127	66,994	73,838	78,562	84,558	90,342	95,239	102,797	109,506	113,458	115,502	116,813
Off-Site Sales and Use Tax	14	21,364	41,475	69,103	92,510	108,665	129,172	148,953	165,701	191,549	214,495	228,012	235,002	239,485
On-Site Sales and Use Tax	14	-	-	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015
Property Tax-Vehicle License Fee	15	193,290	374,824	591,070	764,528	882,885	1,035,938	1,188,401	1,317,452	1,521,909	1,709,002	1,814,018	1,856,479	1,882,769
Franchise Fees	15	26,452	51,353	86,599	115,582	135,585	160,976	185,469	206,206	238,210	266,621	283,358	292,012	297,564
Business License Fee	15	-	-	938	938	938	938	938	938	938	938	938	938	938
Licenses & Permits	15	2,474	4,804	8,004	10,715	12,586	14,961	17,252	19,192	22,185	24,843	26,409	27,218	27,738
Fines & Forfeitures	15	2,130	4,135	7,007	9,340	10,951	12,995	14,967	16,637	19,213	21,501	22,848	23,545	23,992
Miscellaneous Revenue	15	887	1,723	2,920	3,892	4,563	5,415	6,236	6,932	8,006	8,959	9,520	9,810	9,997
Intergovernmental Revenue	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	15	7,116	13,815	23,026	30,823	36,204	43,035	49,624	55,202	63,812	71,455	75,958	78,286	79,779
Gas Tax and Traffic Safety Fund Revenue	15	31,888	61,907	103,145	138,084	162,198	192,807	222,333	247,332	285,913	320,163	340,339	350,772	357,465
Total Recurring Revenues		**$ 472,276**	**$ 916,042**	**$ 1,670,353**	**$ 2,113,713**	**$ 2,417,079**	**$ 2,807,603**	**$ 3,193,643**	**$ 3,520,422**	**$ 4,034,973**	**$ 4,502,569**	**$ 4,767,972**	**$ 4,882,313**	**$ 4,953,830**
B. General Fund Recurring Costs														
City Council	16	$ 1,290	$ 2,505	$ 4,245	$ 5,659	$ 6,634	$ 7,873	$ 9,068	$ 10,079	$ 11,640	$ 13,026	$ 13,842	$ 14,264	$ 14,535
City Clerk	16	2,162	4,198	7,114	9,483	11,118	13,194	15,196	16,891	19,507	21,830	23,198	23,905	$ 24,359
General Government	16	5,770	11,202	18,985	25,307	29,670	35,209	40,552	45,076	52,057	58,255	61,906	63,793	$ 65,004
Personnel	16	645	1,252	2,123	2,829	3,317	3,936	4,534	5,040	5,820	6,513	6,921	7,132	$ 7,268
Finance	16	4,296	8,341	14,135	18,843	22,092	26,216	30,194	33,562	38,760	43,375	46,093	47,499	$ 48,400
Police Department	18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	16	9,859	19,141	31,891	42,694	50,149	59,613	68,742	76,471	88,400	98,990	105,228	108,454	$ 110,523
Public Works	16	196,452	216,330	295,581	318,719	334,687	407,902	427,455	444,009	494,606	552,309	565,671	572,579	$ 577,011
Engineering	16	5,366	10,418	17,655	23,535	27,593	32,744	37,713	41,920	48,412	54,176	57,572	59,327	$ 60,453
Planning	16	6,041	11,729	19,877	26,496	31,064	36,863	42,457	47,194	54,503	60,992	64,814	66,791	$ 68,059
Public Services	16	3,855	7,484	12,683	16,907	19,822	23,522	27,092	30,114	34,778	38,919	41,358	42,619	$ 43,428
Code Enforcement	16	2,650	5,145	8,720	11,624	13,628	16,172	18,626	20,704	23,910	26,757	28,434	29,301	$ 29,857
Parks	17	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Graffiti	16	1,938	3,763	6,378	8,502	9,968	11,828	13,623	15,143	17,488	19,570	20,797	21,431	$ 21,838
Trails	16	273	531	899	1,199	1,405	1,668	1,921	2,135	2,466	2,759	2,932	3,022	$ 3,079
Drainage Basins	17	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	17	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 659,455**	**$ 844,219**	**$ 1,354,696**	**$ 1,507,891**	**$ 1,932,903**	**$ 2,222,975**	**$ 2,470,948**	**$ 2,522,311**	**$ 2,626,524**	**$ 2,831,140**	**$ 2,872,644**	**$ 2,894,211**	**$ 2,908,126**
Net General Fund Surplus/(Deficit)		**$ (187,180)**	**$ 71,823**	**$ 315,657**	**$ 605,822**	**$ 484,176**	**$ 584,629**	**$ 722,695**	**$ 998,111**	**$ 1,408,450**	**$ 1,671,428**	**$ 1,895,328**	**$ 1,988,103**	**$ 2,045,704**
II. Fire Fund														
Total Recurring Revenues	17	$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
Total Recurring Costs	17	33,625	33,625	127,458	1,224,435	1,225,085	1,219,530	1,219,724	1,219,854	1,212,300	1,212,198	1,212,253	1,212,513	1,212,690
Net Fire Fund Surplus/(Deficit)		**$ 88,767**	**$ 203,714**	**$ 246,808**	**$ (740,335)**	**$ (666,041)**	**$ (563,573)**	**$ (467,228)**	**$ (385,642)**	**$ (248,626)**	**$ (130,057)**	**$ (63,616)**	**$ (36,989)**	**$ (20,519)**
III. Paramedic Fund														
Total Recurring Revenues	17	$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 6,229**	**$ 12,094**	**$ 20,495**	**$ 27,321**	**$ 32,031**	**$ 38,011**	**$ 43,779**	**$ 48,662**	**$ 56,199**	**$ 62,890**	**$ 66,831**	**$ 68,869**	**$ 70,177**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 128,621	$ 249,432	$ 394,761	$ 511,420	$ 591,075	$ 693,967	$ 796,275	$ 882,874	$ 1,019,873	$ 1,145,031	$ 1,215,469	$ 1,244,393	$ 1,262,348
Total Recurring Costs		33,625	33,625	127,458	1,224,435	1,225,085	1,219,530	1,219,724	1,219,854	1,212,300	1,212,198	1,212,253	1,212,513	1,212,690
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 94,996**	**$ 215,808**	**$ 267,304**	**$ (713,015)**	**$ (634,010)**	**$ (525,562)**	**$ (423,449)**	**$ (336,980)**	**$ (192,427)**	**$ (67,167)**	**$ 3,216**	**$ 31,880**	**$ 49,658**
V. Combined General Fund, Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 600,896	$ 1,165,475	$ 2,065,114	$ 2,625,133	$ 3,008,154	$ 3,501,571	$ 3,989,919	$ 4,403,296	$ 5,054,846	$ 5,647,600	$ 5,983,441	$ 6,126,706	$ 6,216,178
Total Recurring Costs		693,080	877,844	1,482,153	2,732,326	3,157,989	3,442,504	3,690,673	3,742,165	3,838,824	4,043,338	4,084,898	4,106,724	4,120,816
Total Surplus/(Deficit)		**$ (92,184)**	**$ 287,631**	**$ 582,961**	**$ (107,193)**	**$ (149,834)**	**$ 59,066**	**$ 299,246**	**$ 661,131**	**$ 1,216,023**	**$ 1,604,262**	**$ 1,898,543**	**$ 2,019,983**	**$ 2,095,362**

Exhibit B-1: Alternative A
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
June 19, 2014

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	215		-	-	-	-	-	-	-	-	48	48	48	48	23
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	141		48	48	45	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	31		-	-	-	-	-	-	-	-	7	18	6	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,632		324	305	419	355	245	311	300	254	392	348	205	106	68
Cumulative Units			324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
Total Cumulative Residents	3.45	3	1,119	2,172	3,619	4,845	5,691	6,765	7,801	8,678	10,032	11,234	11,942	12,308	12,543

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-1: Alternative A
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
June 19, 2014

I. Residential Assessed Value Additions	Average Value per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,080,000	$ 10,080,000	$ 10,080,000	$ 10,080,000	$ 4,830,000
Paired	230,000	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	14,880,000	14,880,000	13,950,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	2,450,000	6,300,000	2,100,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions			$ 118,220,000	$ 111,030,000	$ 122,950,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 125,050,000	$ 114,430,000	$ 64,230,000	$ 25,970,000	$ 16,080,000
Cumulative Residential Assessed Value			$ 118,220,000	$ 229,250,000	$ 352,200,000	$ 458,290,000	$ 530,680,000	$ 624,290,000	$ 717,540,000	$ 796,470,000	$ 921,520,000	$ 1,035,950,000	$ 1,100,180,000	$ 1,126,150,000	$ 1,142,230,000
Total Assessed Value Additions-Average Price			$ 364,877	$ 364,033	$ 293,437	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 319,005	$ 328,822	$ 313,317	$ 245,000	$ 236,471

Exhibit B-1: Alternative A
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	62,073	-	-	-	-	-	-	-	-	-	-
Cumulative Square Feet			-	-	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073
Assessed Value Additions	$ 150	3	$ -	$ -	$ 9,310,950	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employees	500	3	-	-	124	-	-	-	-	-	-	-	-	-	-
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950
Cumulative Employees			-	-	124	124	124	124	124	124	124	124	124	124	124
50% of Cumulative Employees			-	-	62	62	62	62	62	62	62	62	62	62	62
Cumulative Equivalent Residents			1,119	2,172	3,681	4,907	5,753	6,827	7,863	8,740	10,094	11,296	12,004	12,370	12,605
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 118,220,000	$ 229,250,000	$ 361,510,950	$ 467,600,950	$ 539,990,950	$ 633,600,950	$ 726,850,950	$ 805,780,950	$ 930,830,950	$ 1,045,260,950	$ 1,109,490,950	$ 1,135,460,950	$ 1,151,540,950
Basic Tax Paid	1.00%	4	1,182,200	2,292,500	3,615,110	4,676,010	5,399,910	6,336,010	7,268,510	8,057,810	9,308,310	10,452,610	11,094,910	11,354,610	11,515,410
Total Property Tax	24.84%	4	**$ 293,715**	**$ 569,567**	**$ 898,167**	**$ 1,161,746**	**$ 1,341,598**	**$ 1,574,170**	**$ 1,805,848**	**$ 2,001,948**	**$ 2,312,632**	**$ 2,596,932**	**$ 2,756,510**	**$ 2,821,032**	**$ 2,860,982**
Total Property Tax Retained in General Fund	58.33%	4	**$ 171,324**	**$ 332,229**	**$ 523,901**	**$ 677,646**	**$ 782,554**	**$ 918,213**	**$ 1,053,351**	**$ 1,167,736**	**$ 1,348,958**	**$ 1,514,790**	**$ 1,607,872**	**$ 1,645,508**	**$ 1,668,811**
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 118,220,000	$ 229,250,000	$ 352,200,000	$ 458,290,000	$ 530,680,000	$ 624,290,000	$ 717,540,000	$ 796,470,000	$ 921,520,000	$ 1,035,950,000	$ 1,100,180,000	$ 1,126,150,000	$ 1,142,230,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 9,103	$ 17,652	$ 27,119	$ 35,288	$ 40,862	$ 48,070	$ 55,251	$ 61,328	$ 70,957	$ 79,768	$ 84,714	$ 86,714	$ 87,952
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512
Total Property Transfer Tax			**$ 9,103**	**$ 17,652**	**$ 27,632**	**$ 35,800**	**$ 41,374**	**$ 48,582**	**$ 55,763**	**$ 61,840**	**$ 71,469**	**$ 80,280**	**$ 85,226**	**$ 87,226**	**$ 88,464**
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 6,247	$ 12,127	$ 20,205	$ 27,050	$ 31,773	$ 37,770	$ 43,554	$ 48,451	$ 56,008	$ 62,718	$ 66,670	$ 68,714	$ 70,025
On-Site Sales Tax Redirected to Property Tax			-	-	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788
Total Property Tax In-Lieu of Sales Tax			**$ 6,247**	**$ 12,127**	**$ 66,994**	**$ 73,838**	**$ 78,562**	**$ 84,558**	**$ 90,342**	**$ 95,239**	**$ 102,797**	**$ 109,506**	**$ 113,458**	**$ 115,502**	**$ 116,813**
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 31,233,600	$ 60,635,600	$ 101,027,200	$ 135,249,200	$ 158,867,200	$ 188,847,600	$ 217,767,600	$ 242,253,200	$ 280,042,000	$ 313,589,200	$ 333,351,200	$ 343,569,600	$ 350,124,800
Retail Taxable Sales	32.00%	5	9,994,752	19,403,392	32,328,704	43,279,744	50,837,504	60,431,232	69,685,632	77,521,024	89,613,440	100,348,544	106,672,384	109,942,272	112,039,936
Projected Off-Site Taxable Sales	25.00%	5	2,498,688	4,850,848	8,082,176	10,819,936	12,709,376	15,107,808	17,421,408	19,380,256	22,403,360	25,087,136	26,668,096	27,485,568	28,009,984
Sales Tax @1.00% of taxable sales	1.00%	5	24,987	48,508	80,822	108,199	127,094	151,078	174,214	193,803	224,034	250,871	266,681	274,856	280,100
Use Tax @10.50% of sales tax	10.50%	5	2,624	5,093	8,486	11,361	13,345	15,863	18,292	20,349	23,524	26,341	28,002	28,860	29,410
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(6,247)	(12,127)	(20,205)	(27,050)	(31,773)	(37,770)	(43,554)	(48,451)	(56,008)	(62,718)	(66,670)	(68,714)	(70,025)
Total Off-Site Sales Tax Revenue			**$ 21,364**	**$ 41,475**	**$ 69,103**	**$ 92,510**	**$ 108,665**	**$ 129,172**	**$ 148,953**	**$ 165,701**	**$ 191,549**	**$ 214,495**	**$ 228,012**	**$ 235,002**	**$ 239,485**
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072
Taxable Sales	80%	5	-	-	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)
Total On-Site Sales Tax Allocated to County			**$ -**	**$ -**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**

Exhibit B-1: Alternative A
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 118	$ 229	$ 362	$ 468	$ 540	$ 634	$ 727	$ 806	$ 931	$ 1,045	$ 1,109	$ 1,135	$ 1,152
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 193,290**	**$ 374,824**	**$ 591,070**	**$ 764,528**	**$ 882,885**	**$ 1,035,938**	**$ 1,188,401**	**$ 1,317,452**	**$ 1,521,909**	**$ 1,709,002**	**$ 1,814,018**	**$ 1,856,479**	**$ 1,882,769**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,343	$ 4,548	$ 7,708	$ 10,274	$ 12,046	$ 14,295	$ 16,464	$ 18,300	$ 21,135	$ 23,651	$ 25,133	$ 25,900	$ 26,391
Franchise Fees - Electric	4.44	6	4,969	9,647	16,349	21,794	25,552	30,322	34,923	38,819	44,831	50,169	53,313	54,939	55,981
Franchise Fees - Cable	6.92	6	7,746	15,038	25,056	33,543	39,400	46,836	54,008	60,081	69,453	77,773	82,674	85,208	86,834
Franchise Fees - Refuse	9.04	6	10,116	19,639	33,283	44,367	52,016	61,727	71,093	79,024	91,263	102,129	108,530	111,839	113,962
Franchise Fees - Refuse Household Waste	1.14	6	1,278	2,481	4,204	5,604	6,570	7,797	8,980	9,982	11,528	12,900	13,709	14,127	14,395
Total Franchise Fees			**$ 26,452**	**$ 51,353**	**$ 86,599**	**$ 115,582**	**$ 135,585**	**$ 160,976**	**$ 185,469**	**$ 206,206**	**$ 238,210**	**$ 266,621**	**$ 283,358**	**$ 292,012**	**$ 297,564**
C. Business License Fee	7.55	6	$ -	$ -	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,317	$ 4,499	$ 7,496	$ 10,035	$ 11,787	$ 14,011	$ 16,157	$ 17,974	$ 20,778	$ 23,267	$ 24,733	$ 25,491	$ 25,977
Yard Sale Permits	0.14	6	157	305	508	680	799	949	1,095	1,218	1,408	1,576	1,676	1,727	1,760
Total Licenses & Permits			**$ 2,474**	**$ 4,804**	**$ 8,004**	**$ 10,715**	**$ 12,586**	**$ 14,961**	**$ 17,252**	**$ 19,192**	**$ 22,185**	**$ 24,843**	**$ 26,409**	**$ 27,218**	**$ 27,738**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 532	$ 1,034	$ 1,752	$ 2,335	$ 2,738	$ 3,249	$ 3,742	$ 4,159	$ 4,803	$ 5,375	$ 5,712	$ 5,886	$ 5,998
General Fines	0.32	6	355	689	1,168	1,557	1,825	2,166	2,495	2,773	3,202	3,583	3,808	3,924	3,999
Code Enforcement Fines	0.71	6	799	1,550	2,628	3,503	4,107	4,873	5,613	6,239	7,205	8,063	8,568	8,829	8,997
Administrative Citation Program	0.40	6	444	861	1,460	1,946	2,281	2,707	3,118	3,466	4,003	4,479	4,760	4,905	4,998
Total Fines & Forfeitures			**$ 2,130**	**$ 4,135**	**$ 7,007**	**$ 9,340**	**$ 10,951**	**$ 12,995**	**$ 14,967**	**$ 16,637**	**$ 19,213**	**$ 21,501**	**$ 22,848**	**$ 23,545**	**$ 23,992**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 710	$ 1,378	$ 2,336	$ 3,113	$ 3,650	$ 4,332	$ 4,989	$ 5,546	$ 6,404	$ 7,167	$ 7,616	$ 7,848	$ 7,997
Refuse Penalties & Interest	0.16	6	177	345	584	778	913	1,083	1,247	1,386	1,601	1,792	1,904	1,962	1,999
Total Miscellaneous Revenue			**$ 887**	**$ 1,723**	**$ 2,920**	**$ 3,892**	**$ 4,563**	**$ 5,415**	**$ 6,236**	**$ 6,932**	**$ 8,006**	**$ 8,959**	**$ 9,520**	**$ 9,810**	**$ 9,997**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	2,135	4,146	6,907	9,247	10,862	12,911	14,889	16,563	19,146	21,440	22,791	23,490	23,938
Engineering Fees - Inspections	$ 3.17	6	3,542	6,877	11,458	15,339	18,018	21,418	24,698	27,475	31,761	35,565	37,807	38,965	39,709
Park Fees	0.28	6	314	610	1,016	1,360	1,597	1,899	2,190	2,436	2,816	3,153	3,352	3,454	3,520
Self Hauler fees	0.03	6	31	61	102	136	160	190	219	244	282	315	335	345	352
Recordation of Document Fees	0.13	6	151	293	496	662	776	920	1,060	1,178	1,361	1,523	1,618	1,668	1,699
Vehicle Storage Fees	0.84	6	942	1,829	3,047	4,080	4,792	5,696	6,569	7,307	8,447	9,459	10,055	10,363	10,561
Total Charges for Services			**$ 7,116**	**$ 13,815**	**$ 23,026**	**$ 30,823**	**$ 36,204**	**$ 43,035**	**$ 49,624**	**$ 55,202**	**$ 63,812**	**$ 71,455**	**$ 75,958**	**$ 78,286**	**$ 79,779**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 31,888**	**$ 61,907**	**$ 103,145**	**$ 138,084**	**$ 162,198**	**$ 192,807**	**$ 222,333**	**$ 247,332**	**$ 285,913**	**$ 320,163**	**$ 340,339**	**$ 350,772**	**$ 357,465**

Exhibit B-1: Alternative A
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs															
A. City Council	$ 1.15	7	$ 1,290	$ 2,505	$ 4,245	$ 5,659	$ 6,634	$ 7,873	$ 9,068	$ 10,079	$ 11,640	$ 13,026	$ 13,842	$ 14,264	$ 14,535
B. City Clerk	1.93	7	2,162	4,198	7,114	9,483	11,118	13,194	15,196	16,891	19,507	21,830	23,198	23,905	24,359
C. General Government	5.16	7	5,770	11,202	18,985	25,307	29,670	35,209	40,552	45,076	52,057	58,255	61,906	63,793	65,004
D. Personnel	0.58	7	645	1,252	2,123	2,829	3,317	3,936	4,534	5,040	5,820	6,513	6,921	7,132	7,268
E. Finance	3.84	7	4,296	8,341	14,135	18,843	22,092	26,216	30,194	33,562	38,760	43,375	46,093	47,499	48,400
F. Police Department		18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control	8.81	7	9,859	19,141	31,891	42,694	50,149	59,613	68,742	76,471	88,400	98,990	105,228	108,454	110,523
H. Public Works															
Salaries & Wages	$ 2.56	7	$ 2,867	$ 5,567	$ 9,434	$ 12,576	$ 14,744	$ 17,496	$ 20,151	$ 22,399	$ 25,868	$ 28,948	$ 30,762	$ 31,701	32,302
Benefits	1.04	7	1,160	2,251	3,815	5,086	5,963	7,076	8,150	9,059	10,462	11,708	12,441	12,821	13,064
Operations & Materials	8.11	7	9,074	17,617	29,855	39,798	46,660	55,370	63,772	70,886	81,865	91,611	97,353	100,322	102,226
Engineering	2.06	7	2,304	4,474	7,582	10,106	11,849	14,061	16,195	18,001	20,789	23,264	24,722	25,476	25,960
Traffic Counts	0.02	7	27	52	88	117	137	162	187	208	240	269	286	294	300
Underground Service Alert	0.02	7	27	52	88	117	137	162	187	208	240	269	286	294	300
Contract Services - Street Maintenance	1.59	7	175,334	175,334	226,105	226,105	226,105	279,050	279,050	279,050	304,098	339,120	339,120	339,120	339,120
Contract Services - Street Sweeping	0.02	7	18	34	58	78	91	108	125	139	160	179	190	196	200
Contract Services - Emergency Work	0.16	7	177	345	584	778	913	1,083	1,247	1,386	1,601	1,792	1,904	1,962	1,999
Contract Services - Striping	0.79	7	887	1,723	2,920	3,892	4,563	5,415	6,236	6,932	8,006	8,959	9,520	9,810	9,997
Contract Services - Traffic Signals	3.33	7	3,727	7,235	12,262	16,346	19,164	22,741	26,192	29,114	33,623	37,626	39,985	41,204	41,986
Contract Services - Maintenance	0.08	7	85	165	280	374	438	520	599	665	769	860	914	942	960
Contract Services - Environmental Health Services	0.05	7	53	103	175	234	274	325	374	416	480	538	571	589	600
Contract Services - Tree Trimming	0.63	7	710	1,378	2,336	3,113	3,650	4,332	4,989	5,546	6,404	7,167	7,616	7,848	7,997
Total Public Works			$ 196,452	$ 216,330	$ 295,581	$ 318,719	$ 334,687	$ 407,902	$ 427,455	$ 444,009	$ 494,606	$ 552,309	$ 565,671	$ 572,579	$ 577,011
I. Engineering	4.80	7	$ 5,366	$ 10,418	$ 17,655	$ 23,535	$ 27,593	$ 32,744	$ 37,713	$ 41,920	$ 48,412	$ 54,176	$ 57,572	$ 59,327	$ 60,453
J. Planning	5.40	7	6,041	11,729	19,877	26,496	31,064	36,863	42,457	47,194	54,503	60,992	64,814	66,791	68,059
K. Public Services	3.45	7	3,855	7,484	12,683	16,907	19,822	23,522	27,092	30,114	34,778	38,919	41,358	42,619	43,428
L. Code Enforcement	2.37	7	2,650	5,145	8,720	11,624	13,628	16,172	18,626	20,704	23,910	26,757	28,434	29,301	29,857
M. Graffiti	1.73	7	1,938	3,763	6,378	8,502	9,968	11,828	13,623	15,143	17,488	19,570	20,797	21,431	21,838
N. Trails	0.24	7	273	531	899	1,199	1,405	1,668	1,921	2,135	2,466	2,759	2,932	3,022	3,079
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14															
Sergeant			$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective			-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy			148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist			69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist			-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)			-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)			-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)			5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services			12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization			964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance			1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)			-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)			333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support			1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance			348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding			3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost			11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget			$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading			$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-
Total Police Department Budget			$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance															
Lane Miles (Assumes Beginning of Phase)															
Backbone Roads			27.42												
Interior Roads			19.34		13.54			14.12			6.68	9.34			
Total Lane Miles			46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)		C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
Cost per Lane Mile (See Exhibit C-2)		C-2	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750
Total Street Maintenance Cost			$ 175,334	$ 175,334	$ 226,105	$ 226,105	$ 226,105	$ 279,050	$ 279,050	$ 279,050	$ 304,098	$ 339,120	$ 339,120	$ 339,120	$ 339,120

Exhibit B-1: Alternative A
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance															
Park Acres (Assumes End of Phase)															
20 Acre Park						20.00									
5.5 Acre Park Next to School						5.50									
6.5 Acre Park													6.50		
Total Park Acres			-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres			-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$ -	7	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
R. Drainage Basins															
Acres of Drainage Basins			15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$ 1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement															
Annual Contribution Increase	2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost		C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund			324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
A. Recurring Revenues															
Secured Property Tax Retained in Fire Fund	41.67%	4	$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
Total Recurring Revenues			$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
Revenue per Unit			$ 378	$ 377	$ 357	$ 345	$ 339	$ 335	$ 333	$ 332	$ 332	$ 333	$ 332	$ 330	$ 328
B. Recurring Costs															
Fire Station Cost															
Fire Stations Required for Project (a)			-	-	0.11	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$ 1,237,379	8	$ -	$ -	$ 141,752	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost															
Total Project Acres (b)	[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)															
Phase 1 Acres			353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres					237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres								234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres											133.5	133.5	133.5	133.5	133.5
Phase 5 Acres											160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out	[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres	=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$ 25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Revenue from Outside Project															
Additional Units within the Fire Station Service Area (e)			-	-	111	111	111	111	111	111	111	111	111	111	111
Fire Revenue per Unit			$ 378	$ 377	$ 357	$ 345	$ 339	$ 335	$ 333	$ 332	$ 332	$ 333	$ 332	$ 330	$ 328
Paramedic Revenue per Unit			19	19	20	19	19	19	19	19	19	19	19	19	19
Total Revenue from Outside Project		8	$ -	$ -	$ 41,812	$ 40,462	$ 39,811	$ 39,321	$ 39,126	$ 38,997	$ 38,969	$ 39,071	$ 39,016	$ 38,756	$ 38,579
Total Recurring Costs			$ 33,625	$ 33,625	$ 127,458	$ 1,224,435	$ 1,225,085	$ 1,219,530	$ 1,219,724	$ 1,219,854	$ 1,212,300	$ 1,212,198	$ 1,212,253	$ 1,212,513	$ 1,212,690
III. Paramedic Fund															
A. Recurring Revenues															
A. Property Tax - Paramedic Tax	$ 5.57	9	$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177
B. Recurring Costs (d)			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues			$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177
Revenue per Unit			$ 19	$ 19	$ 20	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19	$ 19

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.
(e) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/10/2014. See Exhibits D-1 and D-2.

Exhibit B-1: Alternative A
Table 18 - Police Phasing Analysis
Harmony Planned Community
June 19, 2014

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
Cumulative Residents		1,119	2,172	3,619	4,845	5,691	6,765	7,801	8,678	10,032	11,234	11,942	12,308	12,543
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.89	0.92	1.11	0.83	1.05	1.03	1.03	0.92	0.80	0.80	0.75	0.73	0.72
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.89	0.92	0.83	0.62	0.70	0.74	0.77	0.69	0.60	0.62	0.59	0.57	0.56
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	**$ 17,085,854**	**$ 253,594**	**$ 428,541**	**$ 800,592**	**$ 882,095**	**$ 1,257,569**	**$ 1,431,858**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		**$ 380,391**	**$ 503,541**	**$ 875,592**	**$ 957,095**	**$ 1,332,569**	**$ 1,506,858**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**

Exhibit B-2: Alternative B
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
June 19, 2014

I. GENERAL FUND	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
A. Recurring Revenues					
Property Tax	4	$ 1,654,308	$ 470.64	$ 133.80	30.4%
Property Transfer Tax	4	87,154	24.79	7.05	1.6%
Property Tax In Lieu of Sales Tax	4	237,684	67.62	19.22	4.4%
Off-Site Sales and Use Tax	5	231,771	65.94	18.75	4.3%
On-Site Sales and Use Tax	5	581,109	165.32	47.00	10.7%
Property Tax-Vehicle License Fee	6	1,866,407	530.98	150.96	34.3%
Franchise Fees	6	290,743	82.71	23.52	5.3%
Business License Fee	6	3,405	0.97	0.28	0.1%
Licenses & Permits	6	26,844	7.64	2.17	0.5%
Fines & Forfeitures	6	23,534	6.70	1.90	0.4%
Miscellaneous Revenue	6	9,806	2.79	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	77,232	21.97	6.25	1.4%
Gas Tax and Traffic Safety Fund Revenue	10	345,949	98.42	27.98	6.4%
Total Recurring Revenues		**$ 5,435,946**	**$ 1,546.50**	**$ 439.66**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,258	$ 4.06	$ 1.15	0.4%
City Clerk	7	$ 23,894	6.80	1.93	0.6%
General Government	7	$ 63,763	18.14	5.16	1.6%
Personnel	7	$ 7,129	2.03	0.58	0.2%
Finance	7	$ 47,476	13.51	3.84	1.2%
Police Department	7	$ 1,793,496	510.24	145.06	45.6%
Animal Control	7	$ 106,963	30.43	8.65	2.7%
Public Works	7	$ 572,469	162.86	46.30	14.5%
Engineering	7	$ 59,299	16.87	4.80	1.5%
Planning	7	$ 66,759	18.99	5.40	1.7%
Public Services	7	$ 42,599	12.12	3.45	1.1%
Code Enforcement	7	$ 29,287	8.33	2.37	0.7%
Parks	7	$ 1,044,320	297.10	84.46	26.5%
Graffiti	7	$ 21,421	6.09	1.73	0.5%
Trails	7	$ 3,020	0.86	0.24	0.1%
Drainage Basins	7	$ 29,700	8.45	2.40	0.8%
Storm Drainage Replacement	7	$ 11,115	3.16	0.90	0.3%
Total Recurring Costs		**$ 3,936,967**	**$ 1,120.05**	**$ 318.42**	**100.0%**
General Fund Surplus/(Deficit)		**$ 1,498,979**	**$ 426.45**	**$ 121.24**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,181,811	$ 336.22	$ 95.59	
Total Recurring Costs	8	1,211,775	344.74	98.01	
Fire Fund Surplus/(Deficit)		**$ (29,964)**	**$ (8.52)**	**$ (2.42)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 68,837	$ 19.58	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 68,837**	**$ 19.58**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,250,647	$ 355.80	$ 101.15	
Total Recurring Costs		1,211,775	344.74	98.01	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 38,872**	**$ 11.06**	**$ 3.14**	
V. COMBINED NET FISCAL IMPACT					
Recurring Revenues		$ 6,686,593	$ 1,902.30	$ 540.81	
Total Recurring Costs		5,148,742	1,464.79	416.43	
Total Surplus/(Deficit)		**$ 1,537,851**	**$ 437.51**	**$ 124.38**	

Exhibit B-2: Alternative B
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
June 19, 2014

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-2: Alternative B
Table 3 - Land Use Assumptions
Harmony Planned Community
June 19, 2014

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation
I. Residential Land Use		(a)	(a)	(a)	
Condo Apartments	40	5	195	$ 210,000	$ 40,950,000
Paired	26	2	173	230,000	39,790,000
Paired	43A	3	130	230,000	29,900,000
HDD	15	2	208	250,000	52,000,000
HDD	25	3	110	250,000	27,500,000
HDD	33	4	105	250,000	26,250,000
6 Pack	27	2	115	250,000	28,750,000
6 Pack	43B	3	99	250,000	24,750,000
4 Pack L	21	2	115	290,000	33,350,000
4 Pack S	22	2	80	270,000	21,600,000
4 Pack S	23	3	77	270,000	20,790,000
SFD - 3,000 Sq. Ft.	3	1	50	310,000	15,500,000
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000
SFD - 4,000 Sq. Ft.	35	4	25	350,000	8,750,000
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000
Total/Weighted Average			3,515	$ 315,141	**$ 1,107,720,000**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	1.00	10,890	500	22	150.00	1,633,500
Neighborhood Commercial	3	0.25	13.00	141,570	500	283	150.00	21,235,500
Neighborhood Commercial	40	0.25	1.00	10,890	500	22	150.00	1,633,500
Total			20.70	225,423		451		**$ 33,813,450**
III. Total Residential and Non-Residential								**$ 1,141,533,450**

IV. Population Summary

Residential Units	[1]	**3,515**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,139**
Employees	[4]	**451**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	225
Total Equivalent Residents	[3]+[5]=[6]	**12,364**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.

Exhibit B-2: Alternative B
Table 4 - Property Tax Calculations
Harmony Planned Community
June 19, 2014

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,141,533,450
Basic Rate			1.000%
Basic Tax Paid		$	11,415,335
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,836,119**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,654,308**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,181,811**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,107,720,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	155,080,800
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	85,294
B. Non-Residential			
Non-Residential Assessed Value	3	$	33,813,450
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	3,381,345
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	1,860
Total Property Transfer Tax	[1]+[2]	**$**	**87,154**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	67,769
On-Site Sales Tax Redirected to Property Tax (e)	5		169,915
Total Property Tax In-Lieu of Sales Tax		**$**	**237,684**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-2: Alternative B
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
June 19, 2014

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	338,846,000
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	108,430,720
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 271,077
Use Tax @10.50% of sales tax	10.50%	8	28,463
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(67,769)
Total Off-Site Sales Tax Revenue		$ 85	**$ 231,771**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	10,890	377	80%	3,283,379
Neighborhood Commercial	3	-	141,570	377	80%	42,683,921
Neighborhood Commercial	40	-	10,890	377	80%	3,283,379
Subtotal Taxable Sales for Retail Land Use			225,423			$ 67,965,936
Total Taxable Sales						$ 67,965,936
Sales Tax @1% of taxable sales					1.00%	679,659
Use Tax @10.50% of sales tax (c)					10.50%	71,364
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(169,915)
Total On-Site Sales Tax Revenue						**$ 581,109**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-2: Alternative B
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,866,407**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,364	$ 25,887
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,364	54,912
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,139	84,037
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,364	111,786
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,364	14,120
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 290,743**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	451	**$ 3,405**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,160,555
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,139	$ 25,141
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,139	1,703
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 26,844**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,364	$ 5,883
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,364	3,922
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,364	8,825
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,364	4,903
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,534**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,364	$ 7,845
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,806**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,139	23,167
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,139	38,430
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,139	3,407
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,139	341
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,364	1,667
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,139	10,221
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 77,232**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,297,970

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.

(d) Assumes Project will have a de minimis impact on these revenue sources.

(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.

(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(g) See Section II of Table 6.

Exhibit B-2: Alternative B
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
June 19, 2014

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05	FY 2011-12		Change
Property Tax Vehicle License Fees (VLF)	$ (a) 2,624,088	$ (b) 3,800,000	[1]	1,175,912
City Assessed Valuation	(c) 1,992,355,699	(d) 2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase			=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV			[3]	$ 1,635
Property Tax in Lieu of MVLF:				
Total Residential and Non-Residential Assessed Value (Table 3)			[4]	$ 1,141,533,450
Assessed Valuation / 1,000,000			[5]	$ 1,142
VLF Increase per $1,000,000 increase in AV			[3]	1,635
Property Tax in Lieu of MVLF			=[3]*[5]	$ 1,866,407

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-2: Alternative B
Table 7 - General Fund Cost Calculations
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,364	**$ 14,258**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,364	**23,894**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,364	**63,763**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,364	**7,129**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,364	**47,476**
F. Police Department	156	6,819,830	100%	See Footnote (g)					**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,139	**106,963**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,364	$ 31,685
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,364	12,815
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,364	100,274
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	See Footnote (d)					
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,364	25,464
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Street Maintenance	164	100,000	100%	See Table 16					339,120
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,364	196
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,364	9,806
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,364	41,184
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,364	941
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,364	588
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,364	7,845
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 572,469**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,364	**59,299**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,364	**66,759**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,364	**42,599**
L. Building & Safety	181	412,890	0%	See Footnote (d)					
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,364	**29,287**
N. Parks	188	1,073,620	100%	See Footnote (e)					**1,044,320**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,364	**21,421**
P. Community Volunteer Services	192	57,545	0%	See Footnote (f)					
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,364	**3,020**
R. Drainage Basins		-	0%	See Footnote (i)					**29,700**
S. Storm Drainage Replacement		-	0%	See Footnote (j)					**11,115**
TOTAL GENERAL FUND COSTS		$ 15,356,030		$ 3,592,834			$ 58.33		$ 3,936,967

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. Park maintenance costs assumed at $32,635 per acre for maintenance of 32 acres.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-2: Alternative B
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	See Calculation in Table 4					**$ 1,181,811**
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	See Footnote (e)					
Building Permits - Plan Check Fees	83	33,225	0%	See Footnote (e)					
Interest	83	35,000	0%	See Footnote (e)					
Pass-Thru Fire Department	83	180,000	0%	See Footnote (e)					
Fire Department Fees	83	473,000	0%	See Footnote (e)					
Total Other Fire Fund Revenue									**$ -**
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,181,811**
Fire Fund Revenue per Unit								[9]	$ 336.22
II. FIRE FUND COST									
A. Typical Cost per Station									
Estimated Cost per Station (d)				[1] $ 1,237,379					
Additional Fire Stations Required to Serve Project (d)				[2] 1.00					
Percent of Fire Station Costs Allocable to Project				[3] 100%					
Total Cost per Station				[1]X[2]X[3]=[4] **$ 1,237,379**					
B. Wildland Fire Protection Agreement Cost									
Acres (f)				[5] 539					
Cost per Acre (g)				[6] $ 25.77					
Total Wildland Fire Protection Agreement Cost				[5]X[6]=[7] **$ 13,890**					
C. Revenue from Outside Project									
Additional Units within the Fire Station Service Area (h)				[8] 111					
Fire Revenue per Unit				[9] $ 336.22					
Paramedic Revenue per Unit (From Table 9)				[10] 19.58					
Total Revenue from Outside Project				[8]*([9]+[10])=[11] **$ 39,494**					
TOTAL FIRE FUND COST				=[4]+[7]-[11] **$ 1,211,775**					

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.
(e) Assumes Project will have a de minimis impact on these revenue sources.
(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.
(h) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/11/2014.
See Exhibits D-1 and D-2.

Exhibit B-2: Alternative B
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,364	$ 68,837
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 68,837**
Paramedic Fund Revenue per Unit									$ 19.58
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	---------- See Footnote (d) ----------					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	---------- See Footnote (d) ----------					
C. Contractual Services - Medical Director	234	10,000	100%	---------- See Footnote (d) ----------					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-2: Alternative B
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
June 19, 2014

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,139
Total Gas Tax and Traffic Safety Fund Revenue						**$ 345,949**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-2: Alternative B
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
June 19, 2014

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	14	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
Property Transfer Tax	14	8,363	16,172	26,627	34,796	40,370	47,578	54,758	60,836	70,373	79,039	83,956	85,891	87,154
Property Tax In Lieu of Sales Tax	14	5,649	10,932	171,949	178,793	183,517	189,513	195,297	200,194	207,655	214,230	226,275	228,242	237,684
Off-Site Sales and Use Tax	14	19,320	37,387	63,102	86,510	102,665	123,171	142,953	159,701	185,219	207,703	220,825	227,551	231,771
On-Site Sales and Use Tax	14	-	-	524,963	524,963	524,963	524,963	524,963	524,963	524,963	524,963	553,036	553,036	581,109
Property Tax-Vehicle License Fee	15	177,577	343,399	579,667	753,124	871,482	1,024,534	1,176,998	1,306,049	1,508,560	1,692,563	1,797,731	1,838,819	1,866,407
Franchise Fees	15	23,921	46,291	81,537	110,520	130,522	155,913	180,406	201,143	232,739	260,579	277,008	285,336	290,743
Business License Fee	15	-	-	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,240	3,240	3,405
Licenses & Permits	15	2,238	4,330	7,309	10,020	11,891	14,266	16,557	18,497	21,452	24,057	25,576	26,355	26,844
Fines & Forfeitures	15	1,926	3,727	6,678	9,012	10,622	12,666	14,638	16,308	18,852	21,093	22,422	23,093	23,534
Miscellaneous Revenue	15	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Intergovernmental Revenue	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	15	6,435	12,453	21,046	28,843	34,224	41,055	47,644	53,223	61,723	69,212	73,584	75,825	77,232
Gas Tax and Traffic Safety Fund Revenue	15	28,837	55,805	94,189	129,128	153,241	183,850	213,376	238,375	276,464	310,026	329,612	339,650	345,949
Total Recurring Revenues		**$ 432,466**	**$ 836,424**	**$ 2,096,719**	**$ 2,540,079**	**$ 2,843,446**	**$ 3,233,970**	**$ 3,620,010**	**$ 3,946,788**	**$ 4,456,057**	**$ 4,915,549**	**$ 5,216,045**	**$ 5,326,514**	**$ 5,435,946**
B. General Fund Recurring Costs														
City Council	16	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
City Clerk	16	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	$ 23,894
General Government	16	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	$ 63,763
Personnel	16	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	$ 7,129
Finance	16	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	$ 47,476
Police Department	18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	16	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	$ 106,963
Public Works	16	194,431	212,289	292,322	315,459	331,428	404,643	424,196	440,750	491,021	548,268	561,444	568,092	$ 572,469
Engineering	16	4,853	9,391	16,827	22,707	26,765	31,916	36,885	41,092	47,501	53,149	56,497	58,187	$ 59,299
Planning	16	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	$ 66,759
Public Services	16	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	$ 42,599
Code Enforcement	16	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	$ 29,287
Parks	17	-	-	-	832,193	832,193	832,193	832,193	832,193	832,193	832,193	1,044,320	1,044,320	$ 1,044,320
Graffiti	16	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	$ 21,421
Trails	16	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	$ 3,020
Drainage Basins	17	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	17	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 653,211**	**$ 831,730**	**$ 1,343,375**	**$ 2,328,763**	**$ 2,753,776**	**$ 3,043,847**	**$ 3,291,821**	**$ 3,343,183**	**$ 3,446,389**	**$ 3,649,595**	**$ 3,902,557**	**$ 3,923,318**	**$ 3,936,967**
Net General Fund Surplus/(Deficit)		**$ (220,744)**	**$ 4,694**	**$ 753,344**	**$ 211,316**	**$ 89,670**	**$ 190,123**	**$ 328,189**	**$ 603,605**	**$ 1,009,669**	**$ 1,265,954**	**$ 1,313,488**	**$ 1,403,196**	**$ 1,498,979**
II. Fire Fund														
Total Recurring Revenues	17	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Costs	17	33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund Surplus/(Deficit)		**$ 78,817**	**$ 183,816**	**$ 384,367**	**$ (595,562)**	**$ (671,518)**	**$ (569,364)**	**$ (473,225)**	**$ (391,773)**	**$ (256,123)**	**$ (139,597)**	**$ (73,041)**	**$ (47,304)**	**$ (29,964)**
III. Paramedic Fund														
Total Recurring Revenues	17	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 5,633**	**$ 10,902**	**$ 19,534**	**$ 26,359**	**$ 31,070**	**$ 37,049**	**$ 42,817**	**$ 47,701**	**$ 55,141**	**$ 61,698**	**$ 65,584**	**$ 67,546**	**$ 68,837**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 118,076	$ 228,342	$ 386,579	$ 503,238	$ 582,893	$ 685,785	$ 788,093	$ 874,692	$ 1,010,363	$ 1,133,430	$ 1,203,910	$ 1,231,887	$ 1,250,647
Total Recurring Costs		33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 84,451**	**$ 194,717**	**$ 403,901**	**$ (569,203)**	**$ (640,449)**	**$ (532,315)**	**$ (430,408)**	**$ (344,072)**	**$ (200,981)**	**$ (77,900)**	**$ (7,457)**	**$ 20,241**	**$ 38,872**
V. Combined General Fund, Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 550,542	$ 1,064,766	$ 2,483,299	$ 3,043,318	$ 3,426,339	$ 3,919,755	$ 4,408,103	$ 4,821,480	$ 5,466,420	$ 6,048,979	$ 6,419,955	$ 6,558,401	$ 6,686,593
Total Recurring Costs		686,835	865,355	1,326,054	3,401,204	3,977,117	4,261,947	4,510,322	4,561,947	4,657,733	4,860,925	5,113,924	5,134,964	5,148,742
Total Surplus/(Deficit)		**$ (136,293)**	**$ 199,412**	**$ 1,157,245**	**$ (357,887)**	**$ (550,778)**	**$ (342,192)**	**$ (102,218)**	**$ 259,533**	**$ 808,688**	**$ 1,188,054**	**$ 1,306,031**	**$ 1,423,437**	**$ 1,537,851**

Exhibit B-2: Alternative B
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
June 19, 2014

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	195		-	-	-	-	-	-	-	-	44	44	44	44	19
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	50		17	17	16	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	25		-	-	-	-	-	-	-	-	6	15	4	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,515		293	274	390	355	245	311	300	254	387	341	199	102	64
Cumulative Units			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Total Cumulative Residents	3.45	3	1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-2: Alternative B
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
June 19, 2014

I. Residential Assessed Value Additions	Average Value per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 3,990,000
Paired	230,000	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	5,270,000	5,270,000	4,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	2,100,000	5,250,000	1,400,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions			$ 108,610,000	$ 101,420,000	$ 113,960,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 123,860,000	$ 112,540,000	$ 62,690,000	$ 25,130,000	$ 15,240,000
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Total Assessed Value Additions-Average Price			$ 370,683	$ 370,146	$ 292,205	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 320,052	$ 330,029	$ 315,025	$ 246,373	$ 238,125

Exhibit B-2: Alternative B
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	203,643	-	-	-	-	-	-	-	10,890	-	10,890
Cumulative Square Feet			-	-	203,643	203,643	203,643	203,643	203,643	203,643	203,643	203,643	214,533	214,533	225,423
Assessed Value Additions	$ 150	3	$ -	$ -	$ 30,546,450	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,633,500	$ -	$ 1,633,500
Employees	500	3	-	-	407	-	-	-	-	-	-	-	22	-	22
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Cumulative Employees			-	-	407	407	407	407	407	407	407	407	429	429	451
50% of Cumulative Employees			-	-	204	204	204	204	204	204	204	204	215	215	225
Cumulative Equivalent Residents			1,012	1,958	3,508	4,734	5,581	6,654	7,690	8,568	9,904	11,082	11,780	12,132	12,364
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 354,536,450	$ 460,626,450	$ 533,016,450	$ 626,626,450	$ 719,876,450	$ 798,806,450	$ 922,666,450	$ 1,035,206,450	$ 1,099,529,950	$ 1,124,659,950	$ 1,141,533,450
Basic Tax Paid	1.00%	4	1,086,100	2,100,300	3,545,365	4,606,265	5,330,165	6,266,265	7,198,765	7,988,065	9,226,665	10,352,065	10,995,300	11,246,600	11,415,335
Total Property Tax	24.84%	4	$ 269,840	$ 521,816	$ 880,839	$ 1,144,418	$ 1,324,270	$ 1,556,842	$ 1,788,520	$ 1,984,620	$ 2,292,348	$ 2,571,951	$ 2,731,762	$ 2,794,197	$ 2,836,119
Total Property Tax Retained in General Fund	58.33%	4	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 8,363	$ 16,172	$ 24,947	$ 33,116	$ 38,690	$ 45,898	$ 53,078	$ 59,156	$ 68,693	$ 77,359	$ 82,186	$ 84,121	$ 85,294
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,770	$ 1,770	$ 1,860
Total Property Transfer Tax			$ 8,363	$ 16,172	$ 26,627	$ 34,796	$ 40,370	$ 47,578	$ 54,758	$ 60,836	$ 70,373	$ 79,039	$ 83,956	$ 85,891	$ 87,154
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 5,649	$ 10,932	$ 18,451	$ 25,295	$ 30,019	$ 36,015	$ 41,799	$ 46,696	$ 54,158	$ 60,732	$ 64,569	$ 66,535	$ 67,769
On-Site Sales Tax Redirected to Property Tax			-	-	153,498	153,498	153,498	153,498	153,498	153,498	153,498	153,498	161,706	161,706	169,915
Total Property Tax In-Lieu of Sales Tax			$ 5,649	$ 10,932	$ 171,949	$ 178,793	$ 183,517	$ 189,513	$ 195,297	$ 200,194	$ 207,655	$ 214,230	$ 226,275	$ 228,242	$ 237,684
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 28,245,200	$ 54,658,800	$ 92,254,800	$ 126,476,800	$ 150,094,800	$ 180,075,200	$ 208,995,200	$ 233,480,800	$ 270,787,600	$ 303,660,000	$ 322,843,600	$ 332,676,400	$ 338,846,000
Retail Taxable Sales	32.00%	5	9,038,464	17,490,816	29,521,536	40,472,576	48,030,336	57,624,064	66,878,464	74,713,856	86,652,032	97,171,200	103,309,952	106,456,448	108,430,720
Projected Off-Site Taxable Sales	25.00%	5	2,259,616	4,372,704	7,380,384	10,118,144	12,007,584	14,406,016	16,719,616	18,678,464	21,663,008	24,292,800	25,827,488	26,614,112	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	5	22,596	43,727	73,804	101,181	120,076	144,060	167,196	186,785	216,630	242,928	258,275	266,141	271,077
Use Tax @10.50% of sales tax	10.50%	5	2,373	4,591	7,749	10,624	12,608	15,126	17,556	19,612	22,746	25,507	27,119	27,945	28,463
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(5,649)	(10,932)	(18,451)	(25,295)	(30,019)	(36,015)	(41,799)	(46,696)	(54,158)	(60,732)	(64,569)	(66,535)	(67,769)
Total Off-Site Sales Tax Revenue			$ 19,320	$ 37,387	$ 63,102	$ 86,510	$ 102,665	$ 123,171	$ 142,953	$ 159,701	$ 185,219	$ 207,703	$ 220,825	$ 227,551	$ 231,771
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 80,853,197	$ 80,853,197	$ 84,957,420
Taxable Sales	80%	5	-	-	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	64,682,558	64,682,558	67,965,936
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	613,992	613,992	613,992	613,992	613,992	613,992	613,992	613,992	646,826	646,826	679,659
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	64,469	64,469	64,469	64,469	64,469	64,469	64,469	64,469	67,917	67,917	71,364
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(161,706)	(161,706)	(169,915)
Total On-Site Sales Tax Allocated to County			$ -	$ -	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 553,036	$ 553,036	$ 581,109

Exhibit B-2: Alternative B
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 109	$ 210	$ 355	$ 461	$ 533	$ 627	$ 720	$ 799	$ 923	$ 1,035	$ 1,100	$ 1,125	$ 1,142
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 177,577**	**$ 343,399**	**$ 579,667**	**$ 753,124**	**$ 871,482**	**$ 1,024,534**	**$ 1,176,998**	**$ 1,306,049**	**$ 1,508,560**	**$ 1,692,563**	**$ 1,797,731**	**$ 1,838,819**	**$ 1,866,407**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,119	$ 4,100	$ 7,346	$ 9,913	$ 11,684	$ 13,933	$ 16,102	$ 17,939	$ 20,737	$ 23,203	$ 24,664	$ 25,402	$ 25,887
Franchise Fees - Electric	4.44	6	4,494	8,696	15,582	21,027	24,785	29,555	34,156	38,052	43,987	49,218	52,318	53,883	54,912
Franchise Fees - Cable	6.92	6	7,005	13,556	22,880	31,367	37,225	44,660	51,833	57,905	67,158	75,310	80,068	82,506	84,037
Franchise Fees - Refuse	9.04	6	9,148	17,703	31,721	42,805	50,455	60,165	69,532	77,463	89,546	100,193	106,505	109,689	111,786
Franchise Fees - Refuse Household Waste	1.14	6	1,156	2,236	4,007	5,407	6,373	7,600	8,783	9,785	11,311	12,656	13,453	13,856	14,120
Total Franchise Fees			**$ 23,921**	**$ 46,291**	**$ 81,537**	**$ 110,520**	**$ 130,522**	**$ 155,913**	**$ 180,406**	**$ 201,143**	**$ 232,739**	**$ 260,579**	**$ 277,008**	**$ 285,336**	**$ 290,743**
C. Business License Fee	7.55	6	$ -	$ -	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,240	$ 3,240	$ 3,405
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,096	$ 4,055	$ 6,845	$ 9,384	$ 11,136	$ 13,361	$ 15,506	$ 17,323	$ 20,091	$ 22,530	$ 23,953	$ 24,683	$ 25,141
Yard Sale Permits	0.14	6	142	275	464	636	755	905	1,051	1,174	1,361	1,527	1,623	1,672	1,703
Total Licenses & Permits			**$ 2,238**	**$ 4,330**	**$ 7,309**	**$ 10,020**	**$ 11,891**	**$ 14,266**	**$ 16,557**	**$ 18,497**	**$ 21,452**	**$ 24,057**	**$ 25,576**	**$ 26,355**	**$ 26,844**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 481	$ 932	$ 1,670	$ 2,253	$ 2,656	$ 3,167	$ 3,660	$ 4,077	$ 4,713	$ 5,273	$ 5,606	$ 5,773	$ 5,883
General Fines	0.32	6	321	621	1,113	1,502	1,770	2,111	2,440	2,718	3,142	3,516	3,737	3,849	3,922
Code Enforcement Fines	0.71	6	722	1,398	2,504	3,379	3,983	4,750	5,489	6,115	7,069	7,910	8,408	8,660	8,825
Administrative Citation Program	0.40	6	401	776	1,391	1,877	2,213	2,639	3,050	3,397	3,927	4,394	4,671	4,811	4,903
Total Fines & Forfeitures			**$ 1,926**	**$ 3,727**	**$ 6,678**	**$ 9,012**	**$ 10,622**	**$ 12,666**	**$ 14,638**	**$ 16,308**	**$ 18,852**	**$ 21,093**	**$ 22,422**	**$ 23,093**	**$ 23,534**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 642	$ 1,242	$ 2,226	$ 3,004	$ 3,541	$ 4,222	$ 4,879	$ 5,436	$ 6,284	$ 7,031	$ 7,474	$ 7,698	$ 7,845
Refuse Penalties & Interest	0.16	6	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Total Miscellaneous Revenue			**$ 802**	**$ 1,553**	**$ 2,783**	**$ 3,755**	**$ 4,426**	**$ 5,278**	**$ 6,099**	**$ 6,795**	**$ 7,855**	**$ 8,789**	**$ 9,343**	**$ 9,622**	**$ 9,806**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	1,931	3,737	6,307	8,647	10,262	12,312	14,289	15,963	18,514	20,761	22,073	22,745	23,167
Engineering Fees - Inspections	$ 3.17	6	3,203	6,199	10,463	14,344	17,023	20,423	23,703	26,480	30,711	34,439	36,615	37,730	38,430
Park Fees	0.28	6	284	550	928	1,272	1,509	1,811	2,101	2,348	2,723	3,053	3,246	3,345	3,407
Self Hauler fees	0.03	6	28	55	93	127	151	181	210	235	272	305	325	334	341
Recordation of Document Fees	0.13	6	136	264	473	638	752	897	1,037	1,155	1,335	1,494	1,588	1,636	1,667
Vehicle Storage Fees	0.84	6	852	1,649	2,783	3,815	4,527	5,432	6,304	7,043	8,168	9,159	9,738	10,035	10,221
Total Charges for Services			**$ 6,435**	**$ 12,453**	**$ 21,046**	**$ 28,843**	**$ 34,224**	**$ 41,055**	**$ 47,644**	**$ 53,223**	**$ 61,723**	**$ 69,212**	**$ 73,584**	**$ 75,825**	**$ 77,232**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 28,837**	**$ 55,805**	**$ 94,189**	**$ 129,128**	**$ 153,241**	**$ 183,850**	**$ 213,376**	**$ 238,375**	**$ 276,464**	**$ 310,026**	**$ 329,612**	**$ 339,650**	**$ 345,949**

Exhibit B-2: Alternative B
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs															
A. City Council	$ 1.15	7	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
B. City Clerk	1.93	7	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	23,894
C. General Government	5.16	7	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	63,763
D. Personnel	0.58	7	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	7,129
E. Finance	3.84	7	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	47,476
F. Police Department		18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control	8.81	7	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	106,963
H. Public Works															
Salaries & Wages	$ 2.56	7	$ 2,593	$ 5,018	$ 8,991	$ 12,133	$ 14,301	$ 17,054	$ 19,709	$ 21,957	$ 25,382	$ 28,399	$ 30,188	$ 31,091	31,685
Benefits	1.04	7	1,049	2,029	3,636	4,907	5,784	6,897	7,971	8,880	10,265	11,486	12,209	12,574	12,815
Operations & Materials	8.11	7	8,206	15,880	28,455	38,397	45,259	53,969	62,372	69,485	80,324	89,875	95,537	98,393	100,274
Engineering	2.06	7	2,084	4,033	7,226	9,751	11,493	13,705	15,839	17,645	20,398	22,823	24,261	24,987	25,464
Traffic Counts	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Underground Service Alert	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Contract Services - Street Maintenance	1.59	7	175,334	175,334	226,105	226,105	226,105	279,050	279,050	279,050	304,098	339,120	339,120	339,120	339,120
Contract Services - Street Sweeping	0.02	7	16	31	56	75	89	106	122	136	157	176	187	192	196
Contract Services - Emergency Work	0.16	7	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Contract Services - Striping	0.79	7	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Contract Services - Traffic Signals	3.33	7	3,370	6,522	11,687	15,770	18,589	22,166	25,617	28,539	32,991	36,913	39,239	40,412	41,184
Contract Services - Maintenance	0.08	7	77	149	267	360	425	507	586	652	754	844	897	924	941
Contract Services - Environmental Health Services	0.05	7	48	93	167	225	266	317	366	408	471	527	561	577	588
Contract Services - Tree Trimming	0.63	7	642	1,242	2,226	3,004	3,541	4,222	4,879	5,436	6,284	7,031	7,474	7,698	7,845
Total Public Works			$ 194,431	$ 212,289	$ 292,322	$ 315,459	$ 331,428	$ 404,643	$ 424,196	$ 440,750	$ 491,021	$ 548,268	$ 561,444	$ 568,092	$ 572,469
I. Engineering	4.80	7	$ 4,853	$ 9,391	$ 16,827	$ 22,707	$ 26,765	$ 31,916	$ 36,885	$ 41,092	$ 47,501	$ 53,149	$ 56,497	$ 58,187	$ 59,299
J. Planning	5.40	7	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	66,759
K. Public Services	3.45	7	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	42,599
L. Code Enforcement	2.37	7	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	29,287
M. Graffiti	1.73	7	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	21,421
N. Trails	0.24	7	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	3,020
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14															
Sergeant			$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective			-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy			148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist			69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist			-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)			-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)			-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)			5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services			12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization			964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance			1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)			-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)			333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support			1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance			348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding			3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost			11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget			$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading			$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget			$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance															
Lane Miles (Assumes Beginning of Phase)															
Backbone Roads			27.42												
Interior Roads			19.34		13.54			14.12			6.68	9.34			
Total Lane Miles			46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)		C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
Cost per Lane Mile (See Exhibit C-2)		C-2	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750
Total Street Maintenance Cost			$ 175,334	$ 175,334	$ 226,105	$ 226,105	$ 226,105	$ 279,050	$ 279,050	$ 279,050	$ 304,098	$ 339,120	$ 339,120	$ 339,120	$ 339,120

Exhibit B-2: Alternative B
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance															
Park Acres (Assumes End of Phase)															
20 Acre Park						20.00									
5.5 Acre Park Next to School						5.50									
6.5 Acre Park													6.50		
Total Park Acres			-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres			-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$ 32,635	7	$ -	$ -	$ -	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 1,044,320	$ 1,044,320	$ 1,044,320
R. Drainage Basins															
Acres of Drainage Basins			15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$ 1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement															
Annual Contribution Increase	2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost		C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
A. Recurring Revenues															
Secured Property Tax Retained in Fire Fund	41.67%	4	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Revenues			$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
B. Recurring Costs															
Fire Station Cost															
Fire Stations Required for Project (a)			-	-	-	0.88	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$ 1,237,379	8	$ -	$ -	$ -	$ 1,087,500	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost															
Total Project Acres (b)	[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)															
Phase 1 Acres			353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres					237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres								234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres											133.5	133.5	133.5	133.5	133.5
Phase 5 Acres											160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out	[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres	=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$ 25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Revenue from Outside Project															
Additional Units within the Fire Station Service Area (e)			-	-	111	111	111	111	111	111	111	111	111	111	111
Fire Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
Paramedic Revenue per Unit			19	19	20	20	20	20	20	20	20	20	20	20	20
Total Revenue from Outside Project		8	$ -	$ -	$ 44,838	$ 42,576	$ 41,555	$ 40,751	$ 40,350	$ 40,087	$ 39,925	$ 39,940	$ 39,903	$ 39,623	$ 39,494
Total Recurring Costs			$ 33,625	$ 33,625	$ (17,321)	$ 1,072,441	$ 1,223,342	$ 1,218,100	$ 1,218,501	$ 1,218,764	$ 1,211,344	$ 1,211,329	$ 1,211,367	$ 1,211,646	$ 1,211,775
III. Paramedic Fund															
A. Recurring Revenues															
A. Property Tax - Paramedic Tax	$ 5.57	9	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
B. Recurring Costs (d)			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues			$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Revenue per Unit			$ 19	$ 19	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20

Footnotes:

(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.
(e) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/10/2014. See Exhibits D-1 and D-2.

Exhibit B-2: Alternative B
Table 18 - Police Phasing Analysis
Harmony Planned Community
June 19, 2014

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Cumulative Residents		1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.99	1.02	1.21	0.88	1.12	1.09	1.07	0.96	0.82	0.83	0.78	0.76	0.74
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.99	1.02	0.91	0.66	0.74	0.78	0.80	0.72	0.62	0.64	0.61	0.59	0.58
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	**$ 17,085,854**	**$ 253,594**	**$ 428,541**	**$ 800,592**	**$ 882,095**	**$ 1,257,569**	**$ 1,431,858**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		**$ 380,391**	**$ 503,541**	**$ 875,592**	**$ 957,095**	**$ 1,332,569**	**$ 1,506,858**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**

Exhibit B-3: Alternative C
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
June 19, 2014

I. GENERAL FUND	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
A. Recurring Revenues					
Property Tax	4	$ 1,654,308	$ 470.64	$ 133.80	30.4%
Property Transfer Tax	4	87,154	24.79	7.05	1.6%
Property Tax In Lieu of Sales Tax	4	237,684	67.62	19.22	4.4%
Off-Site Sales and Use Tax	5	231,771	65.94	18.75	4.3%
On-Site Sales and Use Tax	5	581,109	165.32	47.00	10.7%
Property Tax-Vehicle License Fee	6	1,866,407	530.98	150.96	34.3%
Franchise Fees	6	290,743	82.71	23.52	5.3%
Business License Fee	6	3,405	0.97	0.28	0.1%
Licenses & Permits	6	26,844	7.64	2.17	0.5%
Fines & Forfeitures	6	23,534	6.70	1.90	0.4%
Miscellaneous Revenue	6	9,806	2.79	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	77,232	21.97	6.25	1.4%
Gas Tax and Traffic Safety Fund Revenue	10	345,949	98.42	27.98	6.4%
Total Recurring Revenues		**$ 5,435,946**	**$ 1,546.50**	**$ 439.66**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,258	$ 4.06	$ 1.15	0.5%
City Clerk	7	$ 23,894	6.80	1.93	0.8%
General Government	7	$ 63,763	18.14	5.16	2.2%
Personnel	7	$ 7,129	2.03	0.58	0.2%
Finance	7	$ 47,476	13.51	3.84	1.6%
Police Department	7	$ 1,793,496	510.24	145.06	62.0%
Animal Control	7	$ 106,963	30.43	8.65	3.7%
Public Works	7	$ 572,469	162.86	46.30	19.8%
Engineering	7	$ 59,299	16.87	4.80	2.0%
Planning	7	$ 66,759	18.99	5.40	2.3%
Public Services	7	$ 42,599	12.12	3.45	1.5%
Code Enforcement	7	$ 29,287	8.33	2.37	1.0%
Parks	7	$ -	-	-	0.0%
Graffiti	7	$ 21,421	6.09	1.73	0.7%
Trails	7	$ 3,020	0.86	0.24	0.1%
Drainage Basins	7	$ 29,700	8.45	2.40	1.0%
Storm Drainage Replacement	7	$ 11,115	3.16	0.90	0.4%
Total Recurring Costs		**$ 2,892,647**	**$ 822.94**	**$ 233.96**	**100.0%**
General Fund Surplus/(Deficit)		**$ 2,543,299**	**$ 723.56**	**$ 205.70**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,181,811	$ 336.22	$ 95.59	
Total Recurring Costs	8	1,211,775	344.74	98.01	
Fire Fund Surplus/(Deficit)		**$ (29,964)**	**$ (8.52)**	**$ (2.42)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 68,837	$ 19.58	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 68,837**	**$ 19.58**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,250,647	$ 355.80	$ 101.15	
Total Recurring Costs		1,211,775	344.74	98.01	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 38,872**	**$ 11.06**	**$ 3.14**	
V. COMBINED NET FISCAL IMPACT					
Recurring Revenues		$ 6,686,593	$ 1,902.30	$ 540.81	
Total Recurring Costs		4,104,422	1,167.69	331.97	
Total Surplus/(Deficit)		**$ 2,582,171**	**$ 734.61**	**$ 208.85**	

Exhibit B-3: Alternative C
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
June 19, 2014

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-3: Alternative C
Table 3 - Land Use Assumptions
Harmony Planned Community
June 19, 2014

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation
I. Residential Land Use		(a)	(a)	(a)	
Condo Apartments	40	5	195	$ 210,000	$ 40,950,000
Paired	26	2	173	230,000	39,790,000
Paired	43A	3	130	230,000	29,900,000
HDD	15	2	208	250,000	52,000,000
HDD	25	3	110	250,000	27,500,000
HDD	33	4	105	250,000	26,250,000
6 Pack	27	2	115	250,000	28,750,000
6 Pack	43B	3	99	250,000	24,750,000
4 Pack L	21	2	115	290,000	33,350,000
4 Pack S	22	2	80	270,000	21,600,000
4 Pack S	23	3	77	270,000	20,790,000
SFD - 3,000 Sq. Ft.	3	1	50	310,000	15,500,000
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000
SFD - 4,000 Sq. Ft.	35	4	25	350,000	8,750,000
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000
Total/Weighted Average			3,515	$ 315,141	**$ 1,107,720,000**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	1.00	10,890	500	22	150.00	1,633,500
Neighborhood Commercial	3	0.25	13.00	141,570	500	283	150.00	21,235,500
Neighborhood Commercial	40	0.25	1.00	10,890	500	22	150.00	1,633,500
Total			20.70	225,423		451		**$ 33,813,450**

III. Total Residential and Non-Residential **$ 1,141,533,450**

IV. Population Summary

Residential Units	[1]	**3,515**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,139**
Employees	[4]	**451**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	225
Total Equivalent Residents	[3]+[5]=[6]	**12,364**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.

Exhibit B-3: Alternative C
Table 4 - Property Tax Calculations
Harmony Planned Community
June 19, 2014

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,141,533,450
Basic Rate			1.000%
Basic Tax Paid		$	11,415,335
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,836,119**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,654,308**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,181,811**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,107,720,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	155,080,800
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	85,294
B. Non-Residential			
Non-Residential Assessed Value	3	$	33,813,450
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	3,381,345
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	1,860
Total Property Transfer Tax	[1]+[2]	**$**	**87,154**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	67,769
On-Site Sales Tax Redirected to Property Tax (e)	5		169,915
Total Property Tax In-Lieu of Sales Tax		**$**	**237,684**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-3: Alternative C
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
June 19, 2014

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	338,846,000
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	108,430,720
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 271,077
Use Tax @10.50% of sales tax	10.50%	8	28,463
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(67,769)
Total Off-Site Sales Tax Revenue		$ 85	**$ 231,771**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	10,890	377	80%	3,283,379
Neighborhood Commercial	3	-	141,570	377	80%	42,683,921
Neighborhood Commercial	40	-	10,890	377	80%	3,283,379
Subtotal Taxable Sales for Retail Land Use			225,423			$ 67,965,936
Total Taxable Sales						$ 67,965,936
Sales Tax @1% of taxable sales					1.00%	679,659
Use Tax @10.50% of sales tax (c)					10.50%	71,364
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(169,915)
Total On-Site Sales Tax Revenue						**$ 581,109**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-3: Alternative C
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,866,407**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,364	$ 25,887
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,364	54,912
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,139	84,037
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,364	111,786
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,364	14,120
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 290,743**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	451	**$ 3,405**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,160,555
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,139	$ 25,141
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,139	1,703
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 26,844**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,364	$ 5,883
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,364	3,922
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,364	8,825
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,364	4,903
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,534**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,364	$ 7,845
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,806**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,139	23,167
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,139	38,430
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,139	3,407
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,139	341
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,364	1,667
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,139	10,221
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 77,232**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,297,970

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.
(d) Assumes Project will have a de minimis impact on these revenue sources.
(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.
(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.
(g) See Section II of Table 6.

Exhibit B-3: Alternative C
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
June 19, 2014

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05		FY 2011-12			Change
Property Tax Vehicle License Fees (VLF)	$ (a)	2,624,088	$ (b)	3,800,000	[1]	1,175,912
City Assessed Valuation	(c)	1,992,355,699	(d)	2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase					=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV					[3]	$ 1,635

Property Tax in Lieu of MVLF:		
Total Residential and Non-Residential Assessed Value (Table 3)	[4]	$ 1,141,533,450
Assessed Valuation / 1,000,000	[5]	$ 1,142
VLF Increase per $1,000,000 increase in AV	[3]	1,635
Property Tax in Lieu of MVLF	=[3]*[5]	$ 1,866,407

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-3: Alternative C
Table 7 - General Fund Cost Calculations
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,364	**$ 14,258**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,364	**23,894**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,364	**63,763**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,364	**7,129**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,364	**47,476**
F. Police Department	156	6,819,830	100%	See Footnote (g)					**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,139	**106,963**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,364	$ 31,685
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,364	12,815
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,364	100,274
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	See Footnote (d)					
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,364	25,464
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Street Maintenance	164	100,000	100%	See Table 16					339,120
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,364	196
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,364	9,806
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,364	41,184
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,364	941
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,364	588
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,364	7,845
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 572,469**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,364	**59,299**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,364	**66,759**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,364	**42,599**
L. Building & Safety	181	412,890	0%	See Footnote (d)					
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,364	**29,287**
N. Parks	188	-	0%	See Footnote (e)					**-**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,364	**21,421**
P. Community Volunteer Services	192	57,545	0%	See Footnote (f)					
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,364	**3,020**
R. Drainage Basins		-	0%	See Footnote (i)					**29,700**
S. Storm Drainage Replacement		-	0%	See Footnote (j)					**11,115**
TOTAL GENERAL FUND COSTS		$ 14,282,410		$ 3,592,834			$ 58.33		$ 2,892,647

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. The development of the Harmony Planned Community ("Project") is not anticipated to increase the City's maintenance cost for these parks. Parks to be developed within the Project are anticipated to be HOA maintained.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-3: Alternative C
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	---------- See Calculation in Table 4 ----------					**$ 1,181,811**
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	83	33,225	0%	---------- See Footnote (e) ----------					
Interest	83	35,000	0%	---------- See Footnote (e) ----------					
Pass-Thru Fire Department	83	180,000	0%	---------- See Footnote (e) ----------					
Fire Department Fees	83	473,000	0%	---------- See Footnote (e) ----------					
Total Other Fire Fund Revenue									**$ -**
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,181,811**
Fire Fund Revenue per Unit								[9]	$ 336.22

II. FIRE FUND COST

A. Typical Cost per Station		
Estimated Cost per Station (d)	[1]	$ 1,237,379
Additional Fire Stations Required to Serve Project (d)	[2]	1.00
Percent of Fire Station Costs Allocable to Project	[3]	100%
Total Cost per Station	[1]X[2]X[3]=[4]	**$ 1,237,379**
B. Wildland Fire Protection Agreement Cost		
Acres (f)	[5]	539
Cost per Acre (g)	[6]	$ 25.77
Total Wildland Fire Protection Agreement Cost	[5]X[6]=[7]	**$ 13,890**
C. Revenue from Outside Project		
Additional Units within the Fire Station Service Area (h)	[8]	111
Fire Revenue per Unit	[9]	$ 336.22
Paramedic Revenue per Unit (From Table 9)	[10]	19.58
Total Revenue from Outside Project	[8]*([9]+[10])=[11]	**$ 39,494**
TOTAL FIRE FUND COST	=[4]+[7]-[11]	**$ 1,211,775**

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

(h) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/11/2014.

See Exhibits D-1 and D-2.

Exhibit B-3: Alternative C
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
June 19, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,364	$ 68,837
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 68,837**
Paramedic Fund Revenue per Unit									$ 19.58
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	---------- See Footnote (d) ----------					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	---------- See Footnote (d) ----------					
C. Contractual Services - Medical Director	234	10,000	100%	---------- See Footnote (d) ----------					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-3: Alternative C
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
June 19, 2014

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,139
Total Gas Tax and Traffic Safety Fund Revenue						**$ 345,949**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-3: Alternative C
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
June 19, 2014

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	14	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
Property Transfer Tax	14	8,363	16,172	26,627	34,796	40,370	47,578	54,758	60,836	70,373	79,039	83,956	85,891	87,154
Property Tax In Lieu of Sales Tax	14	5,649	10,932	171,949	178,793	183,517	189,513	195,297	200,194	207,655	214,230	226,275	228,242	237,684
Off-Site Sales and Use Tax	14	19,320	37,387	63,102	86,510	102,665	123,171	142,953	159,701	185,219	207,703	220,825	227,551	231,771
On-Site Sales and Use Tax	14	-	-	524,963	524,963	524,963	524,963	524,963	524,963	524,963	524,963	553,036	553,036	581,109
Property Tax-Vehicle License Fee	15	177,577	343,399	579,667	753,124	871,482	1,024,534	1,176,998	1,306,049	1,508,560	1,692,563	1,797,731	1,838,819	1,866,407
Franchise Fees	15	23,921	46,291	81,537	110,520	130,522	155,913	180,406	201,143	232,739	260,579	277,008	285,336	290,743
Business License Fee	15	-	-	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,240	3,240	3,405
Licenses & Permits	15	2,238	4,330	7,309	10,020	11,891	14,266	16,557	18,497	21,452	24,057	25,576	26,355	26,844
Fines & Forfeitures	15	1,926	3,727	6,678	9,012	10,622	12,666	14,638	16,308	18,852	21,093	22,422	23,093	23,534
Miscellaneous Revenue	15	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Intergovernmental Revenue	15	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	15	6,435	12,453	21,046	28,843	34,224	41,055	47,644	53,223	61,723	69,212	73,584	75,825	77,232
Gas Tax and Traffic Safety Fund Revenue	15	28,837	55,805	94,189	129,128	153,241	183,850	213,376	238,375	276,464	310,026	329,612	339,650	345,949
Total Recurring Revenues		**$ 432,466**	**$ 836,424**	**$ 2,096,719**	**$ 2,540,079**	**$ 2,843,446**	**$ 3,233,970**	**$ 3,620,010**	**$ 3,946,788**	**$ 4,456,057**	**$ 4,915,549**	**$ 5,216,045**	**$ 5,326,514**	**$ 5,435,946**
B. General Fund Recurring Costs														
City Council	16	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
City Clerk	16	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	$ 23,894
General Government	16	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	$ 63,763
Personnel	16	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	$ 7,129
Finance	16	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	$ 47,476
Police Department	18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	16	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	$ 106,963
Public Works	16	194,431	212,289	292,322	315,459	331,428	404,643	424,196	440,750	491,021	548,268	561,444	568,092	$ 572,469
Engineering	16	4,853	9,391	16,827	22,707	26,765	31,916	36,885	41,092	47,501	53,149	56,497	58,187	$ 59,299
Planning	16	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	$ 66,759
Public Services	16	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	$ 42,599
Code Enforcement	16	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	$ 29,287
Parks	17	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Graffiti	16	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	$ 21,421
Trails	16	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	$ 3,020
Drainage Basins	17	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	17	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 653,211**	**$ 831,730**	**$ 1,343,375**	**$ 1,496,571**	**$ 1,921,583**	**$ 2,211,654**	**$ 2,459,628**	**$ 2,510,991**	**$ 2,614,196**	**$ 2,817,403**	**$ 2,858,237**	**$ 2,878,998**	**$ 2,892,647**
Net General Fund Surplus/(Deficit)		**$ (220,744)**	**$ 4,694**	**$ 753,344**	**$ 1,043,509**	**$ 921,863**	**$ 1,022,316**	**$ 1,160,382**	**$ 1,435,798**	**$ 1,841,861**	**$ 2,098,146**	**$ 2,357,808**	**$ 2,447,516**	**$ 2,543,299**
II. Fire Fund														
Total Recurring Revenues	17	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Costs	17	33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund Surplus/(Deficit)		**$ 78,817**	**$ 183,816**	**$ 384,367**	**$ (595,562)**	**$ (671,518)**	**$ (569,364)**	**$ (473,225)**	**$ (391,773)**	**$ (256,123)**	**$ (139,597)**	**$ (73,041)**	**$ (47,304)**	**$ (29,964)**
III. Paramedic Fund														
Total Recurring Revenues	17	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 5,633**	**$ 10,902**	**$ 19,534**	**$ 26,359**	**$ 31,070**	**$ 37,049**	**$ 42,817**	**$ 47,701**	**$ 55,141**	**$ 61,698**	**$ 65,584**	**$ 67,546**	**$ 68,837**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 118,076	$ 228,342	$ 386,579	$ 503,238	$ 582,893	$ 685,785	$ 788,093	$ 874,692	$ 1,010,363	$ 1,133,430	$ 1,203,910	$ 1,231,887	$ 1,250,647
Total Recurring Costs		33,625	33,625	(17,321)	1,072,441	1,223,342	1,218,100	1,218,501	1,218,764	1,211,344	1,211,329	1,211,367	1,211,646	1,211,775
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 84,451**	**$ 194,717**	**$ 403,901**	**$ (569,203)**	**$ (640,449)**	**$ (532,315)**	**$ (430,408)**	**$ (344,072)**	**$ (200,981)**	**$ (77,900)**	**$ (7,457)**	**$ 20,241**	**$ 38,872**
V. Combined General Fund, Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 550,542	$ 1,064,766	$ 2,483,299	$ 3,043,318	$ 3,426,339	$ 3,919,755	$ 4,408,103	$ 4,821,480	$ 5,466,420	$ 6,048,979	$ 6,419,955	$ 6,558,401	$ 6,686,593
Total Recurring Costs		686,835	865,355	1,326,054	2,569,012	3,144,925	3,429,755	3,678,129	3,729,754	3,825,540	4,028,732	4,069,604	4,090,644	4,104,422
Total Surplus/(Deficit)		**$ (136,293)**	**$ 199,412**	**$ 1,157,245**	**$ 474,306**	**$ 281,414**	**$ 490,001**	**$ 729,974**	**$ 1,091,726**	**$ 1,640,880**	**$ 2,020,246**	**$ 2,350,351**	**$ 2,467,757**	**$ 2,582,171**

Exhibit B-3: Alternative C
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
June 19, 2014

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	195		-	-	-	-	-	-	-	-	44	44	44	44	19
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	50		17	17	16	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	25		-	-	-	-	-	-	-	-	6	15	4	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,515		293	274	390	355	245	311	300	254	387	341	199	102	64
Cumulative Units			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Total Cumulative Residents	3.45	3	1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-3: Alternative C
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
June 19, 2014

I. Residential Assessed Value Additions	Average Value per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 3,990,000
Paired	230,000	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	5,270,000	5,270,000	4,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	2,100,000	5,250,000	1,400,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions			$ 108,610,000	$ 101,420,000	$ 113,960,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 123,860,000	$ 112,540,000	$ 62,690,000	$ 25,130,000	$ 15,240,000
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Total Assessed Value Additions-Average Price			$ 370,683	$ 370,146	$ 292,205	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 320,052	$ 330,029	$ 315,025	$ 246,373	$ 238,125

Exhibit B-3: Alternative C
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	203,643	-	-	-	-	-	-	-	10,890	-	10,890
Cumulative Square Feet			-	-	203,643	203,643	203,643	203,643	203,643	203,643	203,643	203,643	214,533	214,533	225,423
Assessed Value Additions	$ 150	3	$ -	$ -	$ 30,546,450	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,633,500	$ -	$ 1,633,500
Employees	500	3	-	-	407	-	-	-	-	-	-	-	22	-	22
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Cumulative Employees			-	-	407	407	407	407	407	407	407	407	429	429	451
50% of Cumulative Employees			-	-	204	204	204	204	204	204	204	204	215	215	225
Cumulative Equivalent Residents			1,012	1,958	3,508	4,734	5,581	6,654	7,690	8,568	9,904	11,082	11,780	12,132	12,364
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 354,536,450	$ 460,626,450	$ 533,016,450	$ 626,626,450	$ 719,876,450	$ 798,806,450	$ 922,666,450	$ 1,035,206,450	$ 1,099,529,950	$ 1,124,659,950	$ 1,141,533,450
Basic Tax Paid	1.00%	4	1,086,100	2,100,300	3,545,365	4,606,265	5,330,165	6,266,265	7,198,765	7,988,065	9,226,665	10,352,065	10,995,300	11,246,600	11,415,335
Total Property Tax	24.84%	4	**$ 269,840**	**$ 521,816**	**$ 880,839**	**$ 1,144,418**	**$ 1,324,270**	**$ 1,556,842**	**$ 1,788,520**	**$ 1,984,620**	**$ 2,292,348**	**$ 2,571,951**	**$ 2,731,762**	**$ 2,794,197**	**$ 2,836,119**
Total Property Tax Retained in General Fund	58.33%	4	**$ 157,397**	**$ 304,375**	**$ 513,794**	**$ 667,539**	**$ 772,446**	**$ 908,106**	**$ 1,043,244**	**$ 1,157,629**	**$ 1,337,127**	**$ 1,500,219**	**$ 1,593,437**	**$ 1,629,855**	**$ 1,654,308**
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 8,363	$ 16,172	$ 24,947	$ 33,116	$ 38,690	$ 45,898	$ 53,078	$ 59,156	$ 68,693	$ 77,359	$ 82,186	$ 84,121	$ 85,294
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,770	$ 1,770	$ 1,860
Total Property Transfer Tax			**$ 8,363**	**$ 16,172**	**$ 26,627**	**$ 34,796**	**$ 40,370**	**$ 47,578**	**$ 54,758**	**$ 60,836**	**$ 70,373**	**$ 79,039**	**$ 83,956**	**$ 85,891**	**$ 87,154**
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 5,649	$ 10,932	$ 18,451	$ 25,295	$ 30,019	$ 36,015	$ 41,799	$ 46,696	$ 54,158	$ 60,732	$ 64,569	$ 66,535	$ 67,769
On-Site Sales Tax Redirected to Property Tax			-	-	153,498	153,498	153,498	153,498	153,498	153,498	153,498	153,498	161,706	161,706	169,915
Total Property Tax In-Lieu of Sales Tax			**$ 5,649**	**$ 10,932**	**$ 171,949**	**$ 178,793**	**$ 183,517**	**$ 189,513**	**$ 195,297**	**$ 200,194**	**$ 207,655**	**$ 214,230**	**$ 226,275**	**$ 228,242**	**$ 237,684**
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 28,245,200	$ 54,658,800	$ 92,254,800	$ 126,476,800	$ 150,094,800	$ 180,075,200	$ 208,995,200	$ 233,480,800	$ 270,787,600	$ 303,660,000	$ 322,843,600	$ 332,676,400	$ 338,846,000
Retail Taxable Sales	32.00%	5	9,038,464	17,490,816	29,521,536	40,472,576	48,030,336	57,624,064	66,878,464	74,713,856	86,652,032	97,171,200	103,309,952	106,456,448	108,430,720
Projected Off-Site Taxable Sales	25.00%	5	2,259,616	4,372,704	7,380,384	10,118,144	12,007,584	14,406,016	16,719,616	18,678,464	21,663,008	24,292,800	25,827,488	26,614,112	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	5	22,596	43,727	73,804	101,181	120,076	144,060	167,196	186,785	216,630	242,928	258,275	266,141	271,077
Use Tax @10.50% of sales tax	10.50%	5	2,373	4,591	7,749	10,624	12,608	15,126	17,556	19,612	22,746	25,507	27,119	27,945	28,463
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(5,649)	(10,932)	(18,451)	(25,295)	(30,019)	(36,015)	(41,799)	(46,696)	(54,158)	(60,732)	(64,569)	(66,535)	(67,769)
Total Off-Site Sales Tax Revenue			**$ 19,320**	**$ 37,387**	**$ 63,102**	**$ 86,510**	**$ 102,665**	**$ 123,171**	**$ 142,953**	**$ 159,701**	**$ 185,219**	**$ 207,703**	**$ 220,825**	**$ 227,551**	**$ 231,771**
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 80,853,197	$ 80,853,197	$ 84,957,420
Taxable Sales	80%	5	-	-	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	64,682,558	64,682,558	67,965,936
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	613,992	613,992	613,992	613,992	613,992	613,992	613,992	613,992	646,826	646,826	679,659
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	64,469	64,469	64,469	64,469	64,469	64,469	64,469	64,469	67,917	67,917	71,364
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(161,706)	(161,706)	(169,915)
Total On-Site Sales Tax Allocated to County			**$ -**	**$ -**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 553,036**	**$ 553,036**	**$ 581,109**

Exhibit B-3: Alternative C
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 109	$ 210	$ 355	$ 461	$ 533	$ 627	$ 720	$ 799	$ 923	$ 1,035	$ 1,100	$ 1,125	$ 1,142
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 177,577**	**$ 343,399**	**$ 579,667**	**$ 753,124**	**$ 871,482**	**$ 1,024,534**	**$ 1,176,998**	**$ 1,306,049**	**$ 1,508,560**	**$ 1,692,563**	**$ 1,797,731**	**$ 1,838,819**	**$ 1,866,407**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,119	$ 4,100	$ 7,346	$ 9,913	$ 11,684	$ 13,933	$ 16,102	$ 17,939	$ 20,737	$ 23,203	$ 24,664	$ 25,402	$ 25,887
Franchise Fees - Electric	4.44	6	4,494	8,696	15,582	21,027	24,785	29,555	34,156	38,052	43,987	49,218	52,318	53,883	54,912
Franchise Fees - Cable	6.92	6	7,005	13,556	22,880	31,367	37,225	44,660	51,833	57,905	67,158	75,310	80,068	82,506	84,037
Franchise Fees - Refuse	9.04	6	9,148	17,703	31,721	42,805	50,455	60,165	69,532	77,463	89,546	100,193	106,505	109,689	111,786
Franchise Fees - Refuse Household Waste	1.14	6	1,156	2,236	4,007	5,407	6,373	7,600	8,783	9,785	11,311	12,656	13,453	13,856	14,120
Total Franchise Fees			**$ 23,921**	**$ 46,291**	**$ 81,537**	**$ 110,520**	**$ 130,522**	**$ 155,913**	**$ 180,406**	**$ 201,143**	**$ 232,739**	**$ 260,579**	**$ 277,008**	**$ 285,336**	**$ 290,743**
C. Business License Fee	7.55	6	$ -	$ -	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,240	$ 3,240	$ 3,405
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,096	$ 4,055	$ 6,845	$ 9,384	$ 11,136	$ 13,361	$ 15,506	$ 17,323	$ 20,091	$ 22,530	$ 23,953	$ 24,683	$ 25,141
Yard Sale Permits	0.14	6	142	275	464	636	755	905	1,051	1,174	1,361	1,527	1,623	1,672	1,703
Total Licenses & Permits			**$ 2,238**	**$ 4,330**	**$ 7,309**	**$ 10,020**	**$ 11,891**	**$ 14,266**	**$ 16,557**	**$ 18,497**	**$ 21,452**	**$ 24,057**	**$ 25,576**	**$ 26,355**	**$ 26,844**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 481	$ 932	$ 1,670	$ 2,253	$ 2,656	$ 3,167	$ 3,660	$ 4,077	$ 4,713	$ 5,273	$ 5,606	$ 5,773	$ 5,883
General Fines	0.32	6	321	621	1,113	1,502	1,770	2,111	2,440	2,718	3,142	3,516	3,737	3,849	3,922
Code Enforcement Fines	0.71	6	722	1,398	2,504	3,379	3,983	4,750	5,489	6,115	7,069	7,910	8,408	8,660	8,825
Administrative Citation Program	0.40	6	401	776	1,391	1,877	2,213	2,639	3,050	3,397	3,927	4,394	4,671	4,811	4,903
Total Fines & Forfeitures			**$ 1,926**	**$ 3,727**	**$ 6,678**	**$ 9,012**	**$ 10,622**	**$ 12,666**	**$ 14,638**	**$ 16,308**	**$ 18,852**	**$ 21,093**	**$ 22,422**	**$ 23,093**	**$ 23,534**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 642	$ 1,242	$ 2,226	$ 3,004	$ 3,541	$ 4,222	$ 4,879	$ 5,436	$ 6,284	$ 7,031	$ 7,474	$ 7,698	$ 7,845
Refuse Penalties & Interest	0.16	6	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Total Miscellaneous Revenue			**$ 802**	**$ 1,553**	**$ 2,783**	**$ 3,755**	**$ 4,426**	**$ 5,278**	**$ 6,099**	**$ 6,795**	**$ 7,855**	**$ 8,789**	**$ 9,343**	**$ 9,622**	**$ 9,806**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	1,931	3,737	6,307	8,647	10,262	12,312	14,289	15,963	18,514	20,761	22,073	22,745	23,167
Engineering Fees - Inspections	$ 3.17	6	3,203	6,199	10,463	14,344	17,023	20,423	23,703	26,480	30,711	34,439	36,615	37,730	38,430
Park Fees	0.28	6	284	550	928	1,272	1,509	1,811	2,101	2,348	2,723	3,053	3,246	3,345	3,407
Self Hauler fees	0.03	6	28	55	93	127	151	181	210	235	272	305	325	334	341
Recordation of Document Fees	0.13	6	136	264	473	638	752	897	1,037	1,155	1,335	1,494	1,588	1,636	1,667
Vehicle Storage Fees	0.84	6	852	1,649	2,783	3,815	4,527	5,432	6,304	7,043	8,168	9,159	9,738	10,035	10,221
Total Charges for Services			**$ 6,435**	**$ 12,453**	**$ 21,046**	**$ 28,843**	**$ 34,224**	**$ 41,055**	**$ 47,644**	**$ 53,223**	**$ 61,723**	**$ 69,212**	**$ 73,584**	**$ 75,825**	**$ 77,232**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 28,837**	**$ 55,805**	**$ 94,189**	**$ 129,128**	**$ 153,241**	**$ 183,850**	**$ 213,376**	**$ 238,375**	**$ 276,464**	**$ 310,026**	**$ 329,612**	**$ 339,650**	**$ 345,949**

Exhibit B-3: Alternative C
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs															
A. City Council	$ 1.15	7	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
B. City Clerk	1.93	7	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	23,894
C. General Government	5.16	7	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	63,763
D. Personnel	0.58	7	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	7,129
E. Finance	3.84	7	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	47,476
F. Police Department		18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control	8.81	7	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	106,963
H. Public Works															
Salaries & Wages	$ 2.56	7	$ 2,593	$ 5,018	$ 8,991	$ 12,133	$ 14,301	$ 17,054	$ 19,709	$ 21,957	$ 25,382	$ 28,399	$ 30,188	$ 31,091	31,685
Benefits	1.04	7	1,049	2,029	3,636	4,907	5,784	6,897	7,971	8,880	10,265	11,486	12,209	12,574	12,815
Operations & Materials	8.11	7	8,206	15,880	28,455	38,397	45,259	53,969	62,372	69,485	80,324	89,875	95,537	98,393	100,274
Engineering	2.06	7	2,084	4,033	7,226	9,751	11,493	13,705	15,839	17,645	20,398	22,823	24,261	24,987	25,464
Traffic Counts	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Underground Service Alert	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Contract Services - Street Maintenance	1.59	7	175,334	175,334	226,105	226,105	226,105	279,050	279,050	279,050	304,098	339,120	339,120	339,120	339,120
Contract Services - Street Sweeping	0.02	7	16	31	56	75	89	106	122	136	157	176	187	192	196
Contract Services - Emergency Work	0.16	7	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Contract Services - Striping	0.79	7	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Contract Services - Traffic Signals	3.33	7	3,370	6,522	11,687	15,770	18,589	22,166	25,617	28,539	32,991	36,913	39,239	40,412	41,184
Contract Services - Maintenance	0.08	7	77	149	267	360	425	507	586	652	754	844	897	924	941
Contract Services - Environmental Health Services	0.05	7	48	93	167	225	266	317	366	408	471	527	561	577	588
Contract Services - Tree Trimming	0.63	7	642	1,242	2,226	3,004	3,541	4,222	4,879	5,436	6,284	7,031	7,474	7,698	7,845
Total Public Works			$ 194,431	$ 212,289	$ 292,322	$ 315,459	$ 331,428	$ 404,643	$ 424,196	$ 440,750	$ 491,021	$ 548,268	$ 561,444	$ 568,092	$ 572,469
I. Engineering	4.80	7	$ 4,853	$ 9,391	$ 16,827	$ 22,707	$ 26,765	$ 31,916	$ 36,885	$ 41,092	$ 47,501	$ 53,149	$ 56,497	$ 58,187	$ 59,299
J. Planning	5.40	7	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	66,759
K. Public Services	3.45	7	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	42,599
L. Code Enforcement	2.37	7	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	29,287
M. Graffiti	1.73	7	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	21,421
N. Trails	0.24	7	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	3,020
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14															
Sergeant			$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective			-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy			148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist			69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist			-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)			-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)			-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)			5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services			12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization			964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance			1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)			-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)			333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support			1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance			348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding			3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost			11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget			$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading			$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget			$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance															
Lane Miles (Assumes Beginning of Phase)															
Backbone Roads			27.42												
Interior Roads			19.34		13.54			14.12			6.68	9.34			
Total Lane Miles			46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)		C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
Cost per Lane Mile (See Exhibit C-2)		C-2	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750
Total Street Maintenance Cost			$ 175,334	$ 175,334	$ 226,105	$ 226,105	$ 226,105	$ 279,050	$ 279,050	$ 279,050	$ 304,098	$ 339,120	$ 339,120	$ 339,120	$ 339,120

Exhibit B-3: Alternative C
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
June 19, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance															
Park Acres (Assumes End of Phase)															
20 Acre Park						20.00									
5.5 Acre Park Next to School						5.50									
6.5 Acre Park													6.50		
Total Park Acres			-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres			-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$ -	7	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
R. Drainage Basins															
Acres of Drainage Basins			15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$ 1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement															
Annual Contribution Increase	2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost		C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
A. Recurring Revenues															
Secured Property Tax Retained in Fire Fund	41.67%	4	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Revenues			$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
B. Recurring Costs															
Fire Station Cost															
Fire Stations Required for Project (a)			-	-	-	0.88	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$ 1,237,379	8	$ -	$ -	$ -	$ 1,087,500	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost															
Total Project Acres (b)	[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)															
Phase 1 Acres			353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres					237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres								234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres											133.5	133.5	133.5	133.5	133.5
Phase 5 Acres											160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out	[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres	=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$ 25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Revenue from Outside Project															
Additional Units within the Fire Station Service Area (e)			-	-	111	111	111	111	111	111	111	111	111	111	111
Fire Revenue per Unit			$ 384	$ 383	$ 384	$ 363	$ 354	$ 347	$ 344	$ 341	$ 340	$ 340	$ 340	$ 337	$ 336
Paramedic Revenue per Unit			19	19	20	20	20	20	20	20	20	20	20	20	20
Total Revenue from Outside Project		8	$ -	$ -	$ 44,838	$ 42,576	$ 41,555	$ 40,751	$ 40,350	$ 40,087	$ 39,925	$ 39,940	$ 39,903	$ 39,623	$ 39,494
Total Recurring Costs			$ 33,625	$ 33,625	$ (17,321)	$ 1,072,441	$ 1,223,342	$ 1,218,100	$ 1,218,501	$ 1,218,764	$ 1,211,344	$ 1,211,329	$ 1,211,367	$ 1,211,646	$ 1,211,775
III. Paramedic Fund															
A. Recurring Revenues															
A. Property Tax - Paramedic Tax	$ 5.57	9	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
B. Recurring Costs (d)			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues			$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Revenue per Unit			$ 19	$ 19	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20	$ 20

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.
(e) There will be additional revenue generated from within the service area for Fire Station 4 outside the Project. 111 units outside of the Project completed by Year 3 will provide additional revenue to offset the cost of operating the fire station per information from Larry Mainez at the City of Highland, dated 6/10/2014. See Exhibits D-1 and D-2.

Exhibit B-3: Alternative C
Table 18 - Police Phasing Analysis
Harmony Planned Community
June 19, 2014

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Cumulative Residents		1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.99	1.02	1.21	0.88	1.12	1.09	1.07	0.96	0.82	0.83	0.78	0.76	0.74
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.99	1.02	0.91	0.66	0.74	0.78	0.80	0.72	0.62	0.64	0.61	0.59	0.58
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	**$ 17,085,854**	**$ 253,594**	**$ 428,541**	**$ 800,592**	**$ 882,095**	**$ 1,257,569**	**$ 1,431,858**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		**$ 380,391**	**$ 503,541**	**$ 875,592**	**$ 957,095**	**$ 1,332,569**	**$ 1,506,858**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**

Exhibit C-1
Street Maintenance Cost Calculations
Harmony Planned Community
June 19, 2014

Description - City Maintained	Quantity (a)	Unit	Unit Cost		Total Cost
Linear Feet of Roadway	477,540				
1. Street Sweeping	90.44	Curb Mile	$ 47.50	(d)	$ 4,296
2. Slurry Seal (SS)					
Place (SS)	8,951,144	SF	$ 0.12	(d)	$ 1,074,137
Mobilization	1	Lump Sum	50,000	(b)	50,000
Striping	1	Lump Sum	50,000	(b)	50,000
Crack Seal	20.0% of SS	Lump Sum	179,023		179,023
Traffic Control	1	Lump Sum	50,000	(b)	50,000
Subtotal					1,403,160
Contingency (15%)					210,474
Total Slurry Seal					**$ 1,613,634**
3. Grind and Overlay					
Grind	8,951,144	SF	$ 0.08	(d)	$ 716,092
Mobilization	1	Lump Sum	50,000	(b)	50,000
.15" Asphalt & Conc. Overlay (Estimate @.0105	8,951,144	SF	0.60	(c)	5,370,687
Striping	1	Lump Sum	50,000	(b)	50,000
Traffic Control	1	Lump Sum	50,000	(b)	50,000
Subtotal					$ 6,236,778
Contingency (15%)					935,517
Total Grind and Overlay					**$ 7,172,295**
4. Remove and Reconstruct					
a. Curb and Sidewalk Component					
6" Curb & Gutter	477,540	LF	9.00	(b)	4,297,858
Concrete Median Curb	72,407	LF	9.00	(b)	651,663
Interior Streets Curb	-	LF	9.00	(b)	-
Concrete Sidewalk/Trail	2,413,041	SF	3.00	(b)	7,239,124
Mobilization	1	Lump Sum	50,000	(b)	50,000
Subtotal					$ 12,238,646
Estimated Failure Rate					10%
Total Curb and Sidewalk					$ 1,223,865
b. Street Component					
Grind	8,951,144	SF	$ 0.10	(d)	$ 895,114
Mobilization	1	Lump Sum	50,000	(b)	50,000
.25" Asphalt & Concrete Overlay (Estimate)	8,951,144	SF	0.60	(c)	5,370,687
Striping	1	Lump Sum	50,000	(b)	50,000
Traffic Control	1	Lump Sum	50,000	(b)	50,000
Total Street Component					$ 6,415,801
Subtotal Remove and Reconstruct					$ 7,639,666
Contingency (15%)					1,145,950
Total Remove and Reconstruct					**$ 8,785,615**
Total					**$ 18,799,705**

Footnotes
(a) Per public roadway calculations provided by Placeworks dated April 2014.
(b) Per Lewis Operating Companies email dated 4/23/2014.
(c) Per call with Lewis Operating Companies on 4/24/2014.
(d) Per Lewis Operating Companies email dated 4/28/2014.

Exhibit C-2
Hypothetical Street Maintenance Schedule
Harmony Planned Community
June 19, 2014

Linear Feet of Public Road	477,540
Lane Miles	90.4
Total	$ 339,132
Cost Per Lane Mile	$ 3,750
Balance Year 36	-

	Buildout Annual Cost	Per Unit	Street Sweeping	Slurry Seal (a)	Grind and Overlay (a)	Remove & Reconstruct	Subtotal	Total Annual Expenditures	Earnings (b)	Annual Fund Balance-End
Exhibit Reference			C-1	C-1	C-1	C-1				
0	$ 339,132	$ 52	$ 4,296	$ 1,613,634	$ 7,172,295	$ 8,785,615	$ 17,575,841	$ -	$ -	$ -
1	339,132	52	4,296				4,296	4,296	-	334,836
2	339,132	52	4,296				4,296	4,296	11,484	681,155
3	339,132	52	4,296				4,296	4,296	23,362	1,039,353
4	339,132	52	4,296				4,296	4,296	35,647	1,409,836
5	339,132	52	4,296				4,296	4,296	48,354	1,793,025
6	339,132	52	4,296				4,296	4,296	61,496	2,189,357
7	339,132	52	4,296				4,296	4,296	75,089	2,599,283
8	339,132	52	4,296				4,296	4,296	89,149	3,023,267
9	339,132	52	4,296				4,296	4,296	103,691	3,461,793
10	339,132	52	4,296				4,296	4,296	118,731	3,915,360
11	339,132	52	4,296				4,296	4,296	134,287	4,384,483
12	339,132	52	4,296				4,296	4,296	150,377	4,869,695
13	339,132	52	4,296				4,296	4,296	167,018	5,371,549
14	339,132	52	4,296				4,296	4,296	184,231	5,890,616
15	339,132	52	4,296	1,613,634			1,617,930	1,617,930	202,033	4,813,850
16	339,132	52	4,296				4,296	4,296	165,103	5,313,789
17	339,132	52	4,296				4,296	4,296	182,250	5,830,875
18	339,132	52	4,296				4,296	4,296	199,984	6,365,695
19	339,132	52	4,296				4,296	4,296	218,327	6,918,858
20	339,132	52	4,296				4,296	4,296	237,300	7,490,993
21	339,132	52	4,296				4,296	4,296	256,922	8,082,751
22	339,132	52	4,296				4,296	4,296	277,218	8,694,805
23	339,132	52	4,296				4,296	4,296	298,210	9,327,851
24	339,132	52	4,296				4,296	4,296	319,922	9,982,608
25	339,132	52	4,296				4,296	4,296	342,379	10,659,822
26	339,132	52	4,296				4,296	4,296	365,605	11,360,263
27	339,132	52	4,296				4,296	4,296	389,629	12,084,728
28	339,132	52	4,296				4,296	4,296	414,476	12,834,039
29	339,132	52	4,296				4,296	4,296	440,175	13,609,050
30	339,132	52	4,296	1,613,634	7,172,295		8,790,225	8,790,225	466,756	5,624,713
31	339,132	52	4,296				4,296	4,296	192,914	6,152,463
32	339,132	52	4,296				4,296	4,296	211,014	6,698,312
33	339,132	52	4,296				4,296	4,296	229,735	7,262,883
34	339,132	52	4,296				4,296	4,296	249,099	7,846,818
35	339,132	52	4,296				4,296	4,296	269,126	8,450,780
36	339,132	52	4,296			8,785,615	8,789,912	8,789,912	289,841	$ -
Totals			$ 154,658	$ 3,227,268	$ 7,172,295	$ 8,785,615	$ 19,339,837	$ 19,339,837		

Footnotes:

(a) Timing of cost per call with Client on 4/24/2014.

(b) Represents earnings invested at Local Agency Investment Fund Rate ("LAIF RATE") of 3.43%, a 20 year average from 1994 to 2013 per the California State Treasurer. See Exhibit I.

Exhibit C-3
Storm Drainage Reserve Calculation
Harmony Planned Community
June 19, 2014

	Beginning Balance	Reserve Deposit	Earnings	Ending Balance	Replacement Cost
1	$ -	$ 8,764	$ 150	$ 8,914	$ 1,500,000
2	8,914	8,939	459	18,313	1,524,880
3	18,313	9,118	784	28,215	1,550,173
4	28,215	9,300	1,127	38,643	1,575,885
5	38,643	9,486	1,488	49,617	1,602,024
6	49,617	9,676	1,868	61,161	1,628,597
7	61,161	9,870	2,267	73,298	1,655,610
8	73,298	10,067	2,687	86,051	1,683,071
9	86,051	10,268	3,127	99,447	1,710,988
10	99,447	10,474	3,590	113,512	1,739,368
11	113,512	10,683	4,076	128,271	1,768,218
12	128,271	10,897	4,586	143,754	1,797,547
13	143,754	11,115	5,121	159,990	1,827,363
14	159,990	11,337	5,682	177,009	1,857,673
15	177,009	11,564	6,269	194,842	1,888,485
16	194,842	11,795	6,885	213,523	1,919,809
17	213,523	12,031	7,530	233,083	1,951,653
18	233,083	12,272	8,205	253,560	1,984,024
19	253,560	12,517	8,911	274,988	2,016,933
20	274,988	12,768	9,650	297,406	2,050,387
21	297,406	13,023	10,424	320,852	2,084,397
22	320,852	13,283	11,232	345,368	2,118,970
23	345,368	13,549	12,078	370,994	2,154,117
24	370,994	13,820	12,961	397,776	2,189,847
25	397,776	14,096	13,884	425,756	2,226,169
26	425,756	14,378	14,849	454,984	2,263,094
27	454,984	14,666	15,856	485,506	2,300,632
28	485,506	14,959	16,908	517,373	2,338,792
29	517,373	15,258	18,006	550,638	2,377,585
30	550,638	15,564	19,152	585,354	2,417,021
31	585,354	15,875	20,348	621,577	2,457,112
32	621,577	16,192	21,596	659,366	2,497,867
33	659,366	16,516	22,898	698,779	2,539,299
34	698,779	16,846	24,255	739,881	2,581,418
35	739,881	17,183	25,671	782,735	2,624,235
36	782,735	17,527	27,146	827,409	2,667,763
37	827,409	17,878	28,685	873,971	2,712,012
38	873,971	18,235	30,288	922,494	2,756,996
39	922,494	18,600	31,958	973,052	2,802,725
40	973,052	18,972	33,699	1,025,723	2,849,214
41	1,025,723	19,351	35,512	1,080,585	2,896,473
42	1,080,585	19,738	37,400	1,137,724	2,944,516
43	1,137,724	20,133	39,366	1,197,223	2,993,356
44	1,197,223	20,536	41,414	1,259,173	3,043,006
45	1,259,173	20,946	43,546	1,323,665	3,093,480
46	1,323,665	21,365	45,765	1,390,795	3,144,791
47	1,390,795	21,793	48,075	1,460,662	3,196,952
48	1,460,662	22,229	50,478	1,533,369	3,249,980
49	1,533,369	22,673	52,980	1,609,022	3,303,886
50	1,609,022	23,127	55,582	1,687,730	3,358,687
51	1,687,730	23,589	58,289	1,769,609	3,414,397
52	1,769,609	24,061	61,106	1,854,776	3,471,031
53	1,854,776	24,542	64,035	1,943,353	3,528,604
54	1,943,353	25,033	67,081	2,035,467	3,587,132
55	2,035,467	25,534	70,249	2,131,250	3,646,631
56	2,131,250	26,044	73,543	2,230,838	3,707,117
57	2,230,838	26,565	76,968	2,334,371	3,768,606
58	2,334,371	27,096	80,528	2,441,995	3,831,115
59	2,441,995	27,638	84,228	2,553,861	3,894,661
60	2,553,861	28,191	88,075	2,670,127	3,959,261
61	2,670,127	28,755	92,072	2,790,954	4,024,932
62	2,790,954	29,330	96,226	2,916,510	4,091,693
63	2,916,510	29,917	100,542	3,046,969	4,159,561
64	3,046,969	30,515	105,027	3,182,510	4,228,554
65	3,182,510	31,125	109,686	3,323,322	4,298,692
66	3,323,322	31,748	114,526	3,469,596	4,369,994
67	3,469,596	32,383	119,554	3,621,532	4,442,478
68	3,621,532	33,030	124,776	3,779,339	4,516,164
69	3,779,339	33,691	130,200	3,943,229	4,591,073
70	3,943,229	34,365	135,832	4,113,426	4,667,224
71	4,113,426	35,052	141,681	4,290,160	4,744,638
72	4,290,160	35,753	147,755	4,473,668	4,823,336
73	4,473,668	36,468	154,061	4,664,197	4,903,340
74	4,664,197	37,198	160,608	4,862,003	4,984,670
75	4,862,003	37,942	167,405	5,067,350	5,067,350

Assumptions

Storm Drain Cost (a)	$ 1,500,000
LAIF Rate (b)	3.43%
CPI (c)	1.66%
Annual Contribution Increase	2.00%
Annual Reserve Deposit	$ 8,764
Annual Reserve Percentage	0.58%

(a) Assumes a 10% failure rate on $15,000,000 cost or $1,500,000.

(b) Local Agency Investment Fund Rate ("LAIF RATE") represents a 20 year average from 1994 to 2013 per the California State Treasurer. See Exhibit I.

(c) Represents the 20 year average of the Consumer Price Index for Los Angeles, Riverside and Orange County from 1994 to 2013 per the Bureau of Labor Statistics. See Exhibit H.

Exhibit D-1
Map of Firestation 4 Service Area Outside of Project
Harmony Planned Community
June 19, 2014

Source: Map of Fire Station 4 Service Area outside of Project per memo from Larry Mainez at the City of Highland, dated 6/11/2014.

Exhibit D-2
Calculation of Units Outside of Project
Harmony Planned Community
June 19, 2014

APN (a)	Zoning (a)	Estimated Acres (a)
Estimated Acres Outside of Project		
Open Space Acres:		
29706129	Open Space	9.67
29706105	Open Space	0.92
29706106	Open Space	2.62
29706129	Open Space	6.72
29706129	Open Space	3.33
29710122	Open Space	2.48
29710122	Open Space	1.21
Open Space Acres Subtotal		26.95
AQ/EQ Acres:		
29720105	AG/EQ	38.24
29706106	AG/EQ	6.08
29706109	AG/EQ	4.85
29706120	AG/EQ	8.08
29706126	AG/EQ	2.38
29706120	AG/EQ	0.99
29706105	AG/EQ	7.24
29706107	AG/EQ	7.11
29706125	AG/EQ	1.95
29706113	AG/EQ	4.62
AG/EQ Acres Subtotal		81.54
Total Estimated Acres		**108.49**
Less Hillside Acres		25.87
Less Open Space Acres		26.95
Total Developable Acres		**55.67**
Dwelling Units per Acre		2
Total Units Outside of Project		**111**

Footnotes:

(a) Land use information and calculation for units in Fire Station 4 Service Area outside of Project per memo from Larry Mainez at the City of Highland, dated 6/11/2014.

FISCAL IMPACT ANALYSIS

FOR

THE HARMONY PLANNED COMMUNITY

April 29, 2014

Prepared For:

County of Orange / LCD Greenspot, LLC

Prepared By:

DPFG
DEVELOPMENT PLANNING & FINANCING GROUP, INC.

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1. Purpose of Fiscal Impact Analysis

Development Planning & Financing Group has prepared this Fiscal Impact Analysis ("FIA") to determine the estimated fiscal impacts on the City of Highland ("City") in connection with the proposed development of the Harmony Planned Community ("Project"). The reader should be aware that the FIA contains estimates or projections of the Project's future revenue and cost impact on the City, and actual fiscal results may vary from estimates because events and circumstances can occur in a manner different than described in the FIA.

This FIA contains a description of the Project, calculation methodologies, conclusions, and revenues and expenses projected for the Project's alternative scenarios: Alternative A, Alternative B, and Alternative C ("Alternative Scenarios"). The differences among the Alternative Scenarios are as follows:

Assumptions	Alternative A	Alternative B	Alternative C
20 Acre Commercial Overlay	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
Park Maintenance	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)

The summary of the Alternative Scenarios is attached as Exhibit A. Detailed calculations, attached as Exhibit B-1, Exhibit B-2, and Exhibit B-3, are organized as follows:

Table	Description	Alternative (Page)		
		A	B	C
1	Fiscal Impact Analysis Summary	3	22	41
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17	Phased General Fund Recurring Costs and Fire Fund and Paramedic Fund Impact	20	39	58
18	Police Phasing Analysis	21	40	59

2. Project Description

The County of Orange owns the Project and has engaged LCD Greenspot, LLC ("Developer") to assist with entitling the Project for development, the Project is anticipated to be developed over a period of 13 years.

Encompassing approximately 1,658 acres of land in the City of Highland, the table below shows the total residential units developed in a wide variety of unit types and sizes as well as the total acres of neighborhood commercial land use that the Project is anticipated to provide.

Assumptions	Alternative A	Alternative B	Alternative C
Residential Units	3,632	3,515	3,515
Neighborhood Commercial Acres	5.7	20.7	20.7

3. Limiting Conditions

The FIA is subject to the following limiting conditions:

- The FIA contains an analysis of recurring revenues and costs to the City from development of the Project. The FIA is based on estimates, assumptions and other information developed from DPFG's research, interviews, meetings, and correspondences with City and County staff, California Department of Finance, and information from DPFG's database which was collected through fiscal impact analyses previously prepared by DPFG and others.

- The sources of information and basis of the estimates are stated herein. While we believe the sources of information are reliable, DPFG does not express an opinion or any other form of assurance on the accuracy of such information.

- The analysis of recurring revenues and cost impacts to the City contained in the FIA is not considered to be a "financial forecast" or a "financial projection" as technically defined by the American Institute of Certified Public Accountants. The word "projection" used within this report relates to broad expectations of future events or market conditions.

- Since the analyses contained herein are based on estimates and assumptions which are inherently subject to uncertainty and variation depending on evolving events, DPFG cannot represent that results will definitely be achieved. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur; therefore, the actual results achieved may vary from the projections.

4. General Sources of Information and Methodologies Used in FIA

The FIA was prepared to estimate the allocable revenue and cost impacts to the City's general fund ("General Fund"), fire fund ("Fire Fund") and paramedic fund ("Paramedic Fund") as a result of the Project's development. The FIA uses a combination of case study methods and multiplier methods to estimate Project impacts. When projecting fiscal impacts using a multiplier method, the FIA determines per capita/employee impacts by applying the appropriate per capita, per employee and per equivalent resident factors ("Factors") to the Project's land use assumptions. The FIA calculates equivalent residents by adding residential population plus 50% of employees. Employment is reduced by 50% to account for the estimated less frequent use of City public services by employees than residents. Factors were calculated using the City of Highland Fiscal Years 2011-2013 Adopted Budget ("Budget"). Cost and revenue Factors are projected in 2011 dollars, and are not adjusted for inflation.

Information used in preparing the FIA was obtained from the following sources:

1. City of Highland Fiscal Years 2011-2013 Adopted Budget
2. City of Highland
3. California Department of Forestry and Fire Protection ("Cal Fire")
4. San Bernardino County Sheriff
5. LCD Greenspot, LLC (land use information)
6. The California Department of Finance (population information)
7. The California Employment Development Department (employment information)
8. San Bernardino County Auditor-Controller's Office (fiscal year 2011-12 share of the basic tax information)
9. The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute (sales tax generation data)
10. Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011 (household income data)
11. U.S. Department of Labor (household expenditure data)

The following table shows selected assumptions used in the FIA:

City Residential Population (a)	53,444
Residents Per Household (a)	3.45
City Employment (b)	19,200
City Share of the Basic Tax (c)	24.8448%
Share of Property Tax Retained in the General Fund (d)	58.33%
Share of Property Tax Retained in the Fire Fund (d)	41.67%
Average Household Income (e)	$96,400
Commercial Sales Tax Generation per Sq. Ft. (f)	$377

(a) Per the California Department of Finance as of January 1, 2011.
(b) Per the California Employment Development Department, November 2011.
(c) Per San Bernardino County Auditor/Controller, See Exhibit B-1, Exhibit B-2, and Exhibit B-3, Table 2.
(d) Per information provided by City staff. See Exhibit B-1, Exhibit B-2, and Exhibit B-3, Table 4.
(e) Per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.
(f) Per the Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

5. FIA Summary and Conclusions

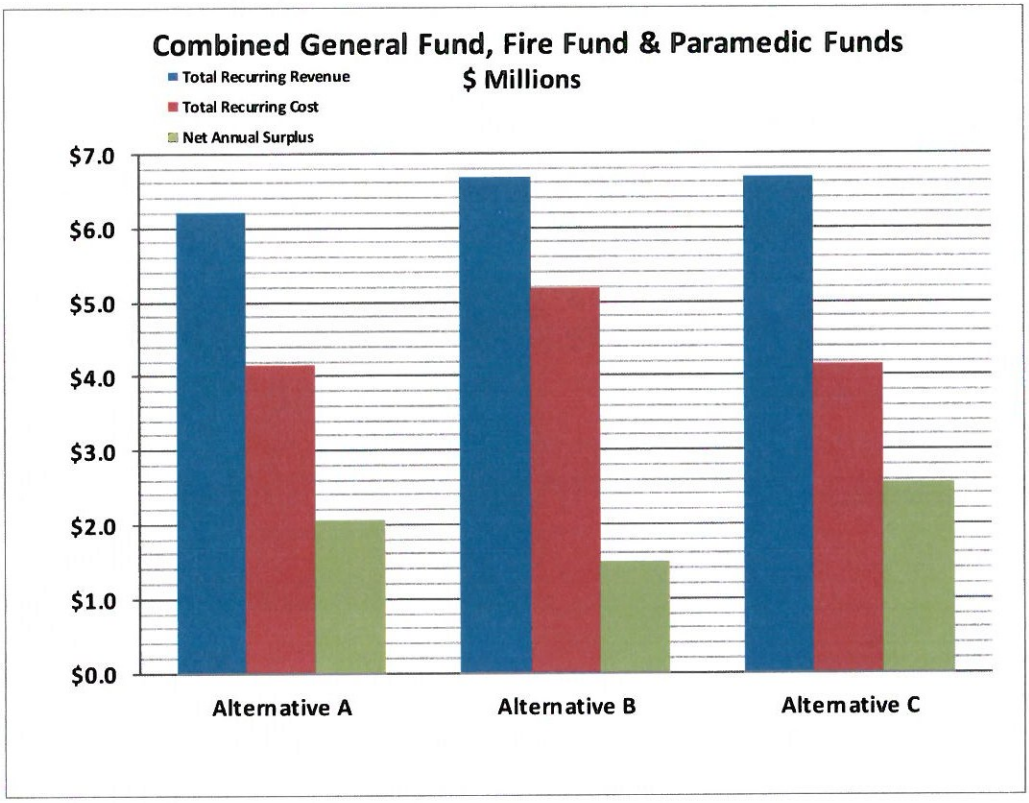
The FIA examines the financial impact the Project will have on the General Fund, Fire Fund and Paramedic Fund. The Project will generate additional revenue for the General Fund primarily through increased property taxes, vehicle license fees, sales tax, gas tax, and franchise fees. The additional costs incurred to the General Fund consist primarily of police, and public works services costs. The Project's direct impact to the General Fund, Fire Fund, and Paramedic Fund is summarized in the table below.

At buildout, the Project is anticipated to generate a surplus to the City on an annual basis under each of the Alternative Scenarios.

Assumptions	**Report Section**	**Alternative A**	**Alternative B**	**Alternative C**
Exhibit Reference		B-1	B-2	B-3
20 Acre Commercial Overlay	1	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
Park Maintenance	1	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
General Fund				
Recurring Revenues	6	$4,953,830	$5,435,946	$5,435,946
Recurring Costs	7	$2,908,126	$3,936,967	$2,892,647
Surplus / (Deficit)		$2,045,704	$1,498,979	$2,543,299
Fire Fund				
Recurring Revenues	8	$1,192,171	$1,181,811	$1,181,811
Recurring Costs	8	$1,251,269	$1,251,269	$1,251,269
Surplus / (Deficit) (a)		$(59,098)	$(69,459)	$(69,459)
Paramedic Fund				
Recurring Revenues	9	$70,177	$68,837	$68,837
Recurring Costs	9	$-	$-	$-
Surplus / (Deficit)		$70,177	$68,837	$68,837
Combined Fire Fund & Paramedic Fund				
Recurring Revenues		$1,262,348	$1,250,647	$1,250,647
Recurring Costs		$1,251,269	$1,251,269	$1,251,269
Surplus / (Deficit)		$11,079	$(622)	$(622)
Combined Net Fiscal Impact				
Recurring Revenues		$6,216,178	$6,686,593	$6,686,593
Recurring Costs		$4,159,396	$5,188,236	$4,143,916
Surplus / (Deficit)		$2,056,783	$1,498,357	$2,542,677

(a) Note: Per conversation with City staff, the analysis assumes 41.67% of the City's share of the 1.00% is allocated to the Fire Fund. If the allocation to the Fire Fund is adjusted to 43.74% for Alternative A and 44.12% for Alternatives B and C, the fiscal impact on the Fire Fund is break even under each of the Alternative Scenarios.

The chart below shows the total recurring revenues, total recurring costs and net annual surpluses the Project is anticipated to generate at buildout under each of the Alternative Scenarios.



The FIA does not consider the impact of potential revenues and/or reduced General Fund costs due to a City Landscape Maintenance District or Community Facilities District which could serve to increase the ongoing annual surplus.

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6. Recurring Revenues

6.1 Property Tax

In addition to other ad valorem charges imposed by various local agencies, land owners in the State of California ("State") are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each county in California is divided into various tax rate areas ("TRA" or "TRAs"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRAs. Table 2 of Exhibits B-1 through B-3 shows the share of the basic tax applicable to each of the four TRAs that are within the Project.

In 1992, to meet its obligations to fund education at specific levels under Proposition 98, the State enacted legislation that shifted partial financial responsibility for funding education to local governments (cities, counties, and special districts). The State did this by instructing county auditors to shift the allocation of local property tax revenues to educational revenue augmentation funds ("ERAF") to support schools. As such, the FIA calculates a weighted average share of the basic tax after the shift of revenue to ERAF.

As shown in Table 2 of Exhibits B-1 through B-3, the Project is within four different tax rate areas, but tax rate area 104002 is excluded from the share of the basic tax calculations since this tax rate area does not appear to contribute a share of its property tax to the City. The FIA calculates the Project's weighted average post-ERAF share of the basic tax to be 24.8448%.

Revenue amounts are determined assuming the calculated 24.8448% weighted average share of the basic tax. This number is then adjusted based on the City's historical General Fund vs. Fire Fund split. Per information provided by City staff, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

Revenue amounts are calculated after adjusting for the 58.33% that is retained in the General Fund. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

6.2 Property Transfer Tax

The City receives property transfer tax revenue as new or existing property is sold and ownership is transferred. In accordance with California Revenue and Taxation Code Section 11911, a county may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A city within the county that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the county and city levy the transfer tax, a credit shall be allowed against the amount imposed by the county in the amount of tax that is imposed by the city. The City's share of the tax is $0.55 per $1,000 of value transferred. The FIA assumes a residential turnover rate of 14.00% of total assessed value per year (i.e. properties change ownership every 7 years on average) and a non-residential turnover rate of 10.00% of total assessed value per year (i.e. properties change ownership every 10 years on average). Revenue amounts are calculated using these assumptions. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

6.3 Sales and Use Tax

Under the California Sales and Use Tax Law, the sale of tangible personal property is subject to sales or use tax unless exempt or otherwise excluded. When the sales tax applies, the use tax does not apply and the opposite is also true. The sales tax is imposed on all retailers for the privilege of selling tangible personal property in the State and is measured by the retailer's gross receipts. Use tax is imposed on purchasers of tangible personal property from any retailer for the purpose of storage, use, or other consumption in the State and is measured by the sales price of the property purchased. If an out-of-state retailer is engaged in business in this state, it is required to register with the State and collect the use tax from the purchaser at the time of making the sale. Purchases made over the Internet or out-of-state are the most common transactions subject to a use tax.

There is a 7.50% statewide sales and use tax base rate that is collected by the State. Since January 1, 2013, the State government has received 6.50% of the 7.50% and local governments receive the remaining 1% which is transferred to the local government's general fund.

6.3.1 Property Tax In-Lieu Sales Tax

This analysis assumes that 0.25% of sales and use tax is redirected to property tax per the Sales Tax Triple Flip ("Triple Flip"). In March 2004, voters approved Proposition 57, the California Economic Recovery Bond Act which allowed the State to purchase bonds to reduce the State budget deficit. The legislature enacted provisions that changed how sales and use taxes and other revenues are distributed to schools and local governments on and after July 1, 2004. These changes will remain in effect until the State Director of Finance notifies the Board of Equalization that the State's bond obligations have been satisfied.

Under the new revenue "swapping" procedures commonly referred to as the Triple Flip, the local government portion of the statewide sales tax rate will decrease by 0.25%, and the state portion will increase by 0.25%. The County Auditor in each county uses property tax revenues to reimburse the county and cities within the county. County Auditors set aside some funds from the County Educational Revenue Augmentation Fund and place them in a Sales and Use Tax Compensation Fund. In January and May of each year, the State Director of Finance instructs County Auditors to allocate revenues from the Compensation Fund to the county and to the cities within the county. Revenue amounts are calculated based on the on-site and off-site sales tax calculations. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

6.3.2 Off-Site Sales and Use Tax

The City will receive sales tax revenue from taxable purchases made within the City but outside the Project area by the Project's residents ("Off-Site Sales"). The FIA assumes that households within the Project will have an average annual income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011. The FIA assumes that 32% of household income is spent on retail taxable expenditures per information obtained from the Bureau of Labor Statistics, and that 25% of retail taxable expenditures are captured through Off-Site Sales within the City. After calculating the Project's total taxable Off-Site Sales captured in the City, the FIA assumes the City receives sales tax revenue of 1% of taxable sales. Revenue amounts are calculated applying this methodology. See detailed calculations in Table 5 of Exhibits B-1 through B-3. This analysis assumes use tax revenue at 10.5% of sales tax revenue.

6.3.3 On-Site Sales and Use Tax

The FIA assumes that the City will receive sales tax revenue from taxable purchases made within the Project. The FIA assumes that retail land use will generate approximately $377 of total sales per building square foot per the Dollars & Cents of Shopping Centers, published by the Urban Land Institute, and that 80% of the sales will be taxable. Revenue amounts are calculated applying this methodology. See detailed calculations in Table 5 of Exhibits B-1 through B-3. This analysis assumes use tax revenue at 10.5% of sales tax revenue.

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6.4 Property Tax In-Lieu of Vehicle License Fees ("VLF")

Revenue amounts are calculated on a valuation basis. See detailed calculations in Table 6 Section II of Exhibits B-1 through B-3.

6.5 Franchise Fees

The City receives utility franchise fee revenue from utility franchises which service the local area and the Project. Revenue amounts are calculated based on various applicable per capita and per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.6 Business License Fee

A business license fee is a fee paid annually for the privilege of conducting business within the City. Revenue amounts are calculated based on a per employee multiplier determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.7 Licenses and Permits

Revenue amounts are calculated based on various applicable per capita multipliers calculated determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.8 Fines & Forfeitures

Revenue amounts are calculated based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.9 Miscellaneous Revenue

Revenue amounts are calculated based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

6.10 Intergovernmental Revenue

For purposes of the FIA, there are no intergovernmental revenues anticipated to be generated as a result of the Project.

6.11 Gas Tax Revenue

Revenue amounts are calculated based on the per capita multiplier determined from a 5-year average of the budgets from Fiscal Year 2007-08 to Fiscal Year 2011-12 provided by City staff. See detailed calculations in Table 10 of Exhibits B-1 through B-3.

6.12 Charges for Services

Revenue amounts are calculated based on various applicable per capita and per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 6 of Exhibits B-1 through B-3.

7. Recurring Costs

7.1 City Council

Per the Budget, the city council, which consists of the mayor, mayor pro-term, and three council members, serves as the policy making body of the City.

The FIA assumes a 50% marginal increase as City council costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.2 City Clerk

The office of the City clerk is a service department that fulfills the responsibilities of an election official, legislative administrator and record manager for the City.

The FIA assumes a 50% marginal increase as City clerk costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.3 General Government

General government services include the operations of the City manager and administrative services. The City manager serves as the chief administrative officer of the City and is responsible for the management of all municipal affairs. Administrative services include providing contract maintenance, major purchase analysis, and staff support as required by the City manager and City council.

The FIA assumes a 50% marginal increase as general government costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.4 Personnel

The personnel department is responsible for human resources functions such as recruitment, training programs, employee benefits monitoring, compensation studies and employee relations.

The FIA assumes a 50% marginal increase as personnel costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.5 Finance

The finance department administers all financial recording and reporting functions and prepares the fiscal budget and financial statements for the City.

The FIA assumes a 50% marginal increase as finance costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.6 Police Department

The City contracts with the San Bernardino County Sheriff's Department for police protection services.

Cost amounts are calculated per the adjusted phased police department budget by Lieutenant Anthony DeCecio dated February 12, 2014. See detailed calculations in Table 18 of Exhibits B-1 through B-3. Table 18 also contains a phasing plan as provided by Lieutenant Anthony DeCecio.

7.7 Animal Control

The City contracts with San Bernardino County for animal care, animal control and shelter services.

Cost amounts are based on a per capita multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.8 Public Works

The public works department consists of two divisions: maintenance services and public services. Maintenance services include street maintenance, weed abatement, traffic signal maintenance, storm drain maintenance, street sweeping, striping/traffic signage, tree trimming, building and grounds maintenance, and parkway maintenance. Public services include crossing guards, bus shelter contract, graffiti abatement, and assessment district administration.

Cost amounts are based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3. Street maintenance and replacement costs are included in Exhibits C-1 and C-2.

7.9 Engineering

The engineering department provides engineering services through contracts with a number of engineering firms under the direction of the Public Works Director/City Engineer. This department is responsible for the conditioning, plan checking and inspection of grading, street, traffic and storm drain improvements associated with development projects.

The FIA assumes a marginal increase of 47% per information obtained from the City's Community Development Director on April 14, 2014. Cost amounts are calculated after adjusting for the 47% marginal increase and are based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.10 Planning

The planning department is part of the Community Development Department and primarily serves as the City's Planning Agency. To assist the public through the land use entitlement and development process the department meets weekly with various individuals and developers and is the clearinghouse for general statistical information regarding past current and proposed development. This department has a responsibility to oversee maintenance and ensure implementation of the General Plan and Land Use Development Code and makes recommendations for revisions as appropriate to meet the changing vision of the City.

The FIA assumes a marginal increase of 51% per information obtained from the City's Community Development Director on April 14, 2014. Cost amounts are calculated after adjusting for the 51% marginal increase and are based on various applicable per equivalent resident multipliers determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.11 Public Services

The public services department serves as the program manager and coordinator of several state and federal mandated programs. The public service department manages solid waste, the City's National Pollution Discharge Elimination System Program, and the household hazardous waste program.

The FIA assumes a 50% marginal increase as public services costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.12 Code Enforcement

The code enforcement division enforces City municipal codes and State laws. Code enforcement staff responds to concerns related to land use, public nuisance, vehicle abatement, substandard housing, street vendors, and business license requirements.

The FIA assumes a 50% marginal increase as code enforcement costs do not typically have a 1:1 relationship with population growth from the Project. Cost amounts are calculated after adjusting for a 50% marginal increase and are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.13 Parks

Alternative A and Alternative C assume the Project's parks and open space are maintained by an HOA. The FIAs for Alternative A and Alternative C, assume 0% marginal increase as it is not anticipating the City's park costs will increase as a result of the Project.

Alternative B assumes that parks are maintained by the City. The Alternative B FIA assumes park maintenance costs of $32,635 per acre for maintenance of 32 acres.

7.14 Graffiti

The Graffiti Abatement Program is currently staffed by one full-time employee who removes graffiti primarily from public property and some private properties.

Cost amounts are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.15 Trails

The trails budget provides for the maintenance of various public trails within the City.

Cost amounts are based on a per equivalent resident multiplier determined from the Budget. See detailed calculations in Table 7 of Exhibits B-1 through B-3.

7.16 Drainage Basins

Cost amounts are based on the assumption that drainage basins are maintained by the City at drainage basin maintenance costs of $1,980 per acre for maintenance of 15 acres.

7.17 Storm Drainage Replacement

Replacement cost amounts for storm drainage are based on a reserve calculation that has been prepared and included as Exhibit C-3.

8. Recurring Fire Fund Fiscal Impact

The City contracts with Cal Fire for fire protection services. Table 8 of Exhibits B-1 through B-3, summarizes the Project's fiscal impact on the Fire Fund.

The Fire Fund is primarily funded by property tax revenue. Revenue amounts are calculated assuming a 24.8448% weighted average share of the basic tax. See detailed calculations in Table 4 of Exhibits B-1 through B-3. Per City staff, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

> ***Note: If the allocation to the Fire Fund is adjusted to 43.74% for Alternative A and 44.12% for Alternatives B and C, the fiscal impact on the Fire Fund is break even under each of the Alternative Scenarios.***

Revenue amounts are calculated after adjusting for the 41.67% that is retained in the Fire Fund. See detailed calculations in Table 4 of Exhibits B-1 through B-3.

This FIA assumes that the Project will require one additional fire station. The FIA currently attributes 100% of the estimated operating cost of the fire station to the Project. More research would need to be done to determine if the additional fire station will service residents outside of the Project area that will contribute the station's operating budget.

The FIA uses the case study method to calculate recurring costs to the Fire Fund. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland, including paramedic staffing and operation costs, is approximately $1,237,379 annually. Jim Rissmiller also provided us with anticipated annual Wildland Fire Protection Agreement costs of $25.77 per wildland acre. See detailed calculations in Tables 8 and 17 of Exhibits B-1 through B-3.

9. Recurring Paramedic Fund Fiscal Impact

The City contracts with Cal Fire for paramedic services. See detailed calculations in Table 9 of Exhibits B-1 through B-3.

Revenue amounts are calculated based on a citywide paramedic tax from homeowners and from businesses as well as a transfer in from the Fire Department. The FIA calculates revenue amounts based on a per equivalent resident determined from the Budget. See detailed calculations in Table 9 of Exhibits B-1 through B-3.

The FIA assumes that additional paramedics required to serve the Project will operate out of the Project funded fire station. As discussed in Section 8, paramedic staffing and operation costs are included in the Fire Fund cost estimates.

At buildout, the Project is projected to have a positive annual fiscal impact on the Paramedic Fund.

10. Glossary of Selected Defined Terms and Acronyms

Budget	City of Highland Fiscal Years 2011-2013 Adopted Budget
Cal Fire	California Department of Forestry and Fire Protection
City	City of Highland
Developer	LCD Greenspot, LLC
DPFG	Development, Planning & Financing Group
ERAF	Educational Revenue Augmentation Fund
Factors	Per Capita, Per Employee, and Per Equivalent Resident Factors
FIA	Fiscal Impact Analysis
General Fund	City of Highland General Fund
Fire Fund	City of Highland Fire Fund
Paramedic Fund	City of Highland Paramedic Fund
Project	Harmony Planned Community
State	State of California
Triple Flip	Revenue "Swapping" Procedures
TRA	Tax Rate Area
VLF	Vehicle License Fees

Exhibit A
Scenario Summary
Harmony Planned Community
April 29, 2014

Scenario	Alternative A	Alternative B	Alternative C
Exhibit	B-1	B-2	B-3
Analysis Date	4/29/2014	4/29/2014	4/29/2014
Key Assumptions:			
1. 20 Acre Commercial Overlay	Without Commercial Overlay	With Commercial Overlay	With Commercial Overlay
2. Park Maintenance	No Added Cost to City (HOA Maintained)	32 Acres @ $32,635 per acre ($1,044,320/year)	No Added Cost to City (HOA Maintained)
I. GENERAL FUND			
Recurring Revenues	$ 4,953,830	$ 5,435,946	$ 5,435,946
Total Recurring Costs	2,908,126	3,936,967	2,892,647
Surplus/(Deficit)	**$ 2,045,704**	**$ 1,498,979**	**$ 2,543,299**
II. FIRE FUND			
Recurring Revenues	$ 1,192,171	$ 1,181,811	$ 1,181,811
Total Recurring Costs	1,251,269	1,251,269	1,251,269
Surplus/(Deficit)	**$ (59,098)**	**$ (69,459)**	**$ (69,459)**
III. PARAMEDIC FUND			
Recurring Revenues	$ 70,177	$ 68,837	$ 68,837
Total Recurring Costs	-	-	-
Surplus/(Deficit)	**$ 70,177**	**$ 68,837**	**$ 68,837**
IV. COMBINED FIRE FUND & PARAMEDIC FUND			
Recurring Revenues	$ 1,262,348	$ 1,250,647	$ 1,250,647
Total Recurring Costs	1,251,269	1,251,269	1,251,269
Surplus/(Deficit)	**$ 11,079**	**$ (622)**	**$ (622)**
V. COMBINED NET FISCAL IMPACT			
Recurring Revenues	$ 6,216,178	$ 6,686,593	$ 6,686,593
Total Recurring Costs	4,159,396	5,188,236	4,143,916
Surplus/(Deficit)	**$ 2,056,783**	**$ 1,498,357**	**$ 2,542,677**

Scenario	Alternative A	Alternative B	Alternative C
TIME PHASED NET FISCAL IMPACT - No Inflation			
Total Through 2027	**$ 9,941,074**	**$ 5,941,840**	**$ 14,900,147**
Sum of Deficits Through 2027	**$ (429,484)**	**$ (1,654,600)**	**$ (136,293)**
2015	$ (92,184)	$ (136,293)	$ (136,293)
2016	287,631	199,412	199,412
2017	541,149	1,112,406	1,112,406
2018	(147,655)	(400,463)	431,730
2019	(189,646)	(592,333)	239,859
2020	19,745	(382,942)	449,250
2021	260,119	(142,568)	689,624
2022	622,134	219,446	1,051,639
2023	1,177,053	768,762	1,600,955
2024	1,565,190	1,148,114	1,980,307
2025	1,859,527	1,266,128	2,310,448
2026	1,981,227	1,383,814	2,428,134
2027	2,056,783	1,498,357	2,542,677

Exhibit A
Scenario Summary
Harmony Planned Community
April 29, 2014

Scenario	Alternative A	Alternative B	Alternative C
Exhibit	B-1	B-2	B-3
Analysis Date	4/29/2014	4/29/2014	4/29/2014
I. GENERAL FUND			
A. Recurring Revenues			
Property Tax	$ 1,668,811	$ 1,654,308	$ 1,654,308
Property Transfer Tax	88,464	87,154	87,154
Property Tax In Lieu of Sales Tax	116,813	237,684	237,684
Off-Site Sales and Use Tax	239,485	231,771	231,771
On-Site Sales and Use Tax	160,015	581,109	581,109
Property Tax-Vehicle License Fee	1,882,769	1,866,407	1,866,407
Franchise Fees	297,564	290,743	290,743
Business License Fee	938	3,405	3,405
Licenses & Permits	27,738	26,844	26,844
Fines & Forfeitures	23,992	23,534	23,534
Miscellaneous Revenue	9,997	9,806	9,806
Intergovernmental Revenue	-	-	-
Charges for Services	79,779	77,232	77,232
Gas Tax and Traffic Safety Fund Revenue	357,465	345,949	345,949
Total Recurring Revenues	**$ 4,953,830**	**$ 5,435,946**	**$ 5,435,946**
B. Recurring Costs			
City Council	$ 14,535	$ 14,258	$ 14,258
City Clerk	24,359	23,894	23,894
General Government	65,004	63,763	63,763
Personnel	7,268	7,129	7,129
Finance	48,400	47,476	47,476
Police Department	1,793,496	1,793,496	1,793,496
Animal Control	110,523	106,963	106,963
Public Works	577,011	572,469	572,469
Engineering	60,453	59,299	59,299
Planning	68,059	66,759	66,759
Public Services	43,428	42,599	42,599
Code Enforcement	29,857	29,287	29,287
Parks	-	1,044,320	-
Graffiti	21,838	21,421	21,421
Trails	3,079	3,020	3,020
Drainage Basins	29,700	29,700	29,700
Storm Drainage Replacement	11,115	11,115	11,115
Total Recurring Costs	**$ 2,908,126**	**$ 3,936,967**	**$ 2,892,647**
General Fund Surplus/(Deficit)	**$ 2,045,704**	**$ 1,498,979**	**$ 2,543,299**
II. FIRE FUND			
Recurring Revenues	$ 1,192,171	$ 1,181,811	$ 1,181,811
Total Recurring Costs	1,251,269	1,251,269	1,251,269
Fire Fund Surplus/(Deficit)	**$ (59,098)**	**$ (69,459)**	**$ (69,459)**
III. PARAMEDIC FUND			
Recurring Revenues	$ 70,177	$ 68,837	$ 68,837
Total Recurring Costs	-	-	-
Paramedic Fund Surplus/(Deficit)	**$ 70,177**	**$ 68,837**	**$ 68,837**
IV. COMBINED FIRE FUND & PARAMEDIC FUND			
Recurring Revenues	$ 1,262,348	$ 1,250,647	$ 1,250,647
Total Recurring Costs	1,251,269	1,251,269	1,251,269
Fire Fund & Paramedic Fund Surplus/(Deficit)	**$ 11,079**	**$ (622)**	**$ (622)**
V. COMBINED NET FISCAL IMPACT			
Recurring Revenues	$ 6,216,178	$ 6,686,593	$ 6,686,593
Total Recurring Costs	4,159,396	5,188,236	4,143,916
Total Surplus/(Deficit)	**$ 2,056,783**	**$ 1,498,357**	**$ 2,542,677**

Exhibit B-1: Alternative A
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
April 29, 2014

I. GENERAL FUND	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
A. Recurring Revenues					
Property Tax	4	$ 1,668,811	$ 459.47	$ 132.40	33.7%
Property Transfer Tax	4	88,464	24.36	7.02	1.8%
Property Tax In Lieu of Sales Tax	4	116,813	32.16	9.27	2.4%
Off-Site Sales and Use Tax	5	239,485	65.94	19.00	4.8%
On-Site Sales and Use Tax	5	160,015	44.06	12.69	3.2%
Property Tax-Vehicle License Fee	6	1,882,769	518.38	149.37	38.0%
Franchise Fees	6	297,564	81.93	23.61	6.0%
Business License Fee	6	938	0.26	0.07	0.0%
Licenses & Permits	6	27,738	7.64	2.20	0.6%
Fines & Forfeitures	6	23,992	6.61	1.90	0.5%
Miscellaneous Revenue	6	9,997	2.75	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	79,779	21.97	6.33	1.6%
Gas Tax and Traffic Safety Fund Revenue	10	357,465	98.42	28.36	7.2%
Total Recurring Revenues		**$ 4,953,830**	**$ 1,363.94**	**$ 393.02**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,535	$ 4.00	$ 1.15	0.5%
City Clerk	7	$ 24,359	6.71	1.93	0.8%
General Government	7	$ 65,004	17.90	5.16	2.2%
Personnel	7	$ 7,268	2.00	0.58	0.2%
Finance	7	$ 48,400	13.33	3.84	1.7%
Police Department	7	$ 1,793,496	493.80	142.29	61.7%
Animal Control	7	$ 110,523	30.43	8.77	3.8%
Public Works	7	$ 577,011	158.87	45.78	19.8%
Engineering	7	$ 60,453	16.64	4.80	2.1%
Planning	7	$ 68,059	18.74	5.40	2.3%
Public Services	7	$ 43,428	11.96	3.45	1.5%
Code Enforcement	7	$ 29,857	8.22	2.37	1.0%
Parks	7	$ -	-	-	0.0%
Graffiti	7	$ 21,838	6.01	1.73	0.8%
Trails	7	$ 3,079	0.85	0.24	0.1%
Drainage Basins	7	$ 29,700	8.18	2.36	1.0%
Storm Drainage Replacement	7	$ 11,115	3.06	0.88	0.4%
Total Recurring Costs		**$ 2,908,126**	**$ 800.70**	**$ 230.72**	**100.0%**
General Fund Surplus/(Deficit)		**$ 2,045,704**	**$ 563.24**	**$ 162.30**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,192,171	$ 328.24	$ 94.58	
Total Recurring Costs	8	1,251,269	344.51	99.27	
Fire Fund Surplus/(Deficit)		**$ (59,098)**	**$ (16.27)**	**$ (4.69)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 70,177	$ 19.32	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 70,177**	**$ 19.32**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,262,348	$ 347.56	$ 100.15	
Total Recurring Costs		1,251,269	344.51	99.27	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 11,079**	**$ 3.05**	**$ 0.88**	
V. COMBINED NET FISCAL IMPACT					
Recurring Revenues		$ 6,216,178	$ 1,711.50	$ 493.17	
Total Recurring Costs		4,159,396	1,145.21	329.99	
Total Surplus/(Deficit)		**$ 2,056,783**	**$ 566.29**	**$ 163.18**	

Exhibit B-1: Alternative A
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
April 29, 2014

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-1: Alternative A
Table 3 - Land Use Assumptions
Harmony Planned Community
April 29, 2014

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation
I. Residential Land Use		(a)	(a)	(a)	
Condo Apartments	40	5	215	$ 210,000	$ 45,150,000
Paired	26	2	173	230,000	39,790,000
Paired	43A	3	130	230,000	29,900,000
HDD	15	2	208	250,000	52,000,000
HDD	25	3	110	250,000	27,500,000
HDD	33	4	105	250,000	26,250,000
6 Pack	27	2	115	250,000	28,750,000
6 Pack	43B	3	99	250,000	24,750,000
4 Pack L	21	2	115	290,000	33,350,000
4 Pack S	22	2	80	270,000	21,600,000
4 Pack S	23	3	77	270,000	20,790,000
SFD - 3,000 Sq. Ft.	3	1	141	310,000	43,710,000
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000
SFD - 4,000 Sq. Ft.	35	4	31	350,000	10,850,000
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000
Total/Weighted Average			3,632	$ 314,491	**$ 1,142,230,000**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	-	-	500	-	150.00	-
Neighborhood Commercial	3	0.25	-	-	500	-	150.00	-
Neighborhood Commercial	40	0.25	-	-	500	-	150.00	-
Total			5.70	62,073		124		**$ 9,310,950**

III. Total Residential and Non-Residential **$ 1,151,540,950**

IV. Population Summary

Residential Units	[1]	**3,632**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,543**
Employees	[4]	**124**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	62
Total Equivalent Residents	[3]+[5]=[6]	**12,605**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.

Exhibit B-1: Alternative A
Table 4 - Property Tax Calculations
Harmony Planned Community
April 29, 2014

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,151,540,950
Basic Rate			1.000%
Basic Tax Paid		$	11,515,410
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,860,982**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,668,811**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,192,171**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,142,230,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	159,912,200
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	87,952
B. Non-Residential			
Non-Residential Assessed Value	3	$	9,310,950
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	931,095
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	512
Total Property Transfer Tax	[1]+[2]	**$**	**88,464**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	70,025
On-Site Sales Tax Redirected to Property Tax (e)	5		46,788
Total Property Tax In-Lieu of Sales Tax		**$**	**116,813**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-1: Alternative A
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
April 29, 2014

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	350,124,800
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	112,039,936
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	28,009,984
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 280,100
Use Tax @10.50% of sales tax	10.50%	8	29,410
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(70,025)
Total Off-Site Sales Tax Revenue		$ 85	**$ 239,485**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	-	377	80%	-
Neighborhood Commercial	3	-	-	377	80%	-
Neighborhood Commercial	40	-	-	377	80%	-
Subtotal Taxable Sales for Retail Land Use			62,073			$ 18,715,258
Total Taxable Sales						$ 18,715,258
Sales Tax @1% of taxable sales					1.00%	187,153
Use Tax @10.50% of sales tax (c)					10.50%	19,651
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(46,788)
Total On-Site Sales Tax Revenue						**$ 160,015**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-1: Alternative A
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,882,769**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,605	$ 26,391
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,605	55,981
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,543	86,834
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,605	113,962
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,605	14,395
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 297,564**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	124	**$ 938**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,181,271
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,543	$ 25,977
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,543	1,760
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 27,738**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,605	$ 5,998
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,605	3,999
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,605	8,997
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,605	4,998
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,992**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,605	$ 7,997
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,605	1,999
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,997**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,543	23,938
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,543	39,709
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,543	3,520
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,543	352
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,605	1,699
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,543	10,561
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 79,779**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,322,777

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.
(d) Assumes Project will have a de minimis impact on these revenue sources.
(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.
(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.
(g) See Section II of Table 6.

Exhibit B-1: Alternative A
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
April 29, 2014

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05	FY 2011-12		Change
Property Tax Vehicle License Fees (VLF)	$ (a) 2,624,088	$ (b) 3,800,000	[1]	1,175,912
City Assessed Valuation	(c) 1,992,355,699	(d) 2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase			=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV			[3]	$ 1,635

Property Tax in Lieu of MVLF:			
Total Residential and Non-Residential Assessed Value (Table 3)	[4]	$	1,151,540,950
Assessed Valuation / 1,000,000	[5]	$	1,152
VLF Increase per $1,000,000 increase in AV	[3]		1,635
Property Tax in Lieu of MVLF	=[3]*[5]	$	1,882,769

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-1: Alternative A
Table 7 - General Fund Cost Calculations
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,605	**$ 14,535**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,605	**24,359**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,605	**65,004**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,605	**7,268**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,605	**48,400**
F. Police Department	156	6,819,830	100%	----------	See Footnote (g)	----------			**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,543	**110,523**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,605	$ 32,302
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,605	13,064
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,605	102,226
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	----------	See Footnote (d)	----------			
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,605	25,960
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,605	300
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,605	300
Street Maintenance	164	100,000	100%	----------	See Table 16	----------			339,120
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,605	200
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,605	1,999
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,605	9,997
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,605	41,986
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,605	960
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,605	600
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,605	7,997
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 577,011**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,605	**60,453**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,605	**68,059**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,605	**43,428**
L. Building & Safety	181	412,890	0%	----------	See Footnote (d)	----------			
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,605	**29,857**
N. Parks	188	-	0%	----------	See Footnote (e)	----------			**-**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,605	**21,838**
P. Community Volunteer Services	192	57,545	0%	----------	See Footnote (f)	----------			
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,605	**3,079**
R. Drainage Basins		-	0%	----------	See Footnote (i)	----------			**29,700**
S. Storm Drainage Replacement		-	0%	----------	See Footnote (j)	----------			**11,115**
TOTAL GENERAL FUND COSTS		$ 14,282,410		$ 3,592,834			$ 58.33		$ 2,908,126

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. The development of the Harmony Planned Community ("Project") is not anticipated to increase the City's maintenance cost for these parks. Parks to be developed within the Project are anticipated to be HOA maintained.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-1: Alternative A
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	---------- See Calculation in Table 4 ----------					$ 1,192,171
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	83	33,225	0%	---------- See Footnote (e) ----------					
Interest	83	35,000	0%	---------- See Footnote (e) ----------					
Pass-Thru Fire Department	83	180,000	0%	---------- See Footnote (e) ----------					
Fire Department Fees	83	473,000	0%	---------- See Footnote (e) ----------					
Total Other Fire Fund Revenue									$ -
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,192,171**
II. FIRE FUND COST									
A. Typical Cost per Station									
Estimated Cost per Station (d)				[1] $ 1,237,379					
Additional Fire Stations Required to Serve Project (d)				[2] 1.00					
Percent of Fire Station Costs Allocable to Project				[3] 100%					
Total Cost per Station				[1]X[2]X[3]=[4] $ 1,237,379					
B. Wildland Fire Protection Agreement Cost									
Acres (f)				[5] 539					
Cost per Acre (g)				[6] $ 25.77					
Total Wildland Fire Protection Agreement Cost				[5]X[6]=[7] $ 13,890					
TOTAL FIRE FUND COST				**$ 1,251,269**					

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.
(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.
(e) Assumes Project will have a de minimis impact on these revenue sources.
(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

Exhibit B-1: Alternative A
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,605	$ 70,177
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 70,177**
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	See Footnote (d)					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	See Footnote (d)					
C. Contractual Services - Medical Director	234	10,000	100%	See Footnote (d)					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-1: Alternative A
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
April 29, 2014

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,543
Total Gas Tax and Traffic Safety Fund Revenue						**$ 357,465**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-1: Alternative A
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
April 29, 2014

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	22	$ 171,324	$ 332,229	$ 523,901	$ 677,646	$ 782,554	$ 918,213	$ 1,053,351	$ 1,167,736	$ 1,348,958	$ 1,514,790	$ 1,607,872	$ 1,645,508	$ 1,668,811
Property Transfer Tax	22	9,103	17,652	27,632	35,800	41,374	48,582	55,763	61,840	71,469	80,280	85,226	87,226	88,464
Property Tax In Lieu of Sales Tax	22	6,247	12,127	66,994	73,838	78,562	84,558	90,342	95,239	102,797	109,506	113,458	115,502	116,813
Off-Site Sales and Use Tax	22	21,364	41,475	69,103	92,510	108,665	129,172	148,953	165,701	191,549	214,495	228,012	235,002	239,485
On-Site Sales and Use Tax	22	-	-	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015	160,015
Property Tax-Vehicle License Fee	23	193,290	374,824	591,070	764,528	882,885	1,035,938	1,188,401	1,317,452	1,521,909	1,709,002	1,814,018	1,856,479	1,882,769
Franchise Fees	23	26,452	51,353	86,599	115,582	135,585	160,976	185,469	206,206	238,210	266,621	283,358	292,012	297,564
Business License Fee	23	-	-	938	938	938	938	938	938	938	938	938	938	938
Licenses & Permits	23	2,474	4,804	8,004	10,715	12,586	14,961	17,252	19,192	22,185	24,843	26,409	27,218	27,738
Fines & Forfeitures	23	2,130	4,135	7,007	9,340	10,951	12,995	14,967	16,637	19,213	21,501	22,848	23,545	23,992
Miscellaneous Revenue	23	887	1,723	2,920	3,892	4,563	5,415	6,236	6,932	8,006	8,959	9,520	9,810	9,997
Intergovernmental Revenue	23	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	23	7,116	13,815	23,026	30,823	36,204	43,035	49,624	55,202	63,812	71,455	75,958	78,286	79,779
Gas Tax and Traffic Safety Fund Revenue	23	31,888	61,907	103,145	138,084	162,198	192,807	222,333	247,332	285,913	320,163	340,339	350,772	357,465
Total Recurring Revenues		**$ 472,276**	**$ 916,042**	**$ 1,670,353**	**$ 2,113,713**	**$ 2,417,079**	**$ 2,807,603**	**$ 3,193,643**	**$ 3,520,422**	**$ 4,034,973**	**$ 4,502,569**	**$ 4,767,972**	**$ 4,882,313**	**$ 4,953,830**
B. General Fund Recurring Costs														
City Council	24	$ 1,290	$ 2,505	$ 4,245	$ 5,659	$ 6,634	$ 7,873	$ 9,068	$ 10,079	$ 11,640	$ 13,026	$ 13,842	$ 14,264	$ 14,535
City Clerk	24	2,162	4,198	7,114	9,483	11,118	13,194	15,196	16,891	19,507	21,830	23,198	23,905	$ 24,359
General Government	24	5,770	11,202	18,985	25,307	29,670	35,209	40,552	45,076	52,057	58,255	61,906	63,793	$ 65,004
Personnel	24	645	1,252	2,123	2,829	3,317	3,936	4,534	5,040	5,820	6,513	6,921	7,132	$ 7,268
Finance	24	4,296	8,341	14,135	18,843	22,092	26,216	30,194	33,562	38,760	43,375	46,093	47,499	$ 48,400
Police Department	24	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	24	9,859	19,141	31,891	42,694	50,149	59,613	68,742	76,471	88,400	98,990	105,228	108,454	$ 110,523
Public Works	24	196,452	216,330	295,581	318,719	334,687	407,902	427,455	444,009	494,606	552,309	565,671	572,579	$ 577,011
Engineering	23	5,366	10,418	17,655	23,535	27,593	32,744	37,713	41,920	48,412	54,176	57,572	59,327	$ 60,453
Planning	23	6,041	11,729	19,877	26,496	31,064	36,863	42,457	47,194	54,503	60,992	64,814	66,791	$ 68,059
Public Services	24	3,855	7,484	12,683	16,907	19,822	23,522	27,092	30,114	34,778	38,919	41,358	42,619	$ 43,428
Code Enforcement	24	2,650	5,145	8,720	11,624	13,628	16,172	18,626	20,704	23,910	26,757	28,434	29,301	$ 29,857
Parks	25	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Graffiti	24	1,938	3,763	6,378	8,502	9,968	11,828	13,623	15,143	17,488	19,570	20,797	21,431	$ 21,838
Trails	24	273	531	899	1,199	1,405	1,668	1,921	2,135	2,466	2,759	2,932	3,022	$ 3,079
Drainage Basins	25	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	25	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 659,455**	**$ 844,219**	**$ 1,354,696**	**$ 1,507,891**	**$ 1,932,903**	**$ 2,222,975**	**$ 2,470,948**	**$ 2,522,311**	**$ 2,626,524**	**$ 2,831,140**	**$ 2,872,644**	**$ 2,894,211**	**$ 2,908,126**
Net General Fund Surplus/(Deficit)		**$ (187,180)**	**$ 71,823**	**$ 315,657**	**$ 605,822**	**$ 484,176**	**$ 584,629**	**$ 722,695**	**$ 998,111**	**$ 1,408,450**	**$ 1,671,428**	**$ 1,895,328**	**$ 1,988,103**	**$ 2,045,704**
II. Fire Fund														
Total Recurring Revenues	25	$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
Total Recurring Costs	25	33,625	33,625	169,269	1,264,897	1,264,897	1,258,851	1,258,851	1,258,851	1,251,269	1,251,269	1,251,269	1,251,269	1,251,269
Net Fire Fund Surplus/(Deficit)		**$ 88,767**	**$ 203,714**	**$ 204,997**	**$ (780,797)**	**$ (705,853)**	**$ (602,894)**	**$ (506,354)**	**$ (424,639)**	**$ (287,595)**	**$ (169,128)**	**$ (102,632)**	**$ (75,745)**	**$ (59,098)**
III. Paramedic Fund														
Total Recurring Revenues	25	$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 6,229**	**$ 12,094**	**$ 20,495**	**$ 27,321**	**$ 32,031**	**$ 38,011**	**$ 43,779**	**$ 48,662**	**$ 56,199**	**$ 62,890**	**$ 66,831**	**$ 68,869**	**$ 70,177**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 128,621	$ 249,432	$ 394,761	$ 511,420	$ 591,075	$ 693,967	$ 796,275	$ 882,874	$ 1,019,873	$ 1,145,031	$ 1,215,469	$ 1,244,393	$ 1,262,348
Total Recurring Costs		33,625	33,625	169,269	1,264,897	1,264,897	1,258,851	1,258,851	1,258,851	1,251,269	1,251,269	1,251,269	1,251,269	1,251,269
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 94,996**	**$ 215,808**	**$ 225,492**	**$ (753,476)**	**$ (673,822)**	**$ (564,884)**	**$ (462,575)**	**$ (375,977)**	**$ (231,396)**	**$ (106,238)**	**$ (35,800)**	**$ (6,876)**	**$ 11,079**
V. Combined General Fund, Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 600,896	$ 1,165,475	$ 2,065,114	$ 2,625,133	$ 3,008,154	$ 3,501,571	$ 3,989,919	$ 4,403,296	$ 5,054,846	$ 5,647,600	$ 5,983,441	$ 6,126,706	$ 6,216,178
Total Recurring Costs		693,080	877,844	1,523,965	2,772,788	3,197,800	3,481,826	3,729,799	3,781,162	3,877,793	4,082,410	4,123,914	4,145,480	4,159,396
Total Surplus/(Deficit)		**$ (92,184)**	**$ 287,631**	**$ 541,149**	**$ (147,655)**	**$ (189,646)**	**$ 19,745**	**$ 260,119**	**$ 622,134**	**$ 1,177,053**	**$ 1,565,190**	**$ 1,859,527**	**$ 1,981,227**	**$ 2,056,783**

Exhibit B-1: Alternative A
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
April 29, 2014

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	215		-	-	-	-	-	-	-	-	48	48	48	48	23
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	141		48	48	45	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	31		-	-	-	-	-	-	-	-	7	18	6	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,632		324	305	419	355	245	311	300	254	392	348	205	106	68
Cumulative Units			324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
Total Cumulative Residents	3.45	3	1,119	2,172	3,619	4,845	5,691	6,765	7,801	8,678	10,032	11,234	11,942	12,308	12,543

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-1: Alternative A
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
April 29, 2014

I. Residential Assessed Value Additions	Average Value per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 10,080,000	$ 10,080,000	$ 10,080,000	$ 10,080,000	$ 4,830,000
Paired	230,000	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	14,880,000	14,880,000	13,950,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	2,450,000	6,300,000	2,100,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions			$ 118,220,000	$ 111,030,000	$ 122,950,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 125,050,000	$ 114,430,000	$ 64,230,000	$ 25,970,000	$ 16,080,000
Cumulative Residential Assessed Value			$ 118,220,000	$ 229,250,000	$ 352,200,000	$ 458,290,000	$ 530,680,000	$ 624,290,000	$ 717,540,000	$ 796,470,000	$ 921,520,000	$ 1,035,950,000	$ 1,100,180,000	$ 1,126,150,000	$ 1,142,230,000
Total Assessed Value Additions-Average Price			$ 364,877	$ 364,033	$ 293,437	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 319,005	$ 328,822	$ 313,317	$ 245,000	$ 236,471

Exhibit B-1: Alternative A
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	62,073	-	-	-	-	-	-	-	-	-	-
Cumulative Square Feet			-	-	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073	62,073
Assessed Value Additions	$ 150	3	$ -	$ -	$ 9,310,950	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Employees	500	3	-	-	124	-	-	-	-	-	-	-	-	-	-
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950
Cumulative Employees			-	-	124	124	124	124	124	124	124	124	124	124	124
50% of Cumulative Employees			-	-	62	62	62	62	62	62	62	62	62	62	62
Cumulative Equivalent Residents			1,119	2,172	3,681	4,907	5,753	6,827	7,863	8,740	10,094	11,296	12,004	12,370	12,605
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 118,220,000	$ 229,250,000	$ 361,510,950	$ 467,600,950	$ 539,990,950	$ 633,600,950	$ 726,850,950	$ 805,780,950	$ 930,830,950	$ 1,045,260,950	$ 1,109,490,950	$ 1,135,460,950	$ 1,151,540,950
Basic Tax Paid	1.00%	4	1,182,200	2,292,500	3,615,110	4,676,010	5,399,910	6,336,010	7,268,510	8,057,810	9,308,310	10,452,610	11,094,910	11,354,610	11,515,410
Total Property Tax	24.84%	4	**$ 293,715**	**$ 569,567**	**$ 898,167**	**$ 1,161,746**	**$ 1,341,598**	**$ 1,574,170**	**$ 1,805,848**	**$ 2,001,948**	**$ 2,312,632**	**$ 2,596,932**	**$ 2,756,510**	**$ 2,821,032**	**$ 2,860,982**
Total Property Tax Retained in General Fund	58.33%	4	**$ 171,324**	**$ 332,229**	**$ 523,901**	**$ 677,646**	**$ 782,554**	**$ 918,213**	**$ 1,053,351**	**$ 1,167,736**	**$ 1,348,958**	**$ 1,514,790**	**$ 1,607,872**	**$ 1,645,508**	**$ 1,668,811**
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 118,220,000	$ 229,250,000	$ 352,200,000	$ 458,290,000	$ 530,680,000	$ 624,290,000	$ 717,540,000	$ 796,470,000	$ 921,520,000	$ 1,035,950,000	$ 1,100,180,000	$ 1,126,150,000	$ 1,142,230,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 9,103	$ 17,652	$ 27,119	$ 35,288	$ 40,862	$ 48,070	$ 55,251	$ 61,328	$ 70,957	$ 79,768	$ 84,714	$ 86,714	$ 87,952
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950	$ 9,310,950
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512	$ 512
Total Property Transfer Tax			**$ 9,103**	**$ 17,652**	**$ 27,632**	**$ 35,800**	**$ 41,374**	**$ 48,582**	**$ 55,763**	**$ 61,840**	**$ 71,469**	**$ 80,280**	**$ 85,226**	**$ 87,226**	**$ 88,464**
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 6,247	$ 12,127	$ 20,205	$ 27,050	$ 31,773	$ 37,770	$ 43,554	$ 48,451	$ 56,008	$ 62,718	$ 66,670	$ 68,714	$ 70,025
On-Site Sales Tax Redirected to Property Tax			-	-	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788	46,788
Total Property Tax In-Lieu of Sales Tax			**$ 6,247**	**$ 12,127**	**$ 66,994**	**$ 73,838**	**$ 78,562**	**$ 84,558**	**$ 90,342**	**$ 95,239**	**$ 102,797**	**$ 109,506**	**$ 113,458**	**$ 115,502**	**$ 116,813**
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 31,233,600	$ 60,635,600	$ 101,027,200	$ 135,249,200	$ 158,867,200	$ 188,847,600	$ 217,767,600	$ 242,253,200	$ 280,042,000	$ 313,589,200	$ 333,351,200	$ 343,569,600	$ 350,124,800
Retail Taxable Sales	32.00%	5	9,994,752	19,403,392	32,328,704	43,279,744	50,837,504	60,431,232	69,685,632	77,521,024	89,613,440	100,348,544	106,672,384	109,942,272	112,039,936
Projected Off-Site Taxable Sales	25.00%	5	2,498,688	4,850,848	8,082,176	10,819,936	12,709,376	15,107,808	17,421,408	19,380,256	22,403,360	25,087,136	26,668,096	27,485,568	28,009,984
Sales Tax @1.00% of taxable sales	1.00%	5	24,987	48,508	80,822	108,199	127,094	151,078	174,214	193,803	224,034	250,871	266,681	274,856	280,100
Use Tax @10.50% of sales tax	10.50%	5	2,624	5,093	8,486	11,361	13,345	15,863	18,292	20,349	23,524	26,341	28,002	28,860	29,410
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(6,247)	(12,127)	(20,205)	(27,050)	(31,773)	(37,770)	(43,554)	(48,451)	(56,008)	(62,718)	(66,670)	(68,714)	(70,025)
Total Off-Site Sales Tax Revenue			**$ 21,364**	**$ 41,475**	**$ 69,103**	**$ 92,510**	**$ 108,665**	**$ 129,172**	**$ 148,953**	**$ 165,701**	**$ 191,549**	**$ 214,495**	**$ 228,012**	**$ 235,002**	**$ 239,485**
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072	$ 23,394,072
Taxable Sales	80%	5	-	-	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258	18,715,258
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153	187,153
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651	19,651
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)	(46,788)
Total On-Site Sales Tax Allocated to County			**$ -**	**$ -**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**	**$ 160,015**

Exhibit B-1: Alternative A
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 118	$ 229	$ 362	$ 468	$ 540	$ 634	$ 727	$ 806	$ 931	$ 1,045	$ 1,109	$ 1,135	$ 1,152
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 193,290**	**$ 374,824**	**$ 591,070**	**$ 764,528**	**$ 882,885**	**$ 1,035,938**	**$ 1,188,401**	**$ 1,317,452**	**$ 1,521,909**	**$ 1,709,002**	**$ 1,814,018**	**$ 1,856,479**	**$ 1,882,769**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,343	$ 4,548	$ 7,708	$ 10,274	$ 12,046	$ 14,295	$ 16,464	$ 18,300	$ 21,135	$ 23,651	$ 25,133	$ 25,900	$ 26,391
Franchise Fees - Electric	4.44	6	4,969	9,647	16,349	21,794	25,552	30,322	34,923	38,819	44,831	50,169	53,313	54,939	55,981
Franchise Fees - Cable	6.92	6	7,746	15,038	25,056	33,543	39,400	46,836	54,008	60,081	69,453	77,773	82,674	85,208	86,834
Franchise Fees - Refuse	9.04	6	10,116	19,639	33,283	44,367	52,016	61,727	71,093	79,024	91,263	102,129	108,530	111,839	113,962
Franchise Fees - Refuse Household Waste	1.14	6	1,278	2,481	4,204	5,604	6,570	7,797	8,980	9,982	11,528	12,900	13,709	14,127	14,395
Total Franchise Fees			**$ 26,452**	**$ 51,353**	**$ 86,599**	**$ 115,582**	**$ 135,585**	**$ 160,976**	**$ 185,469**	**$ 206,206**	**$ 238,210**	**$ 266,621**	**$ 283,358**	**$ 292,012**	**$ 297,564**
C. Business License Fee	7.55	6	$ -	$ -	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938	$ 938
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,317	$ 4,499	$ 7,496	$ 10,035	$ 11,787	$ 14,011	$ 16,157	$ 17,974	$ 20,778	$ 23,267	$ 24,733	$ 25,491	$ 25,977
Yard Sale Permits	0.14	6	157	305	508	680	799	949	1,095	1,218	1,408	1,576	1,676	1,727	1,760
Total Licenses & Permits			**$ 2,474**	**$ 4,804**	**$ 8,004**	**$ 10,715**	**$ 12,586**	**$ 14,961**	**$ 17,252**	**$ 19,192**	**$ 22,185**	**$ 24,843**	**$ 26,409**	**$ 27,218**	**$ 27,738**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 532	$ 1,034	$ 1,752	$ 2,335	$ 2,738	$ 3,249	$ 3,742	$ 4,159	$ 4,803	$ 5,375	$ 5,712	$ 5,886	$ 5,998
General Fines	0.32	6	355	689	1,168	1,557	1,825	2,166	2,495	2,773	3,202	3,583	3,808	3,924	3,999
Code Enforcement Fines	0.71	6	799	1,550	2,628	3,503	4,107	4,873	5,613	6,239	7,205	8,063	8,568	8,829	8,997
Administrative Citation Program	0.40	6	444	861	1,460	1,946	2,281	2,707	3,118	3,466	4,003	4,479	4,760	4,905	4,998
Total Fines & Forfeitures			**$ 2,130**	**$ 4,135**	**$ 7,007**	**$ 9,340**	**$ 10,951**	**$ 12,995**	**$ 14,967**	**$ 16,637**	**$ 19,213**	**$ 21,501**	**$ 22,848**	**$ 23,545**	**$ 23,992**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 710	$ 1,378	$ 2,336	$ 3,113	$ 3,650	$ 4,332	$ 4,989	$ 5,546	$ 6,404	$ 7,167	$ 7,616	$ 7,848	$ 7,997
Refuse Penalties & Interest	0.16	6	177	345	584	778	913	1,083	1,247	1,386	1,601	1,792	1,904	1,962	1,999
Total Miscellaneous Revenue			**$ 887**	**$ 1,723**	**$ 2,920**	**$ 3,892**	**$ 4,563**	**$ 5,415**	**$ 6,236**	**$ 6,932**	**$ 8,006**	**$ 8,959**	**$ 9,520**	**$ 9,810**	**$ 9,997**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	2,135	4,146	6,907	9,247	10,862	12,911	14,889	16,563	19,146	21,440	22,791	23,490	23,938
Engineering Fees - Inspections	$ 3.17	6	3,542	6,877	11,458	15,339	18,018	21,418	24,698	27,475	31,761	35,565	37,807	38,965	39,709
Park Fees	0.28	6	314	610	1,016	1,360	1,597	1,899	2,190	2,436	2,816	3,153	3,352	3,454	3,520
Self Hauler fees	0.03	6	31	61	102	136	160	190	219	244	282	315	335	345	352
Recordation of Document Fees	0.13	6	151	293	496	662	776	920	1,060	1,178	1,361	1,523	1,618	1,668	1,699
Vehicle Storage Fees	0.84	6	942	1,829	3,047	4,080	4,792	5,696	6,569	7,307	8,447	9,459	10,055	10,363	10,561
Total Charges for Services			**$ 7,116**	**$ 13,815**	**$ 23,026**	**$ 30,823**	**$ 36,204**	**$ 43,035**	**$ 49,624**	**$ 55,202**	**$ 63,812**	**$ 71,455**	**$ 75,958**	**$ 78,286**	**$ 79,779**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 31,888**	**$ 61,907**	**$ 103,145**	**$ 138,084**	**$ 162,198**	**$ 192,807**	**$ 222,333**	**$ 247,332**	**$ 285,913**	**$ 320,163**	**$ 340,339**	**$ 350,772**	**$ 357,465**

Exhibit B-1: Alternative A
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs															
A. City Council	$ 1.15	7	$ 1,290	$ 2,505	$ 4,245	$ 5,659	$ 6,634	$ 7,873	$ 9,068	$ 10,079	$ 11,640	$ 13,026	$ 13,842	$ 14,264	$ 14,535
B. City Clerk	1.93	7	2,162	4,198	7,114	9,483	11,118	13,194	15,196	16,891	19,507	21,830	23,198	23,905	24,359
C. General Government	5.16	7	5,770	11,202	18,985	25,307	29,670	35,209	40,552	45,076	52,057	58,255	61,906	63,793	65,004
D. Personnel	0.58	7	645	1,252	2,123	2,829	3,317	3,936	4,534	5,040	5,820	6,513	6,921	7,132	7,268
E. Finance	3.84	7	4,296	8,341	14,135	18,843	22,092	26,216	30,194	33,562	38,760	43,375	46,093	47,499	48,400
F. Police Department		18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control	8.81	7	9,859	19,141	31,891	42,694	50,149	59,613	68,742	76,471	88,400	98,990	105,228	108,454	110,523
H. Public Works															
Salaries & Wages	$ 2.56	7	$ 2,867	$ 5,567	$ 9,434	$ 12,576	$ 14,744	$ 17,496	$ 20,151	$ 22,399	$ 25,868	$ 28,948	$ 30,762	$ 31,701	32,302
Benefits	1.04	7	1,160	2,251	3,815	5,086	5,963	7,076	8,150	9,059	10,462	11,708	12,441	12,821	13,064
Operations & Materials	8.11	7	9,074	17,617	29,855	39,798	46,660	55,370	63,772	70,886	81,865	91,611	97,353	100,322	102,226
Engineering	2.06	7	2,304	4,474	7,582	10,106	11,849	14,061	16,195	18,001	20,789	23,264	24,722	25,476	25,960
Traffic Counts	0.02	7	27	52	88	117	137	162	187	208	240	269	286	294	300
Underground Service Alert	0.02	7	27	52	88	117	137	162	187	208	240	269	286	294	300
Contract Services - Street Maintenance	1.59	7	175,334	175,334	226,105	226,105	226,105	279,050	279,050	279,050	304,098	339,120	339,120	339,120	339,120
Contract Services - Street Sweeping	0.02	7	18	34	58	78	91	108	125	139	160	179	190	196	200
Contract Services - Emergency Work	0.16	7	177	345	584	778	913	1,083	1,247	1,386	1,601	1,792	1,904	1,962	1,999
Contract Services - Striping	0.79	7	887	1,723	2,920	3,892	4,563	5,415	6,236	6,932	8,006	8,959	9,520	9,810	9,997
Contract Services - Traffic Signals	3.33	7	3,727	7,235	12,262	16,346	19,164	22,741	26,192	29,114	33,623	37,626	39,985	41,204	41,986
Contract Services - Maintenance	0.08	7	85	165	280	374	438	520	599	665	769	860	914	942	960
Contract Services - Environmental Health Services	0.05	7	53	103	175	234	274	325	374	416	480	538	571	589	600
Contract Services - Tree Trimming	0.63	7	710	1,378	2,336	3,113	3,650	4,332	4,989	5,546	6,404	7,167	7,616	7,848	7,997
Total Public Works			$ 196,452	$ 216,330	$ 295,581	$ 318,719	$ 334,687	$ 407,902	$ 427,455	$ 444,009	$ 494,606	$ 552,309	$ 565,671	$ 572,579	$ 577,011
I. Engineering	4.80	7	$ 5,366	$ 10,418	$ 17,655	$ 23,535	$ 27,593	$ 32,744	$ 37,713	$ 41,920	$ 48,412	$ 54,176	$ 57,572	$ 59,327	$ 60,453
J. Planning	5.40	7	6,041	11,729	19,877	26,496	31,064	36,863	42,457	47,194	54,503	60,992	64,814	66,791	68,059
K. Public Services	3.45	7	3,855	7,484	12,683	16,907	19,822	23,522	27,092	30,114	34,778	38,919	41,358	42,619	43,428
L. Code Enforcement	2.37	7	2,650	5,145	8,720	11,624	13,628	16,172	18,626	20,704	23,910	26,757	28,434	29,301	29,857
M. Graffiti	1.73	7	1,938	3,763	6,378	8,502	9,968	11,828	13,623	15,143	17,488	19,570	20,797	21,431	21,838
N. Trails	0.24	7	273	531	899	1,199	1,405	1,668	1,921	2,135	2,466	2,759	2,932	3,022	3,079
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14															
Sergeant			$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective			-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy			148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist			69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist			-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)			-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)			-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)			5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services			12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization			964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance			1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)			-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)			333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support			1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance			348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding			3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost			11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget			$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading			$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget			$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance															
Lane Miles (Assumes Beginning of Phase)															
Backbone Roads			27.42												
Interior Roads			19.34		13.54			14.12			6.68	9.34			
Total Lane Miles			46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)		C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
Cost per Lane Mile (See Exhibit C-2)		C-2	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750
Total Street Maintenance Cost			$ 175,334	$ 175,334	$ 226,105	$ 226,105	$ 226,105	$ 279,050	$ 279,050	$ 279,050	$ 304,098	$ 339,120	$ 339,120	$ 339,120	$ 339,120

Exhibit B-1: Alternative A
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
April 29, 2014

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance																
Park Acres (Assumes End of Phase)																
20 Acre Park							20.00									
5.5 Acre Park Next to School							5.50									
6.5 Acre Park														6.50		
Total Park Acres				-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres				-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$	-	7	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
R. Drainage Basins																
Acres of Drainage Basins				15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$	1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement																
Annual Contribution Increase		2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost			C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund				324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
A. Recurring Revenues																
Secured Property Tax Retained in Fire Fund		41.67%	4	$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
Total Recurring Revenues				$ 122,391	$ 237,339	$ 374,266	$ 484,100	$ 559,044	$ 655,957	$ 752,497	$ 834,212	$ 963,674	$ 1,082,141	$ 1,148,638	$ 1,175,524	$ 1,192,171
B. Recurring Costs																
Fire Station Cost																
Fire Stations Required for Project (a)				-	-	0.11	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$	1,237,379	8	$ -	$ -	$ 141,752	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost																
Total Project Acres (b)		[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)																
Phase 1 Acres				353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres						237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres									234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres												133.5	133.5	133.5	133.5	133.5
Phase 5 Acres												160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out		[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres		=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$	25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Total Recurring Costs				$ 33,625	$ 33,625	$ 169,269	$ 1,264,897	$ 1,264,897	$ 1,258,851	$ 1,258,851	$ 1,258,851	$ 1,251,269	$ 1,251,269	$ 1,251,269	$ 1,251,269	$ 1,251,269
III. Paramedic Fund																
A. Recurring Revenues																
A. Property Tax - Paramedic Tax	$	5.57	9	$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177
B. Recurring Costs (d)				-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues				$ 6,229	$ 12,094	$ 20,495	$ 27,321	$ 32,031	$ 38,011	$ 43,779	$ 48,662	$ 56,199	$ 62,890	$ 66,831	$ 68,869	$ 70,177

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-1: Alternative A
Table 18 - Police Phasing Analysis
Harmony Planned Community
April 29, 2014

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		324	629	1,048	1,403	1,648	1,959	2,259	2,513	2,905	3,253	3,458	3,564	3,632
Cumulative Residents		1,119	2,172	3,619	4,845	5,691	6,765	7,801	8,678	10,032	11,234	11,942	12,308	12,543
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.89	0.92	1.11	0.83	1.05	1.03	1.03	0.92	0.80	0.80	0.75	0.73	0.72
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.89	0.92	0.83	0.62	0.70	0.74	0.77	0.69	0.60	0.62	0.59	0.57	0.56
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	**$ 17,085,854**	**$ 253,594**	**$ 428,541**	**$ 800,592**	**$ 882,095**	**$ 1,257,569**	**$ 1,431,858**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		**$ 380,391**	**$ 503,541**	**$ 875,592**	**$ 957,095**	**$ 1,332,569**	**$ 1,506,858**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**

Exhibit B-2: Alternative B
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
April 29, 2014

I. GENERAL FUND	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
A. Recurring Revenues					
Property Tax	4	$ 1,654,308	$ 470.64	$ 133.80	30.4%
Property Transfer Tax	4	87,154	24.79	7.05	1.6%
Property Tax In Lieu of Sales Tax	4	237,684	67.62	19.22	4.4%
Off-Site Sales and Use Tax	5	231,771	65.94	18.75	4.3%
On-Site Sales and Use Tax	5	581,109	165.32	47.00	10.7%
Property Tax-Vehicle License Fee	6	1,866,407	530.98	150.96	34.3%
Franchise Fees	6	290,743	82.71	23.52	5.3%
Business License Fee	6	3,405	0.97	0.28	0.1%
Licenses & Permits	6	26,844	7.64	2.17	0.5%
Fines & Forfeitures	6	23,534	6.70	1.90	0.4%
Miscellaneous Revenue	6	9,806	2.79	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	77,232	21.97	6.25	1.4%
Gas Tax and Traffic Safety Fund Revenue	10	345,949	98.42	27.98	6.4%
Total Recurring Revenues		**$ 5,435,946**	**$ 1,546.50**	**$ 439.66**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,258	$ 4.06	$ 1.15	0.4%
City Clerk	7	$ 23,894	6.80	1.93	0.6%
General Government	7	$ 63,763	18.14	5.16	1.6%
Personnel	7	$ 7,129	2.03	0.58	0.2%
Finance	7	$ 47,476	13.51	3.84	1.2%
Police Department	7	$ 1,793,496	510.24	145.06	45.6%
Animal Control	7	$ 106,963	30.43	8.65	2.7%
Public Works	7	$ 572,469	162.86	46.30	14.5%
Engineering	7	$ 59,299	16.87	4.80	1.5%
Planning	7	$ 66,759	18.99	5.40	1.7%
Public Services	7	$ 42,599	12.12	3.45	1.1%
Code Enforcement	7	$ 29,287	8.33	2.37	0.7%
Parks	7	$ 1,044,320	297.10	84.46	26.5%
Graffiti	7	$ 21,421	6.09	1.73	0.5%
Trails	7	$ 3,020	0.86	0.24	0.1%
Drainage Basins	7	$ 29,700	8.45	2.40	0.8%
Storm Drainage Replacement	7	$ 11,115	3.16	0.90	0.3%
Total Recurring Costs		**$ 3,936,967**	**$ 1,120.05**	**$ 318.42**	**100.0%**
General Fund Surplus/(Deficit)		**$ 1,498,979**	**$ 426.45**	**$ 121.24**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,181,811	$ 336.22	$ 95.59	
Total Recurring Costs	8	1,251,269	355.98	101.20	
Fire Fund Surplus/(Deficit)		**$ (69,459)**	**$ (19.76)**	**$ (5.62)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 68,837	$ 19.58	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 68,837**	**$ 19.58**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,250,647	$ 355.80	$ 101.15	
Total Recurring Costs		1,251,269	355.98	101.20	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ (622)**	**$ (0.18)**	**$ (0.05)**	
V. COMBINED NET FISCAL IMPACT					
Recurring Revenues		$ 6,686,593	$ 1,902.30	$ 540.81	
Total Recurring Costs		5,188,236	1,476.03	419.63	
Total Surplus/(Deficit)		**$ 1,498,357**	**$ 426.28**	**$ 121.19**	

Exhibit B-2: Alternative B
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
April 29, 2014

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-2: Alternative B
Table 3 - Land Use Assumptions
Harmony Planned Community
April 29, 2014

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation
I. Residential Land Use		(a)	(a)	(a)	
Condo Apartments	40	5	195	$ 210,000	$ 40,950,000
Paired	26	2	173	230,000	39,790,000
Paired	43A	3	130	230,000	29,900,000
HDD	15	2	208	250,000	52,000,000
HDD	25	3	110	250,000	27,500,000
HDD	33	4	105	250,000	26,250,000
6 Pack	27	2	115	250,000	28,750,000
6 Pack	43B	3	99	250,000	24,750,000
4 Pack L	21	2	115	290,000	33,350,000
4 Pack S	22	2	80	270,000	21,600,000
4 Pack S	23	3	77	270,000	20,790,000
SFD - 3,000 Sq. Ft.	3	1	50	310,000	15,500,000
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000
SFD - 4,000 Sq. Ft.	35	4	25	350,000	8,750,000
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000
Total/Weighted Average			3,515	$ 315,141	**$ 1,107,720,000**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	1.00	10,890	500	22	150.00	1,633,500
Neighborhood Commercial	3	0.25	13.00	141,570	500	283	150.00	21,235,500
Neighborhood Commercial	40	0.25	1.00	10,890	500	22	150.00	1,633,500
Total			20.70	225,423		451		**$ 33,813,450**
III. Total Residential and Non-Residential								**$ 1,141,533,450**

IV. Population Summary

Residential Units	[1]	**3,515**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,139**
Employees	[4]	**451**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	225
Total Equivalent Residents	[3]+[5]=[6]	**12,364**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.

Exhibit B-2: Alternative B
Table 4 - Property Tax Calculations
Harmony Planned Community
April 29, 2014

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,141,533,450
Basic Rate			1.000%
Basic Tax Paid		$	11,415,335
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,836,119**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,654,308**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,181,811**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,107,720,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	155,080,800
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	85,294
B. Non-Residential			
Non-Residential Assessed Value	3	$	33,813,450
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	3,381,345
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	1,860
Total Property Transfer Tax	[1]+[2]	**$**	**87,154**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	67,769
On-Site Sales Tax Redirected to Property Tax (e)	5		169,915
Total Property Tax In-Lieu of Sales Tax		**$**	**237,684**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-2: Alternative B
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
April 29, 2014

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	338,846,000
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	108,430,720
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 271,077
Use Tax @10.50% of sales tax	10.50%	8	28,463
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(67,769)
Total Off-Site Sales Tax Revenue		$ 85	**$ 231,771**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	10,890	377	80%	3,283,379
Neighborhood Commercial	3	-	141,570	377	80%	42,683,921
Neighborhood Commercial	40	-	10,890	377	80%	3,283,379
Subtotal Taxable Sales for Retail Land Use			225,423			$ 67,965,936
Total Taxable Sales						$ 67,965,936
Sales Tax @1% of taxable sales					1.00%	679,659
Use Tax @10.50% of sales tax (c)					10.50%	71,364
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(169,915)
Total On-Site Sales Tax Revenue						**$ 581,109**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-2: Alternative B
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,866,407**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,364	$ 25,887
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,364	54,912
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,139	84,037
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,364	111,786
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,364	14,120
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 290,743**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	451	**$ 3,405**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,160,555
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,139	$ 25,141
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,139	1,703
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 26,844**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,364	$ 5,883
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,364	3,922
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,364	8,825
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,364	4,903
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,534**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,364	$ 7,845
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,806**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,139	23,167
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,139	38,430
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,139	3,407
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,139	341
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,364	1,667
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,139	10,221
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 77,232**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,297,970

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.
(d) Assumes Project will have a de minimis impact on these revenue sources.
(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.
(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.
(g) See Section II of Table 6.

Exhibit B-2: Alternative B
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
April 29, 2014

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05	FY 2011-12		Change
Property Tax Vehicle License Fees (VLF)	$ (a) 2,624,088	$ (b) 3,800,000	[1]	1,175,912
City Assessed Valuation	(c) 1,992,355,699	(d) 2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase			=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV			[3]	$ 1,635
Property Tax in Lieu of MVLF:				
Total Residential and Non-Residential Assessed Value (Table 3)			[4]	$ 1,141,533,450
Assessed Valuation / 1,000,000			[5]	$ 1,142
VLF Increase per $1,000,000 increase in AV			[3]	1,635
Property Tax in Lieu of MVLF			=[3]*[5]	$ 1,866,407

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-2: Alternative B
Table 7 - General Fund Cost Calculations
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,364	**$ 14,258**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,364	**23,894**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,364	**63,763**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,364	**7,129**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,364	**47,476**
F. Police Department	156	6,819,830	100%	See Footnote (g)					**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,139	**106,963**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,364	$ 31,685
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,364	12,815
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,364	100,274
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	See Footnote (d)					
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,364	25,464
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Street Maintenance	164	100,000	100%	See Table 16					339,120
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,364	196
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,364	9,806
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,364	41,184
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,364	941
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,364	588
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,364	7,845
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 572,469**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,364	**59,299**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,364	**66,759**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,364	**42,599**
L. Building & Safety	181	412,890	0%	See Footnote (d)					
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,364	**29,287**
N. Parks	188	1,073,620	100%	See Footnote (e)					**1,044,320**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,364	**21,421**
P. Community Volunteer Services	192	57,545	0%	See Footnote (f)					
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,364	**3,020**
R. Drainage Basins		-	0%	See Footnote (i)					**29,700**
S. Storm Drainage Replacement		-	0%	See Footnote (j)					**11,115**
TOTAL GENERAL FUND COSTS		$ 15,356,030		$ 3,592,834			$ 58.33		$ 3,936,967

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. Park maintenance costs assumed at $32,635 per acre for maintenance of 32 acres.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-2: Alternative B
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
		(a)	(a)		(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	See Calculation in Table 4					$ 1,181,811
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	See Footnote (e)					
Building Permits - Plan Check Fees	83	33,225	0%	See Footnote (e)					
Interest	83	35,000	0%	See Footnote (e)					
Pass-Thru Fire Department	83	180,000	0%	See Footnote (e)					
Fire Department Fees	83	473,000	0%	See Footnote (e)					
Total Other Fire Fund Revenue									$ -
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,181,811**

II. FIRE FUND COST			
A. Typical Cost per Station			
Estimated Cost per Station (d)	[1]	$ 1,237,379	
Additional Fire Stations Required to Serve Project (d)	[2]	1.00	
Percent of Fire Station Costs Allocable to Project	[3]	100%	
Total Cost per Station	[1]X[2]X[3]=[4]	$ 1,237,379	
B. Wildland Fire Protection Agreement Cost			
Acres (f)	[5]	539	
Cost per Acre (g)	[6]	$ 25.77	
Total Wildland Fire Protection Agreement Cost	[5]X[6]=[7]	$ 13,890	
TOTAL FIRE FUND COST		**$ 1,251,269**	

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

Exhibit B-2: Alternative B
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,364	$ 68,837
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 68,837**
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	See Footnote (d)					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	See Footnote (d)					
C. Contractual Services - Medical Director	234	10,000	100%	See Footnote (d)					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-2: Alternative B
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
April 29, 2014

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,139
Total Gas Tax and Traffic Safety Fund Revenue						**$ 345,949**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-2: Alternative B
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
April 29, 2014

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	22	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
Property Transfer Tax	22	8,363	16,172	26,627	34,796	40,370	47,578	54,758	60,836	70,373	79,039	83,956	85,891	87,154
Property Tax In Lieu of Sales Tax	22	5,649	10,932	171,949	178,793	183,517	189,513	195,297	200,194	207,655	214,230	226,275	228,242	237,684
Off-Site Sales and Use Tax	22	19,320	37,387	63,102	86,510	102,665	123,171	142,953	159,701	185,219	207,703	220,825	227,551	231,771
On-Site Sales and Use Tax	22	-	-	524,963	524,963	524,963	524,963	524,963	524,963	524,963	524,963	553,036	553,036	581,109
Property Tax-Vehicle License Fee	23	177,577	343,399	579,667	753,124	871,482	1,024,534	1,176,998	1,306,049	1,508,560	1,692,563	1,797,731	1,838,819	1,866,407
Franchise Fees	23	23,921	46,291	81,537	110,520	130,522	155,913	180,406	201,143	232,739	260,579	277,008	285,336	290,743
Business License Fee	23	-	-	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,240	3,240	3,405
Licenses & Permits	23	2,238	4,330	7,309	10,020	11,891	14,266	16,557	18,497	21,452	24,057	25,576	26,355	26,844
Fines & Forfeitures	23	1,926	3,727	6,678	9,012	10,622	12,666	14,638	16,308	18,852	21,093	22,422	23,093	23,534
Miscellaneous Revenue	23	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Intergovernmental Revenue	23	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	23	6,435	12,453	21,046	28,843	34,224	41,055	47,644	53,223	61,723	69,212	73,584	75,825	77,232
Gas Tax and Traffic Safety Fund Revenue	23	28,837	55,805	94,189	129,128	153,241	183,850	213,376	238,375	276,464	310,026	329,612	339,650	345,949
Total Recurring Revenues		**$ 432,466**	**$ 836,424**	**$ 2,096,719**	**$ 2,540,079**	**$ 2,843,446**	**$ 3,233,970**	**$ 3,620,010**	**$ 3,946,788**	**$ 4,456,057**	**$ 4,915,549**	**$ 5,216,045**	**$ 5,326,514**	**$ 5,435,946**
B. General Fund Recurring Costs														
City Council	24	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
City Clerk	24	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	$ 23,894
General Government	24	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	$ 63,763
Personnel	24	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	$ 7,129
Finance	24	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	$ 47,476
Police Department	24	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	24	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	$ 106,963
Public Works	24	194,431	212,289	292,322	315,459	331,428	404,643	424,196	440,750	491,021	548,268	561,444	568,092	$ 572,469
Engineering	23	4,853	9,391	16,827	22,707	26,765	31,916	36,885	41,092	47,501	53,149	56,497	58,187	$ 59,299
Planning	23	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	$ 66,759
Public Services	24	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	$ 42,599
Code Enforcement	24	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	$ 29,287
Parks	25	-	-	-	832,193	832,193	832,193	832,193	832,193	832,193	832,193	1,044,320	1,044,320	$ 1,044,320
Graffiti	24	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	$ 21,421
Trails	24	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	$ 3,020
Drainage Basins	25	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	25	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 653,211**	**$ 831,730**	**$ 1,343,375**	**$ 2,328,763**	**$ 2,753,776**	**$ 3,043,847**	**$ 3,291,821**	**$ 3,343,183**	**$ 3,446,389**	**$ 3,649,595**	**$ 3,902,557**	**$ 3,923,318**	**$ 3,936,967**
Net General Fund Surplus/(Deficit)		**$ (220,744)**	**$ 4,694**	**$ 753,344**	**$ 211,316**	**$ 89,670**	**$ 190,123**	**$ 328,189**	**$ 603,605**	**$ 1,009,669**	**$ 1,265,954**	**$ 1,313,488**	**$ 1,403,196**	**$ 1,498,979**
II. Fire Fund														
Total Recurring Revenues	25	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Costs	25	33,625	33,625	27,517	1,115,017	1,264,897	1,258,851	1,258,851	1,258,851	1,251,269	1,251,269	1,251,269	1,251,269	1,251,269
Net Fire Fund Surplus/(Deficit)		**$ 78,817**	**$ 183,816**	**$ 339,529**	**$ (638,138)**	**$ (713,073)**	**$ (610,115)**	**$ (513,575)**	**$ (431,860)**	**$ (296,048)**	**$ (179,537)**	**$ (112,944)**	**$ (86,927)**	**$ (69,459)**
III. Paramedic Fund														
Total Recurring Revenues	25	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 5,633**	**$ 10,902**	**$ 19,534**	**$ 26,359**	**$ 31,070**	**$ 37,049**	**$ 42,817**	**$ 47,701**	**$ 55,141**	**$ 61,698**	**$ 65,584**	**$ 67,546**	**$ 68,837**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 118,076	$ 228,342	$ 386,579	$ 503,238	$ 582,893	$ 685,785	$ 788,093	$ 874,692	$ 1,010,363	$ 1,133,430	$ 1,203,910	$ 1,231,887	$ 1,250,647
Total Recurring Costs		33,625	33,625	27,517	1,115,017	1,264,897	1,258,851	1,258,851	1,258,851	1,251,269	1,251,269	1,251,269	1,251,269	1,251,269
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 84,451**	**$ 194,717**	**$ 359,062**	**$ (611,779)**	**$ (682,004)**	**$ (573,066)**	**$ (470,758)**	**$ (384,159)**	**$ (240,907)**	**$ (117,839)**	**$ (47,360)**	**$ (19,382)**	**$ (622)**
V. Combined General Fund, Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 550,542	$ 1,064,766	$ 2,483,299	$ 3,043,318	$ 3,426,339	$ 3,919,755	$ 4,408,103	$ 4,821,480	$ 5,466,420	$ 6,048,979	$ 6,419,955	$ 6,558,401	$ 6,686,593
Total Recurring Costs		686,835	865,355	1,370,892	3,443,780	4,018,672	4,302,698	4,550,671	4,602,034	4,697,658	4,900,864	5,153,827	5,174,587	5,188,236
Total Surplus/(Deficit)		**$ (136,293)**	**$ 199,412**	**$ 1,112,406**	**$ (400,463)**	**$ (592,333)**	**$ (382,942)**	**$ (142,568)**	**$ 219,446**	**$ 768,762**	**$ 1,148,114**	**$ 1,266,128**	**$ 1,383,814**	**$ 1,498,357**

Exhibit B-2: Alternative B
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
April 29, 2014

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	195		-	-	-	-	-	-	-	-	44	44	44	44	19
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	50		17	17	16	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	25		-	-	-	-	-	-	-	-	6	15	4	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,515		293	274	390	355	245	311	300	254	387	341	199	102	64
Cumulative Units			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Total Cumulative Residents	3.45	3	1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-2: Alternative B
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
April 29, 2014

I. Residential Assessed Value Additions	Average Value per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 3,990,000
Paired	230,000	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	5,270,000	5,270,000	4,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	2,100,000	5,250,000	1,400,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions			$ 108,610,000	$ 101,420,000	$ 113,960,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 123,860,000	$ 112,540,000	$ 62,690,000	$ 25,130,000	$ 15,240,000
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Total Assessed Value Additions-Average Price			$ 370,683	$ 370,146	$ 292,205	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 320,052	$ 330,029	$ 315,025	$ 246,373	$ 238,125

Exhibit B-2: Alternative B
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	203,643	-	-	-	-	-	-	-	10,890	-	10,890
Cumulative Square Feet			-	-	203,643	203,643	203,643	203,643	203,643	203,643	203,643	203,643	214,533	214,533	225,423
Assessed Value Additions	$ 150	3	$ -	$ -	$ 30,546,450	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,633,500	$ -	$ 1,633,500
Employees	500	3	-	-	407	-	-	-	-	-	-	-	22	-	22
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Cumulative Employees			-	-	407	407	407	407	407	407	407	407	429	429	451
50% of Cumulative Employees			-	-	204	204	204	204	204	204	204	204	215	215	225
Cumulative Equivalent Residents			1,012	1,958	3,508	4,734	5,581	6,654	7,690	8,568	9,904	11,082	11,780	12,132	12,364
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 354,536,450	$ 460,626,450	$ 533,016,450	$ 626,626,450	$ 719,876,450	$ 798,806,450	$ 922,666,450	$ 1,035,206,450	$ 1,099,529,950	$ 1,124,659,950	$ 1,141,533,450
Basic Tax Paid	1.00%	4	1,086,100	2,100,300	3,545,365	4,606,265	5,330,165	6,266,265	7,198,765	7,988,065	9,226,665	10,352,065	10,995,300	11,246,600	11,415,335
Total Property Tax	24.84%	4	$ 269,840	$ 521,816	$ 880,839	$ 1,144,418	$ 1,324,270	$ 1,556,842	$ 1,788,520	$ 1,984,620	$ 2,292,348	$ 2,571,951	$ 2,731,762	$ 2,794,197	$ 2,836,119
Total Property Tax Retained in General Fund	58.33%	4	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 8,363	$ 16,172	$ 24,947	$ 33,116	$ 38,690	$ 45,898	$ 53,078	$ 59,156	$ 68,693	$ 77,359	$ 82,186	$ 84,121	$ 85,294
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,770	$ 1,770	$ 1,860
Total Property Transfer Tax			$ 8,363	$ 16,172	$ 26,627	$ 34,796	$ 40,370	$ 47,578	$ 54,758	$ 60,836	$ 70,373	$ 79,039	$ 83,956	$ 85,891	$ 87,154
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 5,649	$ 10,932	$ 18,451	$ 25,295	$ 30,019	$ 36,015	$ 41,799	$ 46,696	$ 54,158	$ 60,732	$ 64,569	$ 66,535	$ 67,769
On-Site Sales Tax Redirected to Property Tax			-	-	153,498	153,498	153,498	153,498	153,498	153,498	153,498	153,498	161,706	161,706	169,915
Total Property Tax In-Lieu of Sales Tax			$ 5,649	$ 10,932	$ 171,949	$ 178,793	$ 183,517	$ 189,513	$ 195,297	$ 200,194	$ 207,655	$ 214,230	$ 226,275	$ 228,242	$ 237,684
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 28,245,200	$ 54,658,800	$ 92,254,800	$ 126,476,800	$ 150,094,800	$ 180,075,200	$ 208,995,200	$ 233,480,800	$ 270,787,600	$ 303,660,000	$ 322,843,600	$ 332,676,400	$ 338,846,000
Retail Taxable Sales	32.00%	5	9,038,464	17,490,816	29,521,536	40,472,576	48,030,336	57,624,064	66,878,464	74,713,856	86,652,032	97,171,200	103,309,952	106,456,448	108,430,720
Projected Off-Site Taxable Sales	25.00%	5	2,259,616	4,372,704	7,380,384	10,118,144	12,007,584	14,406,016	16,719,616	18,678,464	21,663,008	24,292,800	25,827,488	26,614,112	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	5	22,596	43,727	73,804	101,181	120,076	144,060	167,196	186,785	216,630	242,928	258,275	266,141	271,077
Use Tax @10.50% of sales tax	10.50%	5	2,373	4,591	7,749	10,624	12,608	15,126	17,556	19,612	22,746	25,507	27,119	27,945	28,463
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(5,649)	(10,932)	(18,451)	(25,295)	(30,019)	(36,015)	(41,799)	(46,696)	(54,158)	(60,732)	(64,569)	(66,535)	(67,769)
Total Off-Site Sales Tax Revenue			$ 19,320	$ 37,387	$ 63,102	$ 86,510	$ 102,665	$ 123,171	$ 142,953	$ 159,701	$ 185,219	$ 207,703	$ 220,825	$ 227,551	$ 231,771
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 80,853,197	$ 80,853,197	$ 84,957,420
Taxable Sales	80%	5	-	-	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	64,682,558	64,682,558	67,965,936
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	613,992	613,992	613,992	613,992	613,992	613,992	613,992	613,992	646,826	646,826	679,659
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	64,469	64,469	64,469	64,469	64,469	64,469	64,469	64,469	67,917	67,917	71,364
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(161,706)	(161,706)	(169,915)
Total On-Site Sales Tax Allocated to County			$ -	$ -	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 524,963	$ 553,036	$ 553,036	$ 581,109

Exhibit B-2: Alternative B
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 109	$ 210	$ 355	$ 461	$ 533	$ 627	$ 720	$ 799	$ 923	$ 1,035	$ 1,100	$ 1,125	$ 1,142
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 177,577**	**$ 343,399**	**$ 579,667**	**$ 753,124**	**$ 871,482**	**$ 1,024,534**	**$ 1,176,998**	**$ 1,306,049**	**$ 1,508,560**	**$ 1,692,563**	**$ 1,797,731**	**$ 1,838,819**	**$ 1,866,407**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,119	$ 4,100	$ 7,346	$ 9,913	$ 11,684	$ 13,933	$ 16,102	$ 17,939	$ 20,737	$ 23,203	$ 24,664	$ 25,402	$ 25,887
Franchise Fees - Electric	4.44	6	4,494	8,696	15,582	21,027	24,785	29,555	34,156	38,052	43,987	49,218	52,318	53,883	54,912
Franchise Fees - Cable	6.92	6	7,005	13,556	22,880	31,367	37,225	44,660	51,833	57,905	67,158	75,310	80,068	82,506	84,037
Franchise Fees - Refuse	9.04	6	9,148	17,703	31,721	42,805	50,455	60,165	69,532	77,463	89,546	100,193	106,505	109,689	111,786
Franchise Fees - Refuse Household Waste	1.14	6	1,156	2,236	4,007	5,407	6,373	7,600	8,783	9,785	11,311	12,656	13,453	13,856	14,120
Total Franchise Fees			**$ 23,921**	**$ 46,291**	**$ 81,537**	**$ 110,520**	**$ 130,522**	**$ 155,913**	**$ 180,406**	**$ 201,143**	**$ 232,739**	**$ 260,579**	**$ 277,008**	**$ 285,336**	**$ 290,743**
C. Business License Fee	7.55	6	$ -	$ -	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,240	$ 3,240	$ 3,405
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,096	$ 4,055	$ 6,845	$ 9,384	$ 11,136	$ 13,361	$ 15,506	$ 17,323	$ 20,091	$ 22,530	$ 23,953	$ 24,683	$ 25,141
Yard Sale Permits	0.14	6	142	275	464	636	755	905	1,051	1,174	1,361	1,527	1,623	1,672	1,703
Total Licenses & Permits			**$ 2,238**	**$ 4,330**	**$ 7,309**	**$ 10,020**	**$ 11,891**	**$ 14,266**	**$ 16,557**	**$ 18,497**	**$ 21,452**	**$ 24,057**	**$ 25,576**	**$ 26,355**	**$ 26,844**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 481	$ 932	$ 1,670	$ 2,253	$ 2,656	$ 3,167	$ 3,660	$ 4,077	$ 4,713	$ 5,273	$ 5,606	$ 5,773	$ 5,883
General Fines	0.32	6	321	621	1,113	1,502	1,770	2,111	2,440	2,718	3,142	3,516	3,737	3,849	3,922
Code Enforcement Fines	0.71	6	722	1,398	2,504	3,379	3,983	4,750	5,489	6,115	7,069	7,910	8,408	8,660	8,825
Administrative Citation Program	0.40	6	401	776	1,391	1,877	2,213	2,639	3,050	3,397	3,927	4,394	4,671	4,811	4,903
Total Fines & Forfeitures			**$ 1,926**	**$ 3,727**	**$ 6,678**	**$ 9,012**	**$ 10,622**	**$ 12,666**	**$ 14,638**	**$ 16,308**	**$ 18,852**	**$ 21,093**	**$ 22,422**	**$ 23,093**	**$ 23,534**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 642	$ 1,242	$ 2,226	$ 3,004	$ 3,541	$ 4,222	$ 4,879	$ 5,436	$ 6,284	$ 7,031	$ 7,474	$ 7,698	$ 7,845
Refuse Penalties & Interest	0.16	6	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Total Miscellaneous Revenue			**$ 802**	**$ 1,553**	**$ 2,783**	**$ 3,755**	**$ 4,426**	**$ 5,278**	**$ 6,099**	**$ 6,795**	**$ 7,855**	**$ 8,789**	**$ 9,343**	**$ 9,622**	**$ 9,806**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	1,931	3,737	6,307	8,647	10,262	12,312	14,289	15,963	18,514	20,761	22,073	22,745	23,167
Engineering Fees - Inspections	$ 3.17	6	3,203	6,199	10,463	14,344	17,023	20,423	23,703	26,480	30,711	34,439	36,615	37,730	38,430
Park Fees	0.28	6	284	550	928	1,272	1,509	1,811	2,101	2,348	2,723	3,053	3,246	3,345	3,407
Self Hauler fees	0.03	6	28	55	93	127	151	181	210	235	272	305	325	334	341
Recordation of Document Fees	0.13	6	136	264	473	638	752	897	1,037	1,155	1,335	1,494	1,588	1,636	1,667
Vehicle Storage Fees	0.84	6	852	1,649	2,783	3,815	4,527	5,432	6,304	7,043	8,168	9,159	9,738	10,035	10,221
Total Charges for Services			**$ 6,435**	**$ 12,453**	**$ 21,046**	**$ 28,843**	**$ 34,224**	**$ 41,055**	**$ 47,644**	**$ 53,223**	**$ 61,723**	**$ 69,212**	**$ 73,584**	**$ 75,825**	**$ 77,232**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 28,837**	**$ 55,805**	**$ 94,189**	**$ 129,128**	**$ 153,241**	**$ 183,850**	**$ 213,376**	**$ 238,375**	**$ 276,464**	**$ 310,026**	**$ 329,612**	**$ 339,650**	**$ 345,949**

Exhibit B-2: Alternative B
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs															
A. City Council	$ 1.15	7	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
B. City Clerk	1.93	7	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	23,894
C. General Government	5.16	7	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	63,763
D. Personnel	0.58	7	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	7,129
E. Finance	3.84	7	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	47,476
F. Police Department		18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control	8.81	7	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	106,963
H. Public Works															
Salaries & Wages	$ 2.56	7	$ 2,593	$ 5,018	$ 8,991	$ 12,133	$ 14,301	$ 17,054	$ 19,709	$ 21,957	$ 25,382	$ 28,399	$ 30,188	$ 31,091	31,685
Benefits	1.04	7	1,049	2,029	3,636	4,907	5,784	6,897	7,971	8,880	10,265	11,486	12,209	12,574	12,815
Operations & Materials	8.11	7	8,206	15,880	28,455	38,397	45,259	53,969	62,372	69,485	80,324	89,875	95,537	98,393	100,274
Engineering	2.06	7	2,084	4,033	7,226	9,751	11,493	13,705	15,839	17,645	20,398	22,823	24,261	24,987	25,464
Traffic Counts	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Underground Service Alert	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Contract Services - Street Maintenance	1.59	7	175,334	175,334	226,105	226,105	226,105	279,050	279,050	279,050	304,098	339,120	339,120	339,120	339,120
Contract Services - Street Sweeping	0.02	7	16	31	56	75	89	106	122	136	157	176	187	192	196
Contract Services - Emergency Work	0.16	7	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Contract Services - Striping	0.79	7	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Contract Services - Traffic Signals	3.33	7	3,370	6,522	11,687	15,770	18,589	22,166	25,617	28,539	32,991	36,913	39,239	40,412	41,184
Contract Services - Maintenance	0.08	7	77	149	267	360	425	507	586	652	754	844	897	924	941
Contract Services - Environmental Health Services	0.05	7	48	93	167	225	266	317	366	408	471	527	561	577	588
Contract Services - Tree Trimming	0.63	7	642	1,242	2,226	3,004	3,541	4,222	4,879	5,436	6,284	7,031	7,474	7,698	7,845
Total Public Works			$ 194,431	$ 212,289	$ 292,322	$ 315,459	$ 331,428	$ 404,643	$ 424,196	$ 440,750	$ 491,021	$ 548,268	$ 561,444	$ 568,092	$ 572,469
I. Engineering	4.80	7	$ 4,853	$ 9,391	$ 16,827	$ 22,707	$ 26,765	$ 31,916	$ 36,885	$ 41,092	$ 47,501	$ 53,149	$ 56,497	$ 58,187	$ 59,299
J. Planning	5.40	7	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	66,759
K. Public Services	3.45	7	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	42,599
L. Code Enforcement	2.37	7	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	29,287
M. Graffiti	1.73	7	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	21,421
N. Trails	0.24	7	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	3,020
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14															
Sergeant			$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective			-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy			148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist			69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist			-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)			-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)			-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)			5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services			12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization			964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance			1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)			-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)			333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support			1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance			348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding			3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost			11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget			$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading			$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget			$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance															
Lane Miles (Assumes Beginning of Phase)															
Backbone Roads			27.42												
Interior Roads			19.34		13.54			14.12			6.68	9.34			
Total Lane Miles			46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)		C-1	46.76	46.76	60.30	60.30	60.30	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
Cost per Lane Mile (See Exhibit C-2)		C-2	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750
Total Street Maintenance Cost			$ 175,334	$ 175,334	$ 226,105	$ 226,105	$ 226,105	$ 279,050	$ 279,050	$ 279,050	$ 304,098	$ 339,120	$ 339,120	$ 339,120	$ 339,120

Exhibit B-2: Alternative B
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance															
Park Acres (Assumes End of Phase)															
20 Acre Park						20.00									
5.5 Acre Park Next to School						5.50									
6.5 Acre Park													6.50		
Total Park Acres			-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres			-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$ 32,635	7	$ -	$ -	$ -	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 832,193	$ 1,044,320	$ 1,044,320	$ 1,044,320
R. Drainage Basins															
Acres of Drainage Basins			15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$ 1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement															
Annual Contribution Increase	2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost		C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
A. Recurring Revenues															
Secured Property Tax Retained in Fire Fund	41.67%	4	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Revenues			$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
B. Recurring Costs															
Fire Station Cost															
Fire Stations Required for Project (a)			-	-	-	0.88	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project			100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$ 1,237,379	8	$ -	$ -	$ -	$ 1,087,500	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost															
Total Project Acres (b)	[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)															
Phase 1 Acres			353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres					237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres								234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres											133.5	133.5	133.5	133.5	133.5
Phase 5 Acres											160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out	[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres	=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$ 25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Total Recurring Costs			$ 33,625	$ 33,625	$ 27,517	$ 1,115,017	$ 1,264,897	$ 1,258,851	$ 1,258,851	$ 1,258,851	$ 1,251,269	$ 1,251,269	$ 1,251,269	$ 1,251,269	$ 1,251,269
III. Paramedic Fund															
A. Recurring Revenues															
A. Property Tax - Paramedic Tax	$ 5.57	9	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
B. Recurring Costs (d)			-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues			$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-2: Alternative B
Table 18 - Police Phasing Analysis
Harmony Planned Community
April 29, 2014

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Cumulative Residents		1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.99	1.02	1.21	0.88	1.12	1.09	1.07	0.96	0.82	0.83	0.78	0.76	0.74
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.99	1.02	0.91	0.66	0.74	0.78	0.80	0.72	0.62	0.64	0.61	0.59	0.58
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	**$ 17,085,854**	**$ 253,594**	**$ 428,541**	**$ 800,592**	**$ 882,095**	**$ 1,257,569**	**$ 1,431,858**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		**$ 380,391**	**$ 503,541**	**$ 875,592**	**$ 957,095**	**$ 1,332,569**	**$ 1,506,858**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**

Exhibit B-3: Alternative C
Table 1 - Fiscal Impact Analysis Summary
Harmony Planned Community
April 29, 2014

	Table Ref.	Buildout	Per DU	Per Equivalent Resident	Percent of Total
I. GENERAL FUND					
A. Recurring Revenues					
Property Tax	4	$ 1,654,308	$ 470.64	$ 133.80	30.4%
Property Transfer Tax	4	87,154	24.79	7.05	1.6%
Property Tax In Lieu of Sales Tax	4	237,684	67.62	19.22	4.4%
Off-Site Sales and Use Tax	5	231,771	65.94	18.75	4.3%
On-Site Sales and Use Tax	5	581,109	165.32	47.00	10.7%
Property Tax-Vehicle License Fee	6	1,866,407	530.98	150.96	34.3%
Franchise Fees	6	290,743	82.71	23.52	5.3%
Business License Fee	6	3,405	0.97	0.28	0.1%
Licenses & Permits	6	26,844	7.64	2.17	0.5%
Fines & Forfeitures	6	23,534	6.70	1.90	0.4%
Miscellaneous Revenue	6	9,806	2.79	0.79	0.2%
Intergovernmental Revenue	6	-	-	-	0.0%
Charges for Services	6	77,232	21.97	6.25	1.4%
Gas Tax and Traffic Safety Fund Revenue	10	345,949	98.42	27.98	6.4%
Total Recurring Revenues		**$ 5,435,946**	**$ 1,546.50**	**$ 439.66**	**100.0%**
B. Recurring Costs					
City Council	7	$ 14,258	$ 4.06	$ 1.15	0.5%
City Clerk	7	$ 23,894	6.80	1.93	0.8%
General Government	7	$ 63,763	18.14	5.16	2.2%
Personnel	7	$ 7,129	2.03	0.58	0.2%
Finance	7	$ 47,476	13.51	3.84	1.6%
Police Department	7	$ 1,793,496	510.24	145.06	62.0%
Animal Control	7	$ 106,963	30.43	8.65	3.7%
Public Works	7	$ 572,469	162.86	46.30	19.8%
Engineering	7	$ 59,299	16.87	4.80	2.0%
Planning	7	$ 66,759	18.99	5.40	2.3%
Public Services	7	$ 42,599	12.12	3.45	1.5%
Code Enforcement	7	$ 29,287	8.33	2.37	1.0%
Parks	7	$ -	-	-	0.0%
Graffiti	7	$ 21,421	6.09	1.73	0.7%
Trails	7	$ 3,020	0.86	0.24	0.1%
Drainage Basins	7	$ 29,700	8.45	2.40	1.0%
Storm Drainage Replacement	7	$ 11,115	3.16	0.90	0.4%
Total Recurring Costs		**$ 2,892,647**	**$ 822.94**	**$ 233.96**	**100.0%**
General Fund Surplus/(Deficit)		**$ 2,543,299**	**$ 723.56**	**$ 205.70**	
II. FIRE FUND					
Recurring Revenues	8	$ 1,181,811	$ 336.22	$ 95.59	
Total Recurring Costs	8	1,251,269	355.98	101.20	
Fire Fund Surplus/(Deficit)		**$ (69,459)**	**$ (19.76)**	**$ (5.62)**	
III. PARAMEDIC FUND					
Recurring Revenues	9	$ 68,837	$ 19.58	$ 5.57	
Total Recurring Costs	9	-	-	-	
Fire Fund Surplus/(Deficit)		**$ 68,837**	**$ 19.58**	**$ 5.57**	
IV. COMBINED FIRE FUND & PARAMEDIC FUND					
Recurring Revenues		$ 1,250,647	$ 355.80	$ 101.15	
Total Recurring Costs		1,251,269	355.98	101.20	
Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ (622)**	**$ (0.18)**	**$ (0.05)**	
V. COMBINED NET FISCAL IMPACT					
Recurring Revenues		$ 6,686,593	$ 1,902.30	$ 540.81	
Total Recurring Costs		4,143,916	1,178.92	335.16	
Total Surplus/(Deficit)		**$ 2,542,677**	**$ 723.38**	**$ 205.65**	

Exhibit B-3: Alternative C
Table 2 - Post-ERAF Share of the Basic Tax Calculation
Harmony Planned Community
April 29, 2014

Agency	Tax Rate Area (a) 018146	018147	018150	Weighted Average (b)	Excluded 104002 (d)
CITY OF HIGHLAND	24.4196%	25.9847%	24.3487%	**24.8448%**	0.0000%
COUNTY GENERAL FUND	13.8923%	12.3085%	13.8420%	13.4611%	15.5126%
EDUCATION REVENUE AUGMENTATION FUND	21.0362%	18.5996%	20.9601%	20.3728%	23.4911%
FLOOD CONTROL ZONE 3	2.4304%	2.6258%	2.4238%	2.4835%	2.7155%
FLOOD CONTROL ADMIN 3-6	0.0839%	0.1094%	0.0838%	0.0908%	0.0938%
COUNTY FREE LIBRARY	1.3449%	1.1488%	1.3415%	1.2916%	1.5023%
SUPERINTENDENT OF SCHOOLS	0.4767%	0.3829%	0.4750%	0.4512%	0.5323%
SUPERINTENDENT OF SCHOOLS	0.1873%	0.2188%	0.1869%	0.1959%	0.2094%
SUPERINTENDENT OF SCHOOLS	0.0493%	0.0547%	0.0491%	0.0507%	0.0549%
SAN BERNARDINO COMMUNITY COLLEGE	4.8793%	5.1422%	4.8665%	4.9507%	5.4524%
REDLANDS UNIFIED SCHOOL DISTRICT	28.6859%	30.7440%	28.6026%	29.2452%	32.0498%
INLAND EMPIRE JT RESOURCE CONS DIST	0.0015%	0.0000%	0.1675%	0.0023%	0.0986%
SAN BERNARDINO VALLEY WATER CONS DIST	0.0014%	0.0000%	0.1478%	0.0021%	0.0869%
SAN BERNARDINO VALLEY MUNI WATER	2.5113%	2.6805%	2.5047%	2.5573%	2.8058%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	12.6102%
SAN BERNARDINO COUNTY FIRE PROTECTION DISTRICT	0.0000%	0.0000%	0.0000%	0.0000%	2.7844%
Total	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Acres (c)	1,163.15	439.02	11.65	1,613.82	43.48
% of Total	72.07%	27.20%	0.72%	100.00%	

Footnotes:

Source: San Bernardino County Auditor-Controller's Office.

(a) In addition to other ad valorem charges imposed by various local agencies, land owners in California are required to pay annual property taxes of 1% on the assessed value of their property pursuant to Proposition 13. Each County in California is divided into tax rate areas ("TRA"). After the basic 1% property tax is collected by the county, the tax is allocated to various local agencies based on each agency's share of the basic tax within the property's applicable TRA. This exhibit shows the share of the basic tax applicable to each of the four TRAs applicable to the Project.

(b) The weighted average was calculated by the distribution of acreage among TRAs 018146, 018147, and 018150.

(c) Acreage amounts per San Bernardino County Assessor's Parcel maps and information provided by LCD Greenspot, LLC.

(d) Based on the Assessor's Parcel Maps, the following Project APNs appear to be within Tax Rate Area 104002: 0297-141-110, 0297-141-111, and 0297-141-330. Based on the Share of the Basic Tax breakdown for Tax Rate Area 104002 provided by the Auditor-Controller's Office, this Tax Rate Area does not currently contribute a share of the 1% property tax levy to the City of Highland. As such, this tax rate area has been excluded from the share of the basic tax calculation and more research is needed to determine how the property tax within tax rate area 104002 will be split once the Project is developed.

Exhibit B-3: Alternative C
Table 3 - Land Use Assumptions
Harmony Planned Community
April 29, 2014

Product Type	Planning Area	Phase	Total Units	Average Value Per Unit	Residential Assessed Valuation
I. Residential Land Use		(a)	(a)	(a)	
Condo Apartments	40	5	195	$ 210,000	$ 40,950,000
Paired	26	2	173	230,000	39,790,000
Paired	43A	3	130	230,000	29,900,000
HDD	15	2	208	250,000	52,000,000
HDD	25	3	110	250,000	27,500,000
HDD	33	4	105	250,000	26,250,000
6 Pack	27	2	115	250,000	28,750,000
6 Pack	43B	3	99	250,000	24,750,000
4 Pack L	21	2	115	290,000	33,350,000
4 Pack S	22	2	80	270,000	21,600,000
4 Pack S	23	3	77	270,000	20,790,000
SFD - 3,000 Sq. Ft.	3	1	50	310,000	15,500,000
SFD - 3,000 Sq. Ft.	24	3	56	310,000	17,360,000
SFD - 3,400 Sq. Ft.	2	1	91	330,000	30,030,000
SFD - 3,400 Sq. Ft.	14	1	94	330,000	31,020,000
SFD - 3,400 Sq. Ft.	29	2	109	330,000	35,970,000
SFD - 3,400 Sq. Ft.	31	3	115	330,000	37,950,000
SFD - 3,400 Sq. Ft.	36	4	45	330,000	14,850,000
SFD - 4,000 Sq. Ft.	6	1	36	350,000	12,600,000
SFD - 4,000 Sq. Ft.	8	1	47	350,000	16,450,000
SFD - 4,000 Sq. Ft.	13	1	63	350,000	22,050,000
SFD - 4,000 Sq. Ft.	17	3	157	350,000	54,950,000
SFD - 4,000 Sq. Ft.	20	2	154	350,000	53,900,000
SFD - 4,000 Sq. Ft.	34	4	52	350,000	18,200,000
SFD - 4,000 Sq. Ft.	35	4	25	350,000	8,750,000
SFD - 4,000 Sq. Ft.	41	5	81	350,000	28,350,000
SFD - 4,500 Sq. Ft.	4	1	51	360,000	18,360,000
SFD - 4,500 Sq. Ft.	5	1	36	360,000	12,960,000
SFD - 4,500 Sq. Ft.	32	3	117	360,000	42,120,000
SFD - 4,500 Sq. Ft.	42	5	152	360,000	54,720,000
SFD - 5,000 Sq. Ft.	7	1	133	380,000	50,540,000
SFD - 5,000 Sq. Ft.	39	5	119	380,000	45,220,000
SFD - 7,200 Sq. Ft.	9	1	13	410,000	5,330,000
SFD - 7,200 Sq. Ft.	10	1	84	410,000	34,440,000
SFD - 10,000 Sq. Ft.	11	1	19	430,000	8,170,000
SFD - 10,000 Sq. Ft.	12	1	27	430,000	11,610,000
SFD - 10,000 Sq. Ft.	16	2	39	430,000	16,770,000
SFD - 10,000 Sq. Ft.	28	3	31	430,000	13,330,000
SFD - 10,000 Sq. Ft.	30	3	31	430,000	13,330,000
SFD - 40,000 Sq. Ft.	37	4	28	460,000	12,880,000
SFD - 40,000 Sq. Ft.	38	4	23	460,000	10,580,000
SFD - 40,000 Sq. Ft.	45	1	15	460,000	6,900,000
SFD - 40,000 Sq. Ft.	46	2	15	460,000	6,900,000
Total/Weighted Average			3,515	$ 315,141	**$ 1,107,720,000**

Product Type	PA	FAR	Acres	Building Sq. Ft.	Employees per Sq. Ft.	Employees	Assessed Value Per Sq. Ft.	Non-Residential Assessed Valuation
II. Non-Residential	(a)	(a)	(a)		(b)		(a)	
Neighborhood Commercial	1	0.25	5.70	62,073	500	124	$ 150.00	$ 9,310,950
Neighborhood Commercial	35	0.25	1.00	10,890	500	22	150.00	1,633,500
Neighborhood Commercial	3	0.25	13.00	141,570	500	283	150.00	21,235,500
Neighborhood Commercial	40	0.25	1.00	10,890	500	22	150.00	1,633,500
Total			20.70	225,423		451		**$ 33,813,450**
III. Total Residential and Non-Residential								**$ 1,141,533,450**

IV. Population Summary

Residential Units	[1]	**3,515**
Persons per Household (c)	[2]	**3.45**
Residents	[1]X[2]=[3]	**12,139**
Employees	[4]	**451**
Equivalent Residents @ 50% of Employees	[4]X50%=[5]	225
Total Equivalent Residents	[3]+[5]=[6]	**12,364**

Footnotes:
(a) Per Greenspot Supply Matrix dated 10/28/2011 and other information provided by LCD Greenspot, LLC.
(b) Preliminary estimate for illustration purposes.
(c) City of Highland average persons per household per California Department of Finance, January 2011.

Exhibit B-3: Alternative C
Table 4 - Property Tax Calculations
Harmony Planned Community
April 29, 2014

	Table Ref.		
I. Property Tax			
Residential and Non-Residential Assessed Value	3	$	1,141,533,450
Basic Rate			1.000%
Basic Tax Paid		$	11,415,335
General Fund Share of Basic Tax (a)	2		24.8448%
Total Property Tax Revenue		**$**	**2,836,119**
Share of Property Revenue Retained in the General Fund (b)			58.33%
Total General Fund Property Tax Revenue		**$**	**1,654,308**
Share of Property Revenue Retained in the Fire Fund (b)			41.67%
Total General Fund Property Tax Revenue		**$**	**1,181,811**
II. Property Transfer Tax			
A. Residential			
Residential Assessed Value	3	$	1,107,720,000
Residential Turnover Rate (c)			14.00%
Value of Annual Turnover		$	155,080,800
Transfer Tax Rate (d)			0.0550%
Total Residential Property Transfer Tax	[1]	$	85,294
B. Non-Residential			
Non-Residential Assessed Value	3	$	33,813,450
Non-Residential Turnover Rate (c)			10.00%
Value of Annual Turnover		$	3,381,345
Transfer Tax Rate (d)			0.0550%
Total Non-Residential Property Transfer Tax	[2]	$	1,860
Total Property Transfer Tax	[1]+[2]	**$**	**87,154**
III. Property Tax In-Lieu of Sales-Tax			
Off-Site Sales Tax Redirected to Property Tax (e)	5	$	67,769
On-Site Sales Tax Redirected to Property Tax (e)	5		169,915
Total Property Tax In-Lieu of Sales Tax		**$**	**237,684**

Footnotes:

(a) See Table 2 for calculation.

(b) Per information provided by Chuck Dantuono at the City of Highland, the City historically allocates approximately 58.33% of property taxes to the General Fund and 41.67% to the Fire Fund.

(c) Assumes Residential property is sold approximately every 7 years and Non-Residential property is sold approximately every 10 years.

(d) The County may levy a transfer tax at the rate of $0.55 for each $500 of assessed value. A City within the County that levies this tax can levy a transfer tax at a rate of $0.55 per $1,000. If both the County and City levy the transfer tax, a credit shall be allowed against the amount imposed by the County in the amount of tax that is imposed by the City per California Revenue and Taxation Code 11911.

(e) 0.25% of sales tax is redirected to property tax per the "Triple Flip". See Table 5.

Exhibit B-3: Alternative C
Table 5 - Sales and Use Tax Calculations
Harmony Planned Community
April 29, 2014

I. Off-Site Sales Tax Revenue		Per Unit	Amount
Household Income (a)		$ 96,400	338,846,000
Retail Taxable Sales @32% of Household Income (b)	32.0%	30,848	108,430,720
Projected Off-Site Taxable Sales Captured in City @25% of Taxable Sales (c)	25.0%	7,712	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	$ 77	$ 271,077
Use Tax @10.50% of sales tax	10.50%	8	28,463
Less 0.25% Reclassified to Property Taxes (d)	0.25%	(0)	(67,769)
Total Off-Site Sales Tax Revenue		$ 85	**$ 231,771**

II. On-Site Sales Tax Revenue	PA	Acres	Building Sq. Ft.	Total Sales Per Sq. Ft.	% of Sales Taxable	Total Taxable Sales
Taxable Sales for Retail Land Use				(e)	(c)	
Neighborhood Commercial	1	5.70	62,073	$ 377	80%	$ 18,715,258
Neighborhood Commercial	35	-	10,890	377	80%	3,283,379
Neighborhood Commercial	3	-	141,570	377	80%	42,683,921
Neighborhood Commercial	40	-	10,890	377	80%	3,283,379
Subtotal Taxable Sales for Retail Land Use			225,423			$ 67,965,936
Total Taxable Sales						$ 67,965,936
Sales Tax @1% of taxable sales					1.00%	679,659
Use Tax @10.50% of sales tax (c)					10.50%	71,364
Less 0.25% Reclassified to Property Taxes (d)					0.25%	(169,915)
Total On-Site Sales Tax Revenue						**$ 581,109**

Footnotes:

(a) Future residents in the Harmony Planned Community are anticipated to have an average annual household income of $96,400 per the Harmony Planned Community Retail Analysis, prepared by Stoffel & Associates, dated 10/29/2011.

(b) Per U.S. Bureau of Labor Statistics Consumer Expenditure Survey, 2008 which indicates that retail taxable purchases represent approximately 32% of total household income for the average U.S. household.

(c) Preliminary estimate for illustration purposes.

(d) 0.25% of sales tax is redirected to property tax per the Triple Flip.

(e) Median sales per square foot for Neighborhood Shopping Centers in the West per The Dollars & Cents of Shopping Centers, 2008, published by the Urban Land Institute.

Exhibit B-3: Alternative C
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-13 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND REVENUE									
A. Taxes									
Secured Property Tax	59	$ 2,790,000	100%	2,790,000	PC	53,444	52.20	-------- See Table 4 --------	
Property Tax - Vehicle License Fee	59	3,800,000	100%	---------- See Footnote (g) ----------					**1,866,407**
Property Tax - Sales Tax	59	575,000	100%	575,000	PC	53,444	10.76	-------- See Table 4 --------	
Sales & Use Tax	59	1,525,000	100%	1,525,000	PC	53,444	28.53	-------- See Table 5 --------	
Extraction Tax	59	85,000	0%	---------- See Footnote (d) ----------					
Transient Occupancy Tax	59	168,000	0%	---------- See Footnote (d) ----------					
Franchise Fees									
Franchise Fees - Gas	59	$ 132,000	100%	$ 132,000	PER	63,044	$ 2.09	12,364	$ 25,887
Franchise Fees - Electric	59	280,000	100%	280,000	PER	63,044	4.44	12,364	54,912
Franchise Fees - Cable	59	370,000	100%	370,000	PC	53,444	6.92	12,139	84,037
Franchise Fees - Refuse	59	570,000	100%	570,000	PER	63,044	9.04	12,364	111,786
Franchise Fees - Kiosk Signs	59	5,000	0%	---------- See Footnote (d) ----------					
Franchise Fees - Household Waste	59	72,000	100%	72,000	PER	63,044	1.14	12,364	14,120
Subtotal Franchise Fees		$ 1,429,000		$ 1,424,000			$ 23.64		**$ 290,743**
Business License Fee	59	145,000	100%	145,000	PE	19,200	7.55	451	**$ 3,405**
Property Transfer Tax	59	90,000	100%	---------- See Table 4 ----------					
Total Taxes		$ 10,607,000		$ 6,459,000			$ 122.69		$ 2,160,555
B. Licenses & Permits									
Animal License Fee	59	$ 110,690	100%	$ 110,690	PC	53,444	$ 2.07	12,139	$ 25,141
Building Permits - Inspection Fees	59	400,000	100%	---------- See Footnote (e) ----------					
Building Permits - Plan Check Fees	59	65,000	100%	---------- See Footnote (e) ----------					
Building Permits - SMIP	59	3,000	100%	---------- See Footnote (e) ----------					
Building Permits - BSAR Fund	59	2,000	100%	---------- See Footnote (e) ----------					
Yard Sale Permits	59	7,500	100%	7,500	PC	53,444	0.14	12,139	1,703
Total Licenses & Permits		$ 588,190		$ 118,190			$ 2.21		**$ 26,844**
C. Fines & Forfeitures									
Parking Citations	59	$ 30,000	100%	$ 30,000	PER	63,044	$ 0.48	12,364	$ 5,883
General Fines	59	20,000	100%	20,000	PER	63,044	0.32	12,364	3,922
Code Enforcement Fines	59	45,000	100%	45,000	PER	63,044	0.71	12,364	8,825
Administrative Citation Program	59	25,000	100%	25,000	PER	63,044	0.40	12,364	4,903
Total Fines & Forfeitures		$ 120,000		$ 120,000			$ 1.90		**$ 23,534**
D. Miscellaneous Revenue									
Interest	59	$ 40,000	100%	$ 40,000	PER	63,044	$ 0.63	12,364	$ 7,845
Refuse Penalties & Interest	59	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Building Rental	59	18,000	0%	---------- See Footnote (d) ----------					
Miscellaneous Revenue	59	1,000	0%	---------- See Footnote (d) ----------					
Volunteer Donations	59	8,500	0%	---------- See Footnote (d) ----------					
Total Miscellaneous Revenue		$ 77,500		$ 50,000			$ 0.79		**$ 9,806**
E. Intergovernmental Revenue									
Vehicle License Tax	59	$ 130,000	0%	---------- See Footnote (d) ----------					
State - Other	60	27,240	0%	---------- See Footnote (d) ----------					
Article 19 WDA	60	70,000	0%	---------- See Footnote (d) ----------					
SB90 State Mandate Reimbursements	60	10,000	0%	---------- See Footnote (d) ----------					
San Bernardino Unified School District	60	5,000	0%	---------- See Footnote (d) ----------					
Total Intergovernmental Revenue		$ 242,240		$ -			$ -		**$ -**
F. Gas Tax Revenue	60	2,756,490	100%	---------- See Table 10 ----------					
G. Charges for Services									
Planning Fees - Other (f)	60	$ 200,000	51%	102,000	PC	53,444	1.91	12,139	23,167
Engineering Fees - Inspections (f)	60	360,000	47%	169,200	PC	53,444	3.17	12,139	38,430
Park Fees	60	15,000	100%	15,000	PC	53,444	0.28	12,139	3,407
Police Department Fees	60	160,000	0%	---------- See Footnote (d) ----------					
Self Hauler fees	60	1,500	100%	1,500	PC	53,444	0.03	12,139	341
Delinquent Refuse Admin	60	75,000	0%	---------- See Footnote (d) ----------					
Livescan Service Fees	60	1,500	0%	---------- See Footnote (d) ----------					
Foreclosure Registration Fees	60	13,000	0%	---------- See Footnote (d) ----------					
Recordation of Document Fees	60	8,500	100%	8,500	PER	63,044	0.13	12,364	1,667
Sale of Miscellaneous Copies	60	2,000	0%	---------- See Footnote (d) ----------					
Vehicle Storage Fees	60	45,000	100%	45,000	PC	53,444	0.84	12,139	10,221
Operating Transfer In-Paramedic Dept.	60	10,000	0%	---------- See Footnote (d) ----------					
Operating Transfer In-Fire Department	60	10,000	0%	---------- See Footnote (d) ----------					
Total Charges for Services		$ 901,500		$ 341,200			$ 6.36		**$ 77,232**
TOTAL GENERAL FUND REVENUE		$ 12,536,430		$ 7,088,390					$ 2,297,970

Footnotes:
(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.
(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.
(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of City public services by employees than residents.
(d) Assumes Project will have a de minimis impact on these revenue sources.
(e) Assumes one-time fees paid during Project development will cover one-time costs and the Project will not have an ongoing impact on these revenue sources.
(f) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.
(g) See Section II of Table 6.

Exhibit B-3: Alternative C
Table 6 - General Fund and MVLF Revenue Calculations
Harmony Planned Community
April 29, 2014

II. MOTOR VEHICLE LICENSE FEE ("MVLF")

FY 2011-12 City Budget and Assessed Value

Nominal Dollars:	FY 2004-05		FY 2011-12			Change
Property Tax Vehicle License Fees (VLF)	$ (a)	2,624,088	$ (b)	3,800,000	[1]	1,175,912
City Assessed Valuation	(c)	1,992,355,699	(d)	2,711,491,671	[2]	719,135,972
VLF Increase per Assessed Valuation (AV) Increase					=[1]/[2]	0.001635
VLF Increase per $1,000,000 increase in AV					[3]	$ 1,635
Property Tax in Lieu of MVLF:						
Total Residential and Non-Residential Assessed Value (Table 3)					[4]	$ 1,141,533,450
Assessed Valuation / 1,000,000					[5]	$ 1,142
VLF Increase per $1,000,000 increase in AV					[3]	1,635
Property Tax in Lieu of MVLF					=[3]*[5]	$ 1,866,407

Footnotes:

(a) Per information provided by Chuck Dantuono, Director of Administrative Services/City Treasurer, dated 4/21/2014.

(b) Per page 59 of the City of Highland Fiscal Years 2011-2013 Adopted Budget.

(c) Per the 2004 Assessment Roll provided by the County of San Bernardino County Assessor.

(d) Per the City of Highland Fiscal Year 2011-2012 Comprehensive Annual Financial Report.

Exhibit B-3: Alternative C
Table 7 - General Fund Cost Calculations
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-13 General Fund	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. GENERAL FUND COSTS									
A. City Council	136	$ 145,400	50%	$ 72,700	PER	63,044	$ 1.15	12,364	**$ 14,258**
B. City Clerk	140	243,670	50%	121,835	PER	63,044	1.93	12,364	**23,894**
C. General Government	143	650,260	50%	325,130	PER	63,044	5.16	12,364	**63,763**
D. Personnel	147	72,700	50%	36,350	PER	63,044	0.58	12,364	**7,129**
E. Finance	152	484,165	50%	242,083	PER	63,044	3.84	12,364	**47,476**
F. Police Department	156	6,819,830	100%	See Footnote (g)					**1,793,496**
G. Animal Control	160	470,940	100%	470,940	PC	53,444	8.81	12,139	**106,963**
H. Public Works									
Salaries & Wages	163	$ 323,130	50%	$ 161,565	PER	63,044	$ 2.56	12,364	$ 31,685
Benefits	163	130,685	50%	65,343	PER	63,044	1.04	12,364	12,815
Operations & Materials	163	511,300	100%	511,300	PER	63,044	8.11	12,364	100,274
Contract Services									
Software Subscriptions	164	5,500	0%	-	NU	-	-	-	-
GIS	164	12,000	0%	-	NU	-	-	-	-
Planning	164	500	0%	See Footnote (d)					
Engineering (h)	164	276,260	47%	129,842	PER	63,044	2.06	12,364	25,464
Traffic Counts	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Underground Service Alert	164	1,500	100%	1,500	PER	63,044	0.02	12,364	294
Street Maintenance	164	100,000	100%	See Table 16					339,120
Street Sweeping	164	1,000	100%	1,000	PER	63,044	0.02	12,364	196
Emergency Work	164	10,000	100%	10,000	PER	63,044	0.16	12,364	1,961
Striping	164	50,000	100%	50,000	PER	63,044	0.79	12,364	9,806
Traffic Signals	164	210,000	100%	210,000	PER	63,044	3.33	12,364	41,184
Studies	164	299,500	0%	-	NU	-	-	-	-
Maintenance	164	4,800	100%	4,800	PER	63,044	0.08	12,364	941
Environmental Health Svcs.	164	3,000	100%	3,000	PER	63,044	0.05	12,364	588
Tree Trimming	164	40,000	100%	40,000	PER	63,044	0.63	12,364	7,845
Capital Projects - Traffic Improv.	164	775,815	0%	-	NU	-	-	-	-
Total Public Works		$ 2,756,490		$ 1,189,850			$ 18.87		**$ 572,469**
I. Engineering (h)	169	$ 643,335	47%	302,367	PER	63,044	4.80	12,364	**59,299**
J. Planning (h)	174	667,465	51%	340,407	PER	63,044	5.40	12,364	**66,759**
K. Public Services	177	434,425	50%	217,213	PER	63,044	3.45	12,364	**42,599**
L. Building & Safety	181	412,890	0%	See Footnote (d)					
M. Code Enforcement	185	298,670	50%	149,335	PER	63,044	2.37	12,364	**29,287**
N. Parks	188	-	0%	See Footnote (e)					**-**
O. Graffiti	190	109,225	100%	109,225	PER	63,044	1.73	12,364	**21,421**
P. Community Volunteer Services	192	57,545	0%	See Footnote (f)					
Q. Trails	194	15,400	100%	15,400	PER	63,044	0.24	12,364	**3,020**
R. Drainage Basins		-	0%	See Footnote (i)					**29,700**
S. Storm Drainage Replacement		-	0%	See Footnote (j)					**11,115**
TOTAL GENERAL FUND COSTS		$ 14,282,410		$ 3,592,834			$ 58.33		$ 2,892,647

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget ("Highland Budget").

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Per Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Planning & Building & Safety expenses are assumed to be offset by fees and charges.

(e) Per the Budget, the Parks department budget is used to fund the 10 acre Aurantia Park and the 20 acre Highland Community Park. The development of the Harmony Planned Community ("Project") is not anticipated to increase the City's maintenance cost for these parks. Parks to be developed within the Project are anticipated to be HOA maintained.

(f) This analysis assumes that the Harmony Planned Community will have a de minimis impact on the budget for Community Volunteer Services, which emphasizes community volunteers to assist in the planning and implementation of various civic events, per the Budget.

(g) Estimated annual police budget at buildout provided by Lieutenant Anthony De Cecio, February 12, 2014. See Tables 16 and 18 for additional detail.

(h) Marginal increase percentage per email from Lawrence Mainez, City of Highland Community Development Director, dated 4/14/2014.

(i) Basin acreage calculation from RBF Consulting and maintenance cost information from Lewis records for the Preserve in Chino Project per email from Ben Macaluso dated 4/21/2014. See Table 17.

(j) See Table 17.

Exhibit B-3: Alternative C
Table 8 - Fire Fund Fiscal Impact
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. FIRE FUND REVENUE									
A. Secured Property Tax									
Secured Property Tax	83	$ 2,104,740	100%	----------	See Calculation in Table 4	----------			$ 1,181,811
B. Other Fire Fund Revenue									
Building Permits - Inspection Fees	83	40,000	0%	----------	See Footnote (e)	----------			
Building Permits - Plan Check Fees	83	33,225	0%	----------	See Footnote (e)	----------			
Interest	83	35,000	0%	----------	See Footnote (e)	----------			
Pass-Thru Fire Department	83	180,000	0%	----------	See Footnote (e)	----------			
Fire Department Fees	83	473,000	0%	----------	See Footnote (e)	----------			
Total Other Fire Fund Revenue									$ -
TOTAL FIRE FUND REVENUE		$ 2,865,965		$ -			$ -		**$ 1,181,811**
II. FIRE FUND COST									
A. Typical Cost per Station									
Estimated Cost per Station (d)				[1] $ 1,237,379					
Additional Fire Stations Required to Serve Project (d)				[2] 1.00					
Percent of Fire Station Costs Allocable to Project				[3] 100%					
Total Cost per Station				[1]X[2]X[3]=[4] $ 1,237,379					
B. Wildland Fire Protection Agreement Cost									
Acres (f)				[5] 539					
Cost per Acre (g)				[6] $ 25.77					
Total Wildland Fire Protection Agreement Cost				[5]X[6]=[7] $ 13,890					
TOTAL FIRE FUND COST				**$ 1,251,269**					

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, and "PER" = Per Equivalent Resident.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) The FIA assumes that one additonal fire station will be required to provide fire protection services to the Project. Per Jim Rissmiller at the City of Highland, the cost to staff and operate a fire station in the City of Highland is approximately $1,237,379 annually. This cost includes paramedic staffing and operations.

(e) Assumes Project will have a de minimis impact on these revenue sources.

(f) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.

(g) Per email from Jim Rissmiller dated 3/10/2014 for fire services.

Exhibit B-3: Alternative C
Table 9 - Paramedic Fund Fiscal Impact
Harmony Planned Community
April 29, 2014

Description	Budget Page Ref.	FY 2011-12 Adopted Budget	Marginal Increase	[1] Net General Fund	Measure	[2] City Equivalent Units	[1]/[2]=[3] Factor	[4] Project Equivalent Units	[3]X[4] Amount
	(a)	(a)			(b)	(c)			
I. PARAMEDIC FUND REVENUE									
A. Property Tax - Paramedic Tax	83	$ 351,000	100%	$ 351,000	PER	63,044	$ 5.57	12,364	$ 68,837
B. Operating Transfer In-Fire Department	83	884,790	0%	-	NU	-	-	-	-
TOTAL PARAMEDIC FUND REVENUE		$ 1,235,790		$ 351,000			$ 5.57		**$ 68,837**
II. PARAMEDIC FUND COST									
A. Operations & Materials	234	$ 108,640	100%	See Footnote (d)					
B. Contractual Services - Paramedic Dept.	234	1,117,150	100%	See Footnote (d)					
C. Contractual Services - Medical Director	234	10,000	100%	See Footnote (d)					
TOTAL PARAMEDIC FUND COSTS		$ 1,235,790		$ -			$ -		**$ -**

Footnotes:

(a) Per City of Highland Fiscal Years 2011-2013 Adopted Budget.

(b) "PC"= Per Capita, "PE" = Per Employee, "PER" = Equivalent Resident, and "NU" = Not Used.

(c) Total population of 53,444 per the California Dept. of Finance as of January 2011. Total employment of 19,200 per the California Employment Development Department as of November 2011. For per equivalent resident factors, employment was reduced by 50% to account for the estimated less frequent use of city public services by employees than residents.

(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-3: Alternative C
Table 10 - Street Maintenance Revenue and Cost Calculations
Harmony Planned Community
April 29, 2014

I. Gas Tax and Traffic Safety Fund Revenue	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Equivalent Residents						
Employment (b)	20,800	20,300	19,100	19,000	19,200	
50% Employment	10,400	10,150	9,550	9,500	9,600	
Population (a)	52,516	52,725	53,037	53,104	53,444	
Total Equivalent Residents	62,916	62,875	62,587	62,604	63,044	
Gas Tax Revenue (a)						
Gas Tax Revenue						
Gas Tax 2106	$ 194,889	$ 176,821	$ 181,224	$ 171,240	$ 169,093	$ 178,653
Gas Tax 2107	412,654	375,040	381,550	361,352	349,114	375,942
Gas Tax 2107.5	7,500	7,500	7,500	7,500	7,500	7,500
Gas Tax 2105	308,371	281,785	286,281	270,541	243,262	278,048
Gas Tax 2103	-	-	-	499,886	719,023	243,782
Prop 42	-	443,975	473,913	-	-	183,578
	$ 923,414	$ 1,285,121	$ 1,330,467	$ 1,310,519	$ 1,487,992	$ 1,267,503
Traffic Safety Fund (c)						
Vehicle Code Fines	$ 186,685	$ 186,685	$ 310,431	$ 70,000	$ 310,000	$ 212,760
Redlight Traffic Cameras	-	-	-	152,400	-	30,480
Total	$ 1,110,099	$ 1,471,806	$ 1,640,898	$ 1,532,919	$ 1,797,992	$ 2,778,245
Cost per Capita	$ 21.14	$ 27.91	$ 30.94	$ 28.87	$ 33.64	$ 28.50
Project Residents						12,139
Total Gas Tax and Traffic Safety Fund Revenue						**$ 345,949**

II. Street Maintenance Costs - Not Used (f)	FY2007-08	FY2008-09	FY2009-10	FY2010-11	FY2011-12	5-Year Avg.
Cost per Lane Mile (a)						
General Fund Street Maintenance Expenditures (c)	$ 100,000	$ 86,057	$ 21,358	$ 50,000	$ 100,000	$ 71,483
Non-General Fund Street Maintenance Expenditures						
Gas Tax Expenditures	$ 1,008,447	$ 1,053,498	$ 1,075,849	$ 1,165,058	$ 1,112,546	$ 1,083,080
Traffic Safety Fund-Crossing Guards	34,331	29,271	30,075	29,928	31,217	30,964
Traffic Safety Fund-Traffic Improvements	-	19,868	-	8,710	29,054	11,526
AQMD Fund-Signal Synchronization	19,941	2,260	3,600	9,900	19,660	11,072
Public Works Maintenance Expenditures on Capital Projects						
General Fund	$ -	$ -	$ 52,881	$ -	$ 195,000	$ 49,576
Gas Tax Fund	115,342	-	-	49,846	40,000	41,038
Total	$ 1,278,060	$ 1,190,953	$ 1,183,763	$ 1,313,442	$ 1,527,477	$ 1,298,739
						Total
Total Revenue-Total Cost	$ (167,961)	$ 280,853	$ 457,135	$ 219,476	$ 270,515	$ 1,060,018
Gas Tax Revenue - Gas Tax Expenditure	$ (85,033)	$ 231,623	$ 254,618	$ 145,460	$ 375,446	$ 922,115
City Lane Miles (a)						327.6
Total Cost Per Lane Mile						$ 3,964
Total Project Lane Miles (e)						90.44
Total Street Maintenance Costs						**$ 358,541**

Footnotes:

(a) Per Harmony Fiscal Impact Analysis - Engineering Comments memorandum prepared by Ernie Wong, Public Works Director/City Engineer, dated 9/6/2012.
(b) November 2011 for FY 2011-12 per California Employment Development Department.
(c) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes minimum amount from available years.
(d) Per City of Highland Fiscal Years 2011-2013 Adopted Budget. Fiscal year 2007-08 revenue not available. Assumes maximum amount from available years.
(e) Per Harmony Roadway Calculations spreadsheet provided by PlaceWorks dated 4/18/2014.
(f) See Exhibit C-1 and C-2.

Exhibit B-3: Alternative C
Table 11 - Phased Fiscal Impact Analysis Summary
Harmony Planned Community
April 29, 2014

	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund														
A. General Fund Recurring Revenues														
Property Tax	22	$ 157,397	$ 304,375	$ 513,794	$ 667,539	$ 772,446	$ 908,106	$ 1,043,244	$ 1,157,629	$ 1,337,127	$ 1,500,219	$ 1,593,437	$ 1,629,855	$ 1,654,308
Property Transfer Tax	22	8,363	16,172	26,627	34,796	40,370	47,578	54,758	60,836	70,373	79,039	83,956	85,891	87,154
Property Tax In Lieu of Sales Tax	22	5,649	10,932	171,949	178,793	183,517	189,513	195,297	200,194	207,655	214,230	226,275	228,242	237,684
Off-Site Sales and Use Tax	22	19,320	37,387	63,102	86,510	102,665	123,171	142,953	159,701	185,219	207,703	220,825	227,551	231,771
On-Site Sales and Use Tax	22	-	-	524,963	524,963	524,963	524,963	524,963	524,963	524,963	524,963	553,036	553,036	581,109
Property Tax-Vehicle License Fee	23	177,577	343,399	579,667	753,124	871,482	1,024,534	1,176,998	1,306,049	1,508,560	1,692,563	1,797,731	1,838,819	1,866,407
Franchise Fees	23	23,921	46,291	81,537	110,520	130,522	155,913	180,406	201,143	232,739	260,579	277,008	285,336	290,743
Business License Fee	23	-	-	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,076	3,240	3,240	3,405
Licenses & Permits	23	2,238	4,330	7,309	10,020	11,891	14,266	16,557	18,497	21,452	24,057	25,576	26,355	26,844
Fines & Forfeitures	23	1,926	3,727	6,678	9,012	10,622	12,666	14,638	16,308	18,852	21,093	22,422	23,093	23,534
Miscellaneous Revenue	23	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Intergovernmental Revenue	23	-	-	-	-	-	-	-	-	-	-	-	-	-
Charges for Services	23	6,435	12,453	21,046	28,843	34,224	41,055	47,644	53,223	61,723	69,212	73,584	75,825	77,232
Gas Tax and Traffic Safety Fund Revenue	23	28,837	55,805	94,189	129,128	153,241	183,850	213,376	238,375	276,464	310,026	329,612	339,650	345,949
Total Recurring Revenues		**$ 432,466**	**$ 836,424**	**$ 2,096,719**	**$ 2,540,079**	**$ 2,843,446**	**$ 3,233,970**	**$ 3,620,010**	**$ 3,946,788**	**$ 4,456,057**	**$ 4,915,549**	**$ 5,216,045**	**$ 5,326,514**	**$ 5,435,946**
B. General Fund Recurring Costs														
City Council	24	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
City Clerk	24	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	$ 23,894
General Government	24	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	$ 63,763
Personnel	24	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	$ 7,129
Finance	24	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	$ 47,476
Police Department	24	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	$ 1,793,496
Animal Control	24	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	$ 106,963
Public Works	24	194,431	212,289	292,322	315,459	331,428	404,643	424,196	440,750	491,021	548,268	561,444	568,092	$ 572,469
Engineering	23	4,853	9,391	16,827	22,707	26,765	31,916	36,885	41,092	47,501	53,149	56,497	58,187	$ 59,299
Planning	23	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	$ 66,759
Public Services	24	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	$ 42,599
Code Enforcement	24	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	$ 29,287
Parks	25	-	-	-	-	-	-	-	-	-	-	-	-	$ -
Graffiti	24	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	$ 21,421
Trails	24	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	$ 3,020
Drainage Basins	25	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	29,700	$ 29,700
Storm Drainage Replacement	25	8,764	8,939	9,118	9,300	9,486	9,676	9,870	10,067	10,268	10,474	10,683	10,897	$ 11,115
Total Recurring Costs		**$ 653,211**	**$ 831,730**	**$ 1,343,375**	**$ 1,496,571**	**$ 1,921,583**	**$ 2,211,654**	**$ 2,459,628**	**$ 2,510,991**	**$ 2,614,196**	**$ 2,817,403**	**$ 2,858,237**	**$ 2,878,998**	**$ 2,892,647**
Net General Fund Surplus/(Deficit)		**$ (220,744)**	**$ 4,694**	**$ 753,344**	**$ 1,043,509**	**$ 921,863**	**$ 1,022,316**	**$ 1,160,382**	**$ 1,435,798**	**$ 1,841,861**	**$ 2,098,146**	**$ 2,357,808**	**$ 2,447,516**	**$ 2,543,299**
II. Fire Fund														
Total Recurring Revenues	25	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Costs	25	33,625	33,625	27,517	1,115,017	1,264,897	1,258,851	1,258,851	1,258,851	1,251,269	1,251,269	1,251,269	1,251,269	1,251,269
Net Fire Fund Surplus/(Deficit)		**$ 78,817**	**$ 183,816**	**$ 339,529**	**$ (638,138)**	**$ (713,073)**	**$ (610,115)**	**$ (513,575)**	**$ (431,860)**	**$ (296,048)**	**$ (179,537)**	**$ (112,944)**	**$ (86,927)**	**$ (69,459)**
III. Paramedic Fund														
Total Recurring Revenues	25	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
Total Recurring Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
Net Paramedic Fund Surplus/(Deficit)		**$ 5,633**	**$ 10,902**	**$ 19,534**	**$ 26,359**	**$ 31,070**	**$ 37,049**	**$ 42,817**	**$ 47,701**	**$ 55,141**	**$ 61,698**	**$ 65,584**	**$ 67,546**	**$ 68,837**
IV. Combined Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 118,076	$ 228,342	$ 386,579	$ 503,238	$ 582,893	$ 685,785	$ 788,093	$ 874,692	$ 1,010,363	$ 1,133,430	$ 1,203,910	$ 1,231,887	$ 1,250,647
Total Recurring Costs		33,625	33,625	27,517	1,115,017	1,264,897	1,258,851	1,258,851	1,258,851	1,251,269	1,251,269	1,251,269	1,251,269	1,251,269
Net Fire Fund and Paramedic Fund Surplus/(Deficit)		**$ 84,451**	**$ 194,717**	**$ 359,062**	**$ (611,779)**	**$ (682,004)**	**$ (573,066)**	**$ (470,758)**	**$ (384,159)**	**$ (240,907)**	**$ (117,839)**	**$ (47,360)**	**$ (19,382)**	**$ (622)**
V. Combined General Fund, Fire Fund & Paramedic Fund														
Total Recurring Revenues		$ 550,542	$ 1,064,766	$ 2,483,299	$ 3,043,318	$ 3,426,339	$ 3,919,755	$ 4,408,103	$ 4,821,480	$ 5,466,420	$ 6,048,979	$ 6,419,955	$ 6,558,401	$ 6,686,593
Total Recurring Costs		686,835	865,355	1,370,892	2,611,588	3,186,480	3,470,505	3,718,479	3,769,842	3,865,465	4,068,672	4,109,507	4,130,267	4,143,916
Total Surplus/(Deficit)		**$ (136,293)**	**$ 199,412**	**$ 1,112,406**	**$ 431,730**	**$ 239,859**	**$ 449,250**	**$ 689,624**	**$ 1,051,639**	**$ 1,600,955**	**$ 1,980,307**	**$ 2,310,448**	**$ 2,428,134**	**$ 2,542,677**

Exhibit B-3: Alternative C
Table 12 - Residential Land Use Absorption Schedule
Harmony Planned Community
April 29, 2014

I. Residential Absorption (See Exhibit A, Table 3) (a)	Total	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	195		-	-	-	-	-	-	-	-	44	44	44	44	19
Paired	173		-	-	48	48	48	29	-	-	-	-	-	-	-
Paired	130		-	-	-	-	-	18	48	48	16	-	-	-	-
HDD	208		-	-	62	62	43	31	10	-	-	-	-	-	-
HDD	110		-	-	-	-	-	-	16	25	25	25	19	-	-
HDD	105		-	-	-	-	-	-	-	-	-	-	12	48	45
6 Pack	115		-	-	34	34	24	17	6	-	-	-	-	-	-
6 Pack	99		-	-	-	-	-	-	15	23	23	23	15	-	-
4 Pack L	115		-	-	48	48	19	-	-	-	-	-	-	-	-
4 Pack S	80		-	-	48	32	-	-	-	-	-	-	-	-	-
4 Pack S	77		-	-	-	-	-	48	29	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	50		17	17	16	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	56		-	-	-	-	-	48	8	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	91		24	24	24	19	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	94		24	24	24	22	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	109		-	-	-	6	48	48	7	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	115		-	-	-	-	-	-	41	48	26	-	-	-	-
SFD - 3,400 Sq. Ft.	45		-	-	-	-	-	-	-	-	21	24	-	-	-
SFD - 4,000 Sq. Ft.	36		14	13	9	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	47		18	17	12	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	63		24	23	16	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	157		-	-	-	-	-	-	43	53	43	18	-	-	-
SFD - 4,000 Sq. Ft.	154		-	-	-	44	48	48	14	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	52		-	-	-	-	-	-	-	-	13	30	9	-	-
SFD - 4,000 Sq. Ft.	25		-	-	-	-	-	-	-	-	6	15	4	-	-
SFD - 4,000 Sq. Ft.	81		-	-	-	-	-	-	-	-	37	29	12	3	-
SFD - 4,500 Sq. Ft.	51		21	19	11	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	36		14	14	7	1	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	117		-	-	-	-	-	-	39	43	26	9	-	-	-
SFD - 4,500 Sq. Ft.	152		-	-	-	-	-	-	-	-	62	55	32	3	-
SFD - 5,000 Sq. Ft.	133		53	50	30	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	119		-	-	-	-	-	-	-	-	45	45	28	1	-
SFD - 7,200 Sq. Ft.	13		6	6	1	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	84		42	42	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	19		15	4	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	27		21	6	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	39		-	-	-	24	15	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 10,000 Sq. Ft.	31		-	-	-	-	-	12	12	7	-	-	-	-	-
SFD - 40,000 Sq. Ft.	28		-	-	-	-	-	-	-	-	-	13	13	2	-
SFD - 40,000 Sq. Ft.	23		-	-	-	-	-	-	-	-	-	11	11	1	-
SFD - 40,000 Sq. Ft.	15		-	15	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	15		-	-	-	15	-	-	-	-	-	-	-	-	-
Total Residential Absorption	3,515		293	274	390	355	245	311	300	254	387	341	199	102	64
Cumulative Units			293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Total Cumulative Residents	3.45	3	1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139

Footnotes:
(a) Per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.

Exhibit B-3: Alternative C
Table 13 - Phased Residential Assessed Value Additions
Harmony Planned Community
April 29, 2014

I. Residential Assessed Value Additions	Average Value per Unit	Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Condo Apartments	$ 210,000	3	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 9,240,000	$ 3,990,000
Paired	230,000	3	-	-	11,040,000	11,040,000	11,040,000	6,670,000	-	-	-	-	-	-	-
Paired	230,000	3	-	-	-	-	-	4,140,000	11,040,000	11,040,000	3,680,000	-	-	-	-
HDD	250,000	3	-	-	15,500,000	15,500,000	10,750,000	7,750,000	2,500,000	-	-	-	-	-	-
HDD	250,000	3	-	-	-	-	-	-	4,000,000	6,250,000	6,250,000	6,250,000	4,750,000	-	-
HDD	250,000	3	-	-	-	-	-	-	-	-	-	-	3,000,000	12,000,000	11,250,000
6 Pack	250,000	3	-	-	8,500,000	8,500,000	6,000,000	4,250,000	1,500,000	-	-	-	-	-	-
6 Pack	250,000	3	-	-	-	-	-	-	3,750,000	5,750,000	5,750,000	5,750,000	3,750,000	-	-
4 Pack L	290,000	3	-	-	13,920,000	13,920,000	5,510,000	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	12,960,000	8,640,000	-	-	-	-	-	-	-	-	-
4 Pack S	270,000	3	-	-	-	-	-	12,960,000	7,830,000	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	5,270,000	5,270,000	4,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 3,000 Sq. Ft.	310,000	3	-	-	-	-	-	14,880,000	2,480,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	6,270,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	7,920,000	7,920,000	7,920,000	7,260,000	-	-	-	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	1,980,000	15,840,000	15,840,000	2,310,000	-	-	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	13,530,000	15,840,000	8,580,000	-	-	-	-
SFD - 3,400 Sq. Ft.	330,000	3	-	-	-	-	-	-	-	-	6,930,000	7,920,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	4,900,000	4,550,000	3,150,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	6,300,000	5,950,000	4,200,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	8,400,000	8,050,000	5,600,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	15,050,000	18,550,000	15,050,000	6,300,000	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	15,400,000	16,800,000	16,800,000	4,900,000	-	-	-	-	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	4,550,000	10,500,000	3,150,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	2,100,000	5,250,000	1,400,000	-	-
SFD - 4,000 Sq. Ft.	350,000	3	-	-	-	-	-	-	-	-	12,950,000	10,150,000	4,200,000	1,050,000	-
SFD - 4,500 Sq. Ft.	360,000	3	7,560,000	6,840,000	3,960,000	-	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	5,040,000	5,040,000	2,520,000	360,000	-	-	-	-	-	-	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	14,040,000	15,480,000	9,360,000	3,240,000	-	-	-
SFD - 4,500 Sq. Ft.	360,000	3	-	-	-	-	-	-	-	-	22,320,000	19,800,000	11,520,000	1,080,000	-
SFD - 5,000 Sq. Ft.	380,000	3	20,140,000	19,000,000	11,400,000	-	-	-	-	-	-	-	-	-	-
SFD - 5,000 Sq. Ft.	380,000	3	-	-	-	-	-	-	-	-	17,100,000	17,100,000	10,640,000	380,000	-
SFD - 7,200 Sq. Ft.	410,000	3	2,460,000	2,460,000	410,000	-	-	-	-	-	-	-	-	-	-
SFD - 7,200 Sq. Ft.	410,000	3	17,220,000	17,220,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	6,450,000	1,720,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	9,030,000	2,580,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	10,320,000	6,450,000	-	-	-	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 10,000 Sq. Ft.	430,000	3	-	-	-	-	-	5,160,000	5,160,000	3,010,000	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,980,000	5,980,000	920,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	-	-	-	-	-	-	5,060,000	5,060,000	460,000	-
SFD - 40,000 Sq. Ft.	460,000	3	-	6,900,000	-	-	-	-	-	-	-	-	-	-	-
SFD - 40,000 Sq. Ft.	460,000	3	-	-	-	6,900,000	-	-	-	-	-	-	-	-	-
Total Assessed Value Additions			$ 108,610,000	$ 101,420,000	$ 113,960,000	$ 106,090,000	$ 72,390,000	$ 93,610,000	$ 93,250,000	$ 78,930,000	$ 123,860,000	$ 112,540,000	$ 62,690,000	$ 25,130,000	$ 15,240,000
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Total Assessed Value Additions-Average Price			$ 370,683	$ 370,146	$ 292,205	$ 298,845	$ 295,469	$ 300,997	$ 310,833	$ 310,748	$ 320,052	$ 330,029	$ 315,025	$ 246,373	$ 238,125

Exhibit B-3: Alternative C
Table 14 - Phased Non-Residential Land Use Assumptions and General Fund Recurring Revenues
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Non Residential Land Use Assumptions															
Neighborhood Commercial															
Square Feet			-	-	203,643	-	-	-	-	-	-	-	10,890	-	10,890
Cumulative Square Feet			-	-	203,643	203,643	203,643	203,643	203,643	203,643	203,643	203,643	214,533	214,533	225,423
Assessed Value Additions	$ 150	3	$ -	$ -	$ 30,546,450	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,633,500	$ -	$ 1,633,500
Employees	500	3	-	-	407	-	-	-	-	-	-	-	22	-	22
Cumulative Non-Residential Assessed Value Additions			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Cumulative Employees			-	-	407	407	407	407	407	407	407	407	429	429	451
50% of Cumulative Employees			-	-	204	204	204	204	204	204	204	204	215	215	225
Cumulative Equivalent Residents			1,012	1,958	3,508	4,734	5,581	6,654	7,690	8,568	9,904	11,082	11,780	12,132	12,364
II. General Fund Recurring Revenues															
A. Property Tax															
Total Residential and Non-Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 354,536,450	$ 460,626,450	$ 533,016,450	$ 626,626,450	$ 719,876,450	$ 798,806,450	$ 922,666,450	$ 1,035,206,450	$ 1,099,529,950	$ 1,124,659,950	$ 1,141,533,450
Basic Tax Paid	1.00%	4	1,086,100	2,100,300	3,545,365	4,606,265	5,330,165	6,266,265	7,198,765	7,988,065	9,226,665	10,352,065	10,995,300	11,246,600	11,415,335
Total Property Tax	24.84%	4	**$ 269,840**	**$ 521,816**	**$ 880,839**	**$ 1,144,418**	**$ 1,324,270**	**$ 1,556,842**	**$ 1,788,520**	**$ 1,984,620**	**$ 2,292,348**	**$ 2,571,951**	**$ 2,731,762**	**$ 2,794,197**	**$ 2,836,119**
Total Property Tax Retained in General Fund	58.33%	4	**$ 157,397**	**$ 304,375**	**$ 513,794**	**$ 667,539**	**$ 772,446**	**$ 908,106**	**$ 1,043,244**	**$ 1,157,629**	**$ 1,337,127**	**$ 1,500,219**	**$ 1,593,437**	**$ 1,629,855**	**$ 1,654,308**
B. Property Transfer Tax															
Residential Property Transfer Tax															
Cumulative Residential Assessed Value			$ 108,610,000	$ 210,030,000	$ 323,990,000	$ 430,080,000	$ 502,470,000	$ 596,080,000	$ 689,330,000	$ 768,260,000	$ 892,120,000	$ 1,004,660,000	$ 1,067,350,000	$ 1,092,480,000	$ 1,107,720,000
Residential Property Turnover Rate	14.0%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Residential Property Transfer Tax			$ 8,363	$ 16,172	$ 24,947	$ 33,116	$ 38,690	$ 45,898	$ 53,078	$ 59,156	$ 68,693	$ 77,359	$ 82,186	$ 84,121	$ 85,294
Non-Residential Property Transfer Tax															
Cumulative Non-Residential Assessed Value			$ -	$ -	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 30,546,450	$ 32,179,950	$ 32,179,950	$ 33,813,450
Non-Residential Property Turnover Rate	10.00%	4													
Transfer Tax as a % of Price	0.055%	4													
Total Non-Residential Property Transfer Tax			$ -	$ -	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,680	$ 1,770	$ 1,770	$ 1,860
Total Property Transfer Tax			**$ 8,363**	**$ 16,172**	**$ 26,627**	**$ 34,796**	**$ 40,370**	**$ 47,578**	**$ 54,758**	**$ 60,836**	**$ 70,373**	**$ 79,039**	**$ 83,956**	**$ 85,891**	**$ 87,154**
C. Property Tax In-Lieu of Sales Tax															
Off-Site Sales Tax Redirected to Property Tax			$ 5,649	$ 10,932	$ 18,451	$ 25,295	$ 30,019	$ 36,015	$ 41,799	$ 46,696	$ 54,158	$ 60,732	$ 64,569	$ 66,535	$ 67,769
On-Site Sales Tax Redirected to Property Tax			-	-	153,498	153,498	153,498	153,498	153,498	153,498	153,498	153,498	161,706	161,706	169,915
Total Property Tax In-Lieu of Sales Tax			**$ 5,649**	**$ 10,932**	**$ 171,949**	**$ 178,793**	**$ 183,517**	**$ 189,513**	**$ 195,297**	**$ 200,194**	**$ 207,655**	**$ 214,230**	**$ 226,275**	**$ 228,242**	**$ 237,684**
D. Off-Site Sales Tax															
Household Income	$ 96,400	5	$ 28,245,200	$ 54,658,800	$ 92,254,800	$ 126,476,800	$ 150,094,800	$ 180,075,200	$ 208,995,200	$ 233,480,800	$ 270,787,600	$ 303,660,000	$ 322,843,600	$ 332,676,400	$ 338,846,000
Retail Taxable Sales	32.00%	5	9,038,464	17,490,816	29,521,536	40,472,576	48,030,336	57,624,064	66,878,464	74,713,856	86,652,032	97,171,200	103,309,952	106,456,448	108,430,720
Projected Off-Site Taxable Sales	25.00%	5	2,259,616	4,372,704	7,380,384	10,118,144	12,007,584	14,406,016	16,719,616	18,678,464	21,663,008	24,292,800	25,827,488	26,614,112	27,107,680
Sales Tax @1.00% of taxable sales	1.00%	5	22,596	43,727	73,804	101,181	120,076	144,060	167,196	186,785	216,630	242,928	258,275	266,141	271,077
Use Tax @10.50% of sales tax	10.50%	5	2,373	4,591	7,749	10,624	12,608	15,126	17,556	19,612	22,746	25,507	27,119	27,945	28,463
Less 0.25% Reclassified to Property Taxes	-0.25%	5	(5,649)	(10,932)	(18,451)	(25,295)	(30,019)	(36,015)	(41,799)	(46,696)	(54,158)	(60,732)	(64,569)	(66,535)	(67,769)
Total Off-Site Sales Tax Revenue			**$ 19,320**	**$ 37,387**	**$ 63,102**	**$ 86,510**	**$ 102,665**	**$ 123,171**	**$ 142,953**	**$ 159,701**	**$ 185,219**	**$ 207,703**	**$ 220,825**	**$ 227,551**	**$ 231,771**
E. On-Site Sales Tax Revenue															
Total Sales per Sq. Ft	$ 377	5	$ -	$ -	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 76,748,974	$ 80,853,197	$ 80,853,197	$ 84,957,420
Taxable Sales	80%	5	-	-	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	61,399,179	64,682,558	64,682,558	67,965,936
Sales Tax (@1% of Taxable Sales)	1.00%	4	-	-	613,992	613,992	613,992	613,992	613,992	613,992	613,992	613,992	646,826	646,826	679,659
Use Tax (@10.5% of Sales Tax)	10.50%	4	-	-	64,469	64,469	64,469	64,469	64,469	64,469	64,469	64,469	67,917	67,917	71,364
Less 0.25% Reclassified to Property Taxes	-0.25%	5	-	-	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(153,498)	(161,706)	(161,706)	(169,915)
Total On-Site Sales Tax Allocated to County			**$ -**	**$ -**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 524,963**	**$ 553,036**	**$ 553,036**	**$ 581,109**

Exhibit B-3: Alternative C
Table 15 - Phased General Fund Recurring Revenues Continued
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
A. Property Tax - Vehicle License Fee															[1]
Assessed Valuation per $1,000			$ 109	$ 210	$ 355	$ 461	$ 533	$ 627	$ 720	$ 799	$ 923	$ 1,035	$ 1,100	$ 1,125	$ 1,142
Total Property Tax - Vehicle License Fee	$ 1,635.00	6	**$ 177,577**	**$ 343,399**	**$ 579,667**	**$ 753,124**	**$ 871,482**	**$ 1,024,534**	**$ 1,176,998**	**$ 1,306,049**	**$ 1,508,560**	**$ 1,692,563**	**$ 1,797,731**	**$ 1,838,819**	**$ 1,866,407**
B. Franchise Fees															
Franchise Fees - Gas	$ 2.09	6	$ 2,119	$ 4,100	$ 7,346	$ 9,913	$ 11,684	$ 13,933	$ 16,102	$ 17,939	$ 20,737	$ 23,203	$ 24,664	$ 25,402	$ 25,887
Franchise Fees - Electric	4.44	6	4,494	8,696	15,582	21,027	24,785	29,555	34,156	38,052	43,987	49,218	52,318	53,883	54,912
Franchise Fees - Cable	6.92	6	7,005	13,556	22,880	31,367	37,225	44,660	51,833	57,905	67,158	75,310	80,068	82,506	84,037
Franchise Fees - Refuse	9.04	6	9,148	17,703	31,721	42,805	50,455	60,165	69,532	77,463	89,546	100,193	106,505	109,689	111,786
Franchise Fees - Refuse Household Waste	1.14	6	1,156	2,236	4,007	5,407	6,373	7,600	8,783	9,785	11,311	12,656	13,453	13,856	14,120
Total Franchise Fees			**$ 23,921**	**$ 46,291**	**$ 81,537**	**$ 110,520**	**$ 130,522**	**$ 155,913**	**$ 180,406**	**$ 201,143**	**$ 232,739**	**$ 260,579**	**$ 277,008**	**$ 285,336**	**$ 290,743**
C. Business License Fee	7.55	6	$ -	$ -	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,076	$ 3,240	$ 3,240	$ 3,405
D. Licenses & Permits															
Animal License Fee	$ 2.07	6	$ 2,096	$ 4,055	$ 6,845	$ 9,384	$ 11,136	$ 13,361	$ 15,506	$ 17,323	$ 20,091	$ 22,530	$ 23,953	$ 24,683	$ 25,141
Yard Sale Permits	0.14	6	142	275	464	636	755	905	1,051	1,174	1,361	1,527	1,623	1,672	1,703
Total Licenses & Permits			**$ 2,238**	**$ 4,330**	**$ 7,309**	**$ 10,020**	**$ 11,891**	**$ 14,266**	**$ 16,557**	**$ 18,497**	**$ 21,452**	**$ 24,057**	**$ 25,576**	**$ 26,355**	**$ 26,844**
E. Fines & Forfeitures															
Parking Citations	$ 0.48	6	$ 481	$ 932	$ 1,670	$ 2,253	$ 2,656	$ 3,167	$ 3,660	$ 4,077	$ 4,713	$ 5,273	$ 5,606	$ 5,773	$ 5,883
General Fines	0.32	6	321	621	1,113	1,502	1,770	2,111	2,440	2,718	3,142	3,516	3,737	3,849	3,922
Code Enforcement Fines	0.71	6	722	1,398	2,504	3,379	3,983	4,750	5,489	6,115	7,069	7,910	8,408	8,660	8,825
Administrative Citation Program	0.40	6	401	776	1,391	1,877	2,213	2,639	3,050	3,397	3,927	4,394	4,671	4,811	4,903
Total Fines & Forfeitures			**$ 1,926**	**$ 3,727**	**$ 6,678**	**$ 9,012**	**$ 10,622**	**$ 12,666**	**$ 14,638**	**$ 16,308**	**$ 18,852**	**$ 21,093**	**$ 22,422**	**$ 23,093**	**$ 23,534**
F. Miscellaneous Revenue															
Interest	$ 0.63	6	$ 642	$ 1,242	$ 2,226	$ 3,004	$ 3,541	$ 4,222	$ 4,879	$ 5,436	$ 6,284	$ 7,031	$ 7,474	$ 7,698	$ 7,845
Refuse Penalties & Interest	0.16	6	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Total Miscellaneous Revenue			**$ 802**	**$ 1,553**	**$ 2,783**	**$ 3,755**	**$ 4,426**	**$ 5,278**	**$ 6,099**	**$ 6,795**	**$ 7,855**	**$ 8,789**	**$ 9,343**	**$ 9,622**	**$ 9,806**
G. Intergovernmental Revenue															
Vehicle License Tax	$ -	6	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Intergovernmental Revenue			**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
H. Charges for Services															
Planning Fees - Other	$ 1.91	6	1,931	3,737	6,307	8,647	10,262	12,312	14,289	15,963	18,514	20,761	22,073	22,745	23,167
Engineering Fees - Inspections	$ 3.17	6	3,203	6,199	10,463	14,344	17,023	20,423	23,703	26,480	30,711	34,439	36,615	37,730	38,430
Park Fees	0.28	6	284	550	928	1,272	1,509	1,811	2,101	2,348	2,723	3,053	3,246	3,345	3,407
Self Hauler fees	0.03	6	28	55	93	127	151	181	210	235	272	305	325	334	341
Recordation of Document Fees	0.13	6	136	264	473	638	752	897	1,037	1,155	1,335	1,494	1,588	1,636	1,667
Vehicle Storage Fees	0.84	6	852	1,649	2,783	3,815	4,527	5,432	6,304	7,043	8,168	9,159	9,738	10,035	10,221
Total Charges for Services			**$ 6,435**	**$ 12,453**	**$ 21,046**	**$ 28,843**	**$ 34,224**	**$ 41,055**	**$ 47,644**	**$ 53,223**	**$ 61,723**	**$ 69,212**	**$ 73,584**	**$ 75,825**	**$ 77,232**
I. Gas Tax and Traffic Safety Fund Revenue	$ 28.50	10	**$ 28,837**	**$ 55,805**	**$ 94,189**	**$ 129,128**	**$ 153,241**	**$ 183,850**	**$ 213,376**	**$ 238,375**	**$ 276,464**	**$ 310,026**	**$ 329,612**	**$ 339,650**	**$ 345,949**

Exhibit B-3: Alternative C
Table 16 - Phased General Fund Recurring Costs
Harmony Planned Community
April 29, 2014

		Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. General Fund Recurring Costs															
A. City Council	$ 1.15	7	$ 1,167	$ 2,258	$ 4,046	$ 5,460	$ 6,435	$ 7,674	$ 8,868	$ 9,880	$ 11,421	$ 12,779	$ 13,584	$ 13,990	$ 14,258
B. City Clerk	1.93	7	1,955	3,784	6,780	9,149	10,785	12,860	14,862	16,557	19,140	21,416	22,765	23,446	23,894
C. General Government	5.16	7	5,218	10,098	18,094	24,416	28,780	34,319	39,661	44,185	51,077	57,150	60,751	62,567	63,763
D. Personnel	0.58	7	583	1,129	2,023	2,730	3,218	3,837	4,434	4,940	5,711	6,389	6,792	6,995	7,129
E. Finance	3.84	7	3,885	7,519	13,472	18,180	21,429	25,553	29,531	32,899	38,031	42,553	45,233	46,586	47,476
F. Police Department		18	380,391	503,541	875,592	957,095	1,332,569	1,506,858	1,694,207	1,694,207	1,694,207	1,793,496	1,793,496	1,793,496	1,793,496
G. Animal Control	8.81	7	8,916	17,254	29,122	39,925	47,380	56,844	65,973	73,702	85,479	95,856	101,911	105,015	106,963
H. Public Works															
Salaries & Wages	$ 2.56	7	$ 2,593	$ 5,018	$ 8,991	$ 12,133	$ 14,301	$ 17,054	$ 19,709	$ 21,957	$ 25,382	$ 28,399	$ 30,188	$ 31,091	31,685
Benefits	1.04	7	1,049	2,029	3,636	4,907	5,784	6,897	7,971	8,880	10,265	11,486	12,209	12,574	12,815
Operations & Materials	8.11	7	8,206	15,880	28,455	38,397	45,259	53,969	62,372	69,485	80,324	89,875	95,537	98,393	100,274
Engineering	2.06	7	2,084	4,033	7,226	9,751	11,493	13,705	15,839	17,645	20,398	22,823	24,261	24,987	25,464
Traffic Counts	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Underground Service Alert	0.02	7	24	47	83	113	133	158	183	204	236	264	280	289	294
Contract Services - Street Maintenance	1.59	7	175,334	175,334	226,105	226,105	226,105	279,050	279,050	279,050	304,098	339,120	339,120	339,120	339,120
Contract Services - Street Sweeping	0.02	7	16	31	56	75	89	106	122	136	157	176	187	192	196
Contract Services - Emergency Work	0.16	7	160	311	557	751	885	1,056	1,220	1,359	1,571	1,758	1,869	1,924	1,961
Contract Services - Striping	0.79	7	802	1,553	2,783	3,755	4,426	5,278	6,099	6,795	7,855	8,789	9,343	9,622	9,806
Contract Services - Traffic Signals	3.33	7	3,370	6,522	11,687	15,770	18,589	22,166	25,617	28,539	32,991	36,913	39,239	40,412	41,184
Contract Services - Maintenance	0.08	7	77	149	267	360	425	507	586	652	754	844	897	924	941
Contract Services - Environmental Health Services	0.05	7	48	93	167	225	266	317	366	408	471	527	561	577	588
Contract Services - Tree Trimming	0.63	7	642	1,242	2,226	3,004	3,541	4,222	4,879	5,436	6,284	7,031	7,474	7,698	7,845
Total Public Works			$ 194,431	$ 212,289	$ 292,322	$ 315,459	$ 331,428	$ 404,643	$ 424,196	$ 440,750	$ 491,021	$ 548,268	$ 561,444	$ 568,092	$ 572,469
I. Engineering	4.80	7	$ 4,853	$ 9,391	$ 16,827	$ 22,707	$ 26,765	$ 31,916	$ 36,885	$ 41,092	$ 47,501	$ 53,149	$ 56,497	$ 58,187	$ 59,299
J. Planning	5.40	7	5,463	10,573	18,944	25,564	30,132	35,931	41,525	46,261	53,477	59,836	63,605	65,507	66,759
K. Public Services	3.45	7	3,486	6,746	12,088	16,312	19,227	22,927	26,497	29,519	34,124	38,181	40,586	41,800	42,599
L. Code Enforcement	2.37	7	2,397	4,638	8,311	11,215	13,219	15,763	18,217	20,295	23,460	26,250	27,903	28,738	29,287
M. Graffiti	1.73	7	1,753	3,392	6,079	8,203	9,668	11,529	13,324	14,844	17,159	19,199	20,409	21,019	21,421
N. Trails	0.24	7	247	478	857	1,156	1,363	1,626	1,879	2,093	2,419	2,707	2,877	2,964	3,020
O. Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14															
Sergeant			$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective			-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy			148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist			69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist			-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit (Capital Facility)			-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit (Capital Facility)			-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup (Capital Facility)			5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services			12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization			964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance			1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC (Capital Facility)			-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers (Capital Facility)			333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support			1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance			348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding			3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost			11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget			$ 253,594	$ 428,541	$ 800,592	$ 882,095	$ 1,257,569	$ 1,431,858	$ 1,619,207	$ 1,619,207	$ 1,619,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
6 Months Grading			$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	-	-	-	-
Total Police Department Budget			$ 380,391	$ 503,541	$ 875,592	$ 957,095	$ 1,332,569	$ 1,506,858	$ 1,694,207	$ 1,694,207	$ 1,694,207	$ 1,793,496	$ 1,793,496	$ 1,793,496	$ 1,793,496
P. Street Maintenance															
Lane Miles (Assumes Beginning of Phase)															
Backbone Roads			27.42												
Interior Roads			19.34		13.54			14.12			6.68	9.34			
Total Lane Miles			46.76	-	13.54	-	-	14.12	-	-	6.68	9.34	-	-	-
Cumulative Lane Miles (See Exhibit C-1)		C-1	46.76	46.76	60.30	60.30	74.42	74.42	74.42	74.42	81.10	90.44	90.44	90.44	90.44
Cost per Lane Mile (See Exhibit C-2)		C-2	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750	$ 3,750
Total Street Maintenance Cost			$ 175,334	$ 175,334	$ 226,105	$ 226,105	$ 226,105	$ 279,050	$ 279,050	$ 279,050	$ 304,098	$ 339,120	$ 339,120	$ 339,120	$ 339,120

Exhibit B-3: Alternative C
Table 17 - Phased General Fund Recurring Costs Continued and Fire Fund and Paramedic Fund Impact
Harmony Planned Community
April 29, 2014

			Table Ref.	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Q. Park Maintenance																
Park Acres (Assumes End of Phase)																
20 Acre Park							20.00									
5.5 Acre Park Next to School							5.50									
6.5 Acre Park														6.50		
Total Park Acres				-	-	-	25.50	-	-	-	-	-	-	6.50	-	-
Cumulative Park Acres				-	-	-	25.50	25.50	25.50	25.50	25.50	25.50	25.50	32.00	32.00	32.00
Total Park Maintenance Cost	$	-	7	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
R. Drainage Basins																
Acres of Drainage Basins				15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Total Drainage Basins Maintenance Cost	$	1,980	7	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700	$ 29,700
S. Storm Drainage Replacement																
Annual Contribution Increase		2.00%	C-3	-	175	179	182	186	190	194	197	201	205	209	214	218
Total Storm Drainage Replacement Cost			C-3	$ 8,764	$ 8,939	$ 9,118	$ 9,300	$ 9,486	$ 9,676	$ 9,870	$ 10,067	$ 10,268	$ 10,474	$ 10,683	$ 10,897	$ 11,115
II. Fire Fund				293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
A. Recurring Revenues																
Secured Property Tax Retained in Fire Fund		41.67%	4	$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
Total Recurring Revenues				$ 112,442	$ 217,441	$ 367,046	$ 476,879	$ 551,823	$ 648,736	$ 745,276	$ 826,991	$ 955,221	$ 1,071,732	$ 1,138,325	$ 1,164,342	$ 1,181,811
B. Recurring Costs																
Fire Station Cost																
Fire Stations Required for Project (a)				-	-	-	0.88	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Percent of Fire Station Costs Allocable to Project				100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Subtotal Fire Station Costs	$	1,237,379	8	$ -	$ -	$ -	$ 1,087,500	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379	$ 1,237,379
Wildland Fire Protection Agreement Cost																
Total Project Acres (b)		[1]		1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0	1,658.0
Cumulative Acres Built Outs (b) (c)																
Phase 1 Acres				353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2	353.2
Phase 2 Acres						237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0	237.0
Phase 3 Acres									234.6	234.6	234.6	234.6	234.6	234.6	234.6	234.6
Phase 4 Acres												133.5	133.5	133.5	133.5	133.5
Phase 5 Acres												160.7	160.7	160.7	160.7	160.7
Cumulative Acres Built Out		[2]		353.2	353.2	590.2	590.2	590.2	824.8	824.8	824.8	1,119.0	1,119.0	1,119.0	1,119.0	1,119.0
Total Fire Protection Acres		=[1] - [2]		1,304.8	1,304.8	1,067.8	1,067.8	1,067.8	833.2	833.2	833.2	539.0	539.0	539.0	539.0	539.0
Wildland Fire Protection Agreement Cost	$	25.77	8	$ 33,625	$ 33,625	$ 27,517	$ 27,517	$ 27,517	$ 21,472	$ 21,472	$ 21,472	$ 13,890	$ 13,890	$ 13,890	$ 13,890	$ 13,890
Total Recurring Costs				$ 33,625	$ 33,625	$ 27,517	$ 1,115,017	$ 1,264,897	$ 1,258,851	$ 1,258,851	$ 1,258,851	$ 1,251,269	$ 1,251,269	$ 1,251,269	$ 1,251,269	$ 1,251,269
III. Paramedic Fund																
A. Recurring Revenues																
A. Property Tax - Paramedic Tax	$	5.57	9	$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837
B. Recurring Costs (d)				-	-	-	-	-	-	-	-	-	-	-	-	-
Total Recurring Revenues				$ 5,633	$ 10,902	$ 19,534	$ 26,359	$ 31,070	$ 37,049	$ 42,817	$ 47,701	$ 55,141	$ 61,698	$ 65,584	$ 67,546	$ 68,837

Footnotes:
(a) Fraction represents portion of year.
(b) Per Lewis Harmony Acreage spreadsheet provided by Ben Macaluso dated 4/16/2014.
(c) Timing of phase per Greenspot Supply Matrix dated 5/15/2012 and other information provided by LCD Greenspot, LLC. For differentiated products selling in the same price range, this analysis spread the projected absorption among the products evenly within a given year based on total number of units. Commercial absorption timing and apartment timing based on conversations with LCD Greenspot, LLC.
(d) Paramedic staffing and operations for a new fire station have been included in the Fire Fund costs in Table 8.

Exhibit B-3: Alternative C
Table 18 - Police Phasing Analysis
Harmony Planned Community
April 29, 2014

	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
I. Project Buildout Projections														
Cumulative Units		293	567	957	1,312	1,557	1,868	2,168	2,422	2,809	3,150	3,349	3,451	3,515
Cumulative Residents		1,012	1,958	3,305	4,531	5,377	6,451	7,487	8,364	9,700	10,878	11,565	11,918	12,139
II. Staffing Levels														
Anthony De Cecio Adjusted Sworn Officers per 1,000 Project Residents		0.99	1.02	1.21	0.88	1.12	1.09	1.07	0.96	0.82	0.83	0.78	0.76	0.74
Anthony De Cecio Adjusted Deputy Officers per 1,000 Project Residents		0.99	1.02	0.91	0.66	0.74	0.78	0.80	0.72	0.62	0.64	0.61	0.59	0.58
III. Adjusted Phased Police Department Budget per Anthony De Cecio (Lieutenant), 2/12/14														
Cumulative Positions														
Sergeant		-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Detective		-	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Deputy		1.00	2.00	3.00	3.00	4.00	5.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00
Total		1.00	2.00	4.00	4.00	6.00	7.00	8.00	8.00	8.00	9.00	9.00	9.00	9.00
		1.00	2.00	2.00	2.00	3.00	4.00	4.00	4.00	5.00	5.00	6.00	6.00	7.00
Budget with Adjusted Absorption														
Sergeant		$ -	$ -	$ -	$ -	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504	$ 187,504
Detective		-	-	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801	162,801
Deputy		148,340	296,680	445,020	445,020	593,360	741,700	890,040	890,040	890,040	1,038,380	1,038,380	1,038,380	1,038,380
Sheriff's Service Specialist		69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020	69,020
Office Specialist		-	-	-	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884	64,884
Market Unit		-	-	-	11,999	11,999	11,999	23,998	23,998	23,998	23,998	23,998	23,998	23,998
Unmarked Unit		-	-	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227
Mid-Size Pickup		5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065	5,065
Dispatch Services		12,469	24,937	49,875	49,875	62,344	74,812	87,281	87,281	87,281	99,750	99,750	99,750	99,750
HT Amortization		964	1,446	2,410	2,410	3,374	3,856	4,338	4,338	4,338	4,820	4,820	4,820	4,820
HT Access & Maintenance		1,248	1,872	3,120	3,120	4,368	4,992	5,616	5,616	5,616	6,240	6,240	6,240	6,240
Additional MDC		-	660	660	660	660	660	660	660	660	660	660	660	660
Tasers		333	666	1,332	1,332	1,998	2,331	2,664	2,664	2,664	2,997	2,997	2,997	2,997
Administrative Support		1,035	2,070	4,140	4,140	5,175	6,210	7,245	7,245	7,245	8,280	8,280	8,280	8,280
Vehicle Insurance		348	348	1,409	2,470	2,470	2,470	3,531	3,531	3,531	3,531	3,531	3,531	3,531
Personnel Liability Bonding		3,229	6,142	11,970	12,285	18,066	20,980	23,894	23,894	23,894	26,808	26,808	26,808	26,808
County Admin Cost		11,543	19,635	36,543	39,787	57,254	65,347	73,439	73,439	73,439	81,531	81,531	81,531	81,531
Subtotal Police Department Budget	**$ 17,085,854**	**$ 253,594**	**$ 428,541**	**$ 800,592**	**$ 882,095**	**$ 1,257,569**	**$ 1,431,858**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,619,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**
6 Months Grading / Overtime		$ 126,797	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000	$ 75,000				
Subtotal Police Department Budget		**$ 380,391**	**$ 503,541**	**$ 875,592**	**$ 957,095**	**$ 1,332,569**	**$ 1,506,858**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,694,207**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**	**$ 1,793,496**

Exhibit C-1
Street Maintenance Cost Calculations
Harmony Planned Community
April 29, 2014

Description - City Maintained	Quantity (a)	Unit	Unit Cost		Total Cost
Linear Feet of Roadway	477,540				
1. Street Sweeping	90.44	Curb Mile	$ 47.50	(d)	$ 4,296
2. Slurry Seal (SS)					
Place (SS)	8,951,144	SF	$ 0.12	(d)	$ 1,074,137
Mobilization	1	Lump Sum	50,000	(b)	50,000
Striping	1	Lump Sum	50,000	(b)	50,000
Crack Seal	20.0% of SS	Lump Sum	179,023		179,023
Traffic Control	1	Lump Sum	50,000	(b)	50,000
Subtotal					1,403,160
Contingency (15%)					210,474
Total Slurry Seal					**$ 1,613,634**
3. Grind and Overlay					
Grind	8,951,144	SF	$ 0.08	(d)	$ 716,092
Mobilization	1	Lump Sum	50,000	(b)	50,000
.15" Asphalt & Conc. Overlay (Estimate @.0105	8,951,144	SF	0.60	(c)	5,370,687
Striping	1	Lump Sum	50,000	(b)	50,000
Traffic Control	1	Lump Sum	50,000	(b)	50,000
Subtotal					$ 6,236,778
Contingency (15%)					935,517
Total Grind and Overlay					**$ 7,172,295**
4. Remove and Reconstruct					
a. Curb and Sidewalk Component					
6" Curb & Gutter	477,540	LF	9.00	(b)	4,297,858
Concrete Median Curb	72,407	LF	9.00	(b)	651,663
Interior Streets Curb	-	LF	9.00	(b)	-
Concrete Sidewalk/Trail	2,413,041	SF	3.00	(b)	7,239,124
Mobilization	1	Lump Sum	50,000	(b)	50,000
Subtotal					$ 12,238,646
Estimated Failure Rate					10%
Total Curb and Sidewalk					$ 1,223,865
b. Street Component					
Grind	8,951,144	SF	$ 0.10	(d)	$ 895,114
Mobilization	1	Lump Sum	50,000	(b)	50,000
.25" Asphalt & Concrete Overlay (Estimate)	8,951,144	SF	0.60	(c)	5,370,687
Striping	1	Lump Sum	50,000	(b)	50,000
Traffic Control	1	Lump Sum	50,000	(b)	50,000
Total Street Component					$ 6,415,801
Subtotal Remove and Reconstruct					$ 7,639,666
Contingency (15%)					1,145,950
Total Remove and Reconstruct					**$ 8,785,615**
Total					**$ 18,799,705**

Footnotes
(a) Per public roadway calculations provided by Placeworks dated April 2014.
(b) Per Lewis Operating Companies email dated 4/23/2014.
(c) Per call with Lewis Operating Companies on 4/24/2014.
(d) Per Lewis Operating Companies email dated 4/28/2014.

Exhibit C-2
Hypothetical Street Maintenance Schedule
Harmony Planned Community
April 29, 2014

Linear Feet of Public Road		477,540
Lane Miles		90.4
Total	$	339,132
Cost Per Lane Mile	$	3,750
Balance Year 36		-

	Buildout Annual Cost	Per Unit	Street Sweeping	Slurry Seal (a)	Grind and Overlay (a)	Remove & Reconstruct	Subtotal	Total Annual Expenditures	Earnings (b)	Annual Fund Balance-End
Exhibit Reference			C-1	C-1	C-1	C-1				
0	$ 339,132	$ 52	$ 4,296	$ 1,613,634	$ 7,172,295	$ 8,785,615	$ 17,575,841	$ -	$ -	$ -
1	339,132	52	4,296				4,296	4,296	-	334,836
2	339,132	52	4,296				4,296	4,296	11,484	681,155
3	339,132	52	4,296				4,296	4,296	23,362	1,039,353
4	339,132	52	4,296				4,296	4,296	35,647	1,409,836
5	339,132	52	4,296				4,296	4,296	48,354	1,793,025
6	339,132	52	4,296				4,296	4,296	61,496	2,189,357
7	339,132	52	4,296				4,296	4,296	75,089	2,599,283
8	339,132	52	4,296				4,296	4,296	89,149	3,023,267
9	339,132	52	4,296				4,296	4,296	103,691	3,461,793
10	339,132	52	4,296				4,296	4,296	118,731	3,915,360
11	339,132	52	4,296				4,296	4,296	134,287	4,384,483
12	339,132	52	4,296				4,296	4,296	150,377	4,869,695
13	339,132	52	4,296				4,296	4,296	167,018	5,371,549
14	339,132	52	4,296				4,296	4,296	184,231	5,890,616
15	339,132	52	4,296	1,613,634			1,617,930	1,617,930	202,033	4,813,850
16	339,132	52	4,296				4,296	4,296	165,103	5,313,789
17	339,132	52	4,296				4,296	4,296	182,250	5,830,875
18	339,132	52	4,296				4,296	4,296	199,984	6,365,695
19	339,132	52	4,296				4,296	4,296	218,327	6,918,858
20	339,132	52	4,296				4,296	4,296	237,300	7,490,993
21	339,132	52	4,296				4,296	4,296	256,922	8,082,751
22	339,132	52	4,296				4,296	4,296	277,218	8,694,805
23	339,132	52	4,296				4,296	4,296	298,210	9,327,851
24	339,132	52	4,296				4,296	4,296	319,922	9,982,608
25	339,132	52	4,296				4,296	4,296	342,379	10,659,822
26	339,132	52	4,296				4,296	4,296	365,605	11,360,263
27	339,132	52	4,296				4,296	4,296	389,629	12,084,728
28	339,132	52	4,296				4,296	4,296	414,476	12,834,039
29	339,132	52	4,296				4,296	4,296	440,175	13,609,050
30	339,132	52	4,296	1,613,634	7,172,295		8,790,225	8,790,225	466,756	5,624,713
31	339,132	52	4,296				4,296	4,296	192,914	6,152,463
32	339,132	52	4,296				4,296	4,296	211,014	6,698,312
33	339,132	52	4,296				4,296	4,296	229,735	7,262,883
34	339,132	52	4,296				4,296	4,296	249,099	7,846,818
35	339,132	52	4,296				4,296	4,296	269,126	8,450,780
36	339,132	52	4,296			8,785,615	8,789,912	8,789,912	289,841	$ -
Totals			$ 154,658	$ 3,227,268	$ 7,172,295	$ 8,785,615	$ 19,339,837	$ 19,339,837		

Footnotes:

(a) Timing of cost per call with Client on 4/24/2014.

(b) Represents earnings invested at Local Agency Investment Fund Rate ("LAIF RATE") of 3.43%, a 20 year average from 1994 to 2013 per the California State Treasurer. See Exhibit H.

Exhibit C-3
Storm Drainage Reserve Calculation
Harmony Planned Community
April 29, 2014

	Beginning Balance	Reserve Deposit	Earnings	Ending Balance	Replacement Cost
1	$ -	$ 8,764	$ 150	$ 8,914	$ 1,500,000
2	8,914	8,939	459	18,313	1,524,880
3	18,313	9,118	784	28,215	1,550,173
4	28,215	9,300	1,127	38,643	1,575,885
5	38,643	9,486	1,488	49,617	1,602,024
6	49,617	9,676	1,868	61,161	1,628,597
7	61,161	9,870	2,267	73,298	1,655,610
8	73,298	10,067	2,687	86,051	1,683,071
9	86,051	10,268	3,127	99,447	1,710,988
10	99,447	10,474	3,590	113,512	1,739,368
11	113,512	10,683	4,076	128,271	1,768,218
12	128,271	10,897	4,586	143,754	1,797,547
13	143,754	11,115	5,121	159,990	1,827,363
14	159,990	11,337	5,682	177,009	1,857,673
15	177,009	11,564	6,269	194,842	1,888,485
16	194,842	11,795	6,885	213,523	1,919,809
17	213,523	12,031	7,530	233,083	1,951,653
18	233,083	12,272	8,205	253,560	1,984,024
19	253,560	12,517	8,911	274,988	2,016,933
20	274,988	12,768	9,650	297,406	2,050,387
21	297,406	13,023	10,424	320,852	2,084,397
22	320,852	13,283	11,232	345,368	2,118,970
23	345,368	13,549	12,078	370,994	2,154,117
24	370,994	13,820	12,961	397,776	2,189,847
25	397,776	14,096	13,884	425,756	2,226,169
26	425,756	14,378	14,849	454,984	2,263,094
27	454,984	14,666	15,856	485,506	2,300,632
28	485,506	14,959	16,908	517,373	2,338,792
29	517,373	15,258	18,006	550,638	2,377,585
30	550,638	15,564	19,152	585,354	2,417,021
31	585,354	15,875	20,348	621,577	2,457,112
32	621,577	16,192	21,596	659,366	2,497,867
33	659,366	16,516	22,898	698,779	2,539,299
34	698,779	16,846	24,255	739,881	2,581,418
35	739,881	17,183	25,671	782,735	2,624,235
36	782,735	17,527	27,146	827,409	2,667,763
37	827,409	17,878	28,685	873,971	2,712,012
38	873,971	18,235	30,288	922,494	2,756,996
39	922,494	18,600	31,958	973,052	2,802,725
40	973,052	18,972	33,699	1,025,723	2,849,214
41	1,025,723	19,351	35,512	1,080,585	2,896,473
42	1,080,585	19,738	37,400	1,137,724	2,944,516
43	1,137,724	20,133	39,366	1,197,223	2,993,356
44	1,197,223	20,536	41,414	1,259,173	3,043,006
45	1,259,173	20,946	43,546	1,323,665	3,093,480
46	1,323,665	21,365	45,765	1,390,795	3,144,791
47	1,390,795	21,793	48,075	1,460,662	3,196,952
48	1,460,662	22,229	50,478	1,533,369	3,249,980
49	1,533,369	22,673	52,980	1,609,022	3,303,886
50	1,609,022	23,127	55,582	1,687,730	3,358,687
51	1,687,730	23,589	58,289	1,769,609	3,414,397
52	1,769,609	24,061	61,106	1,854,776	3,471,031
53	1,854,776	24,542	64,035	1,943,353	3,528,604
54	1,943,353	25,033	67,081	2,035,467	3,587,132
55	2,035,467	25,534	70,249	2,131,250	3,646,631
56	2,131,250	26,044	73,543	2,230,838	3,707,117
57	2,230,838	26,565	76,968	2,334,371	3,768,606
58	2,334,371	27,096	80,528	2,441,995	3,831,115
59	2,441,995	27,638	84,228	2,553,861	3,894,661
60	2,553,861	28,191	88,075	2,670,127	3,959,261
61	2,670,127	28,755	92,072	2,790,954	4,024,932
62	2,790,954	29,330	96,226	2,916,510	4,091,693
63	2,916,510	29,917	100,542	3,046,969	4,159,561
64	3,046,969	30,515	105,027	3,182,510	4,228,554
65	3,182,510	31,125	109,686	3,323,322	4,298,692
66	3,323,322	31,748	114,526	3,469,596	4,369,994
67	3,469,596	32,383	119,554	3,621,532	4,442,478
68	3,621,532	33,030	124,776	3,779,339	4,516,164
69	3,779,339	33,691	130,200	3,943,229	4,591,073
70	3,943,229	34,365	135,832	4,113,426	4,667,224
71	4,113,426	35,052	141,681	4,290,160	4,744,638
72	4,290,160	35,753	147,755	4,473,668	4,823,336
73	4,473,668	36,468	154,061	4,664,197	4,903,340
74	4,664,197	37,198	160,608	4,862,003	4,984,670
75	4,862,003	37,942	167,405	5,067,350	5,067,350

Assumptions

Storm Drain Cost (a)	$ 1,500,000
LAIF Rate (b)	3.43%
CPI (c)	1.66%
Annual Contribution Increase	2.00%
Annual Reserve Deposit	$ 8,764
Annual Reserve Percentage	0.58%

(a) Assumes a 10% failure rate on $15,000,000 cost or $1,500,000.

(b) Local Agency Investment Fund Rate ("LAIF RATE") represents a 20 year average from 1994 to 2013 per the California State Treasurer. See Exhibit H.

(c) Represents the 20 year average of the Consumer Price Index for Los Angeles, Riverside and Orange County from 1994 to 2013 per the Bureau of Labor Statistics. See Exhibit G.

Harmony

DRAFT SPECIFIC PLAN

August 2015 | City of Highland, California

Harmony

DRAFT SPECIFIC PLAN

August 2015 | City of Highland, California

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EXECUTIVE SUMMARY

Chapter 1

1.1 OVERVIEW

The Harmony Specific Plan is a comprehensive plan for the development of approximately 1,650 acres in the City of Highland. The Harmony Specific Plan area is north of the Mill Creek Wash, south and west of the San Bernardino National Forest, and east of Greenspot Road. The regional and local context of Harmony is illustrated on Exhibit 1-1, "Regional Location Map", and Exhibit 1-2, "Vicinity Map."

The Harmony Specific Plan provides for development of a new community of traditional residential neighborhoods combined with parks and recreation areas, neighborhood gathering places, neighborhood commercial services, and community facilities within an open space setting.

1.2 PURPOSE OF THE SPECIFIC PLAN

The Harmony Specific Plan establishes the regulations and guidelines that will govern development of Harmony. The Specific Plan implements the City of Highland's General Plan goals and policies established for the Specific Plan area and establishes the zoning regulations for the community. Where the regulations of the Specific Plan vary from Title 16 Land Use and Development of the Highland Municipal Code (Highland Municipal Code) regulations for the Seven Oaks Policy area, the provisions of the Harmony Specific Plan shall prevail.

The Harmony Specific Plan serves as the foundation for the City of Highland General Plan Amendment revising the Land Use and Circulation Elements and establishes new General Plan policies to govern development of the Specific Plan area. The Harmony Specific Plan, adopted by ordinance, changes the zoning district for the Specific Plan area from Planned Development to Harmony Specific Plan (SPR-011-001) thereby establishing the Harmony Specific Plan as the zoning regulations for the Specific Plan area.

"To seek the timeless way we must first know the quality without a name. There is a central quality which is the root criterion of life and spirit in a man, a town, a building, or a wilderness. This quality is objective and precise, but it cannot be named."

—Christopher Alexander (architect) A Timeless Way of Building

1.3 COMMUNITY VISION

Harmony is nestled into the foothills of the San Bernardino National Forest, a unique setting where the grandeur of the mountains, depth of the canyons, and the vastness of the river corridor can be celebrated. The vision for the community is to knit together in harmony this one-of-kind natural setting with an agrarian landscape, restoration and stewardship of the land, and a community lifestyle that embraces healthy living and lifelong learning. The detailed elements of this vision and their application in the community are described on the following pages.

1.3.1 Mountain Setting

The community occupies only a narrow piece of the San Bernardino foothills' dramatic landscape and is intrinsically connected to the beauty and natural wonders it affords through scenic views and extensive trail networks.

In the foothills, multiuse paths lure Harmony residents of all ages to explore the chaparral with its powerfully scented sage. Narrow hiking trails offer routes along canyons and ridges into the rich San Gorgonio wilderness, which towers above Harmony. In this forested area, hikers experience the peace and drama of the mountains through the scent of pines and vegetation emerging from their winter hibernation.

Design features:

1. Native riparian plantings, including oaks and sycamores
2. Terraces allow for views to the river corridor below and the snow-capped peaks above
3. Fire Protection Zone includes trail right-of-way and fire-resistant plantings, creating a buffer between the community and the mountains
4. Restorative foothill and chaparral plantings
5. Preserved mountain ecosystem of pines and diverse understory
6. Access to backpacking, camping, rock-climbing, fishing, wildlife viewing, and nature centers in the San Bernardino National Forest

1.3.2 Highland Beach

Mill Creek is a major drainage feature flowing at the base of the Harmony site. Roughly braided and boulder bound, the wash—commonly referred to as "Highland Beach"—is a site to behold from the homes and parks of Harmony and adjacent residential communities. As a living path from the mountains to the distant ocean, the creek connects the community to the natural processes that define its landscape and the daily lives of the inhabitants. While resting along the edges of Highland Beach, Harmony residents can witness lizards do push-ups in the sun, snow melt transforming the San Bernardino National Forest into a fertile oasis, and the sunset transforming gray rock to magnificent orange.

The Lower Loop Road and trails allow for constant views and public access where there is none across the wide expanse of the wash. Moving across this expanse, cooling breezes and the sounds of the creek permeate the air. Shaded trails and interpretive features will provide users with an immediate connection to the habitat, its native plants, birds, and fauna. The parkway provides a wide spectrum of experiences, from active and passive recreation, to riparian habitat shade and riparian-oriented respite areas.

Design features:

1. Active and passive recreation opportunities
2. Connections from adjacent roads and drainages that emphasize site-appropriate design for onsite treatment and biofiltration of runoff
3. Framed views from Lower Loop Road and along the trail network
4. Facilitate public access to open space through an interconnected system of multipurpose trails
5. Celebrate and communicate history of the land
6. Education about the natural and man-made environment

1.3.3 Environmental Education

Learning is part of life at Harmony, and there is always more to learn as the crops and children grow. The focal points for education at Harmony include a site for a community-serving elementary school and nature and agriculture education and interpretation. Borrowing from the principles of the Reggio Emilia approach for early childhood education, the learning opportunities at Harmony emphasize the following:

- Learning through experiences of touching hearing, seeing, moving, and listening
- Self-directed learning
- Opportunities to explore
- Relationships with others in the community and with material items in the world
- Environmental education programs at the school library

In concert with the passive recreation trails, educational and interpretive stations are sited to capture the interest of users and promote an understanding and stewardship of the land. Nature education facilities include the Woolly Star set aside area and a series of interpretive signs along the length of the trail network.

Design features:

1. Interpretive trail network along parkway trails, emphasizing riparian habitat and the ecology of Mill Creek and the Santa Ana River
2. Harmony Elementary School site at the heart of the community
3. Interpretive signage stations in parks and along Upper Loop Road
4. Rest stop/station at northwest corner of property captures views of both Seven Oaks Dam and valley below
5. Extended programs at The Harmony Parkhouse

1.3.4 Environmental Stewardship

Acting as an environmental steward is a guiding principle of design for Harmony, with innovative water conservation and recycling programs planned for construction throughout the community to protect this important natural resource. Harmony aspires to "complete the water circle" by using the same water as many times as possible. In concept, this means designing a water system that ensures the efficient and effective use of water throughout the community. In practice, it means physically linking water delivery, treatment, landscape irrigation, and recharge into one integrated system using the most advanced water conservation technologies and techniques. Harmony is at the forefront of this approach to water resource planning and serves as an example to other local and regional communities looking to pursue similar sustainable strategies.

Design features:

1. Develop and/or refurbish wells
2. New water treatment, storage, and distribution system woven into the Harmony land use
3. Where possible, use recycled water for irrigation of slopes, parks, orchards, open space, and stream renovation

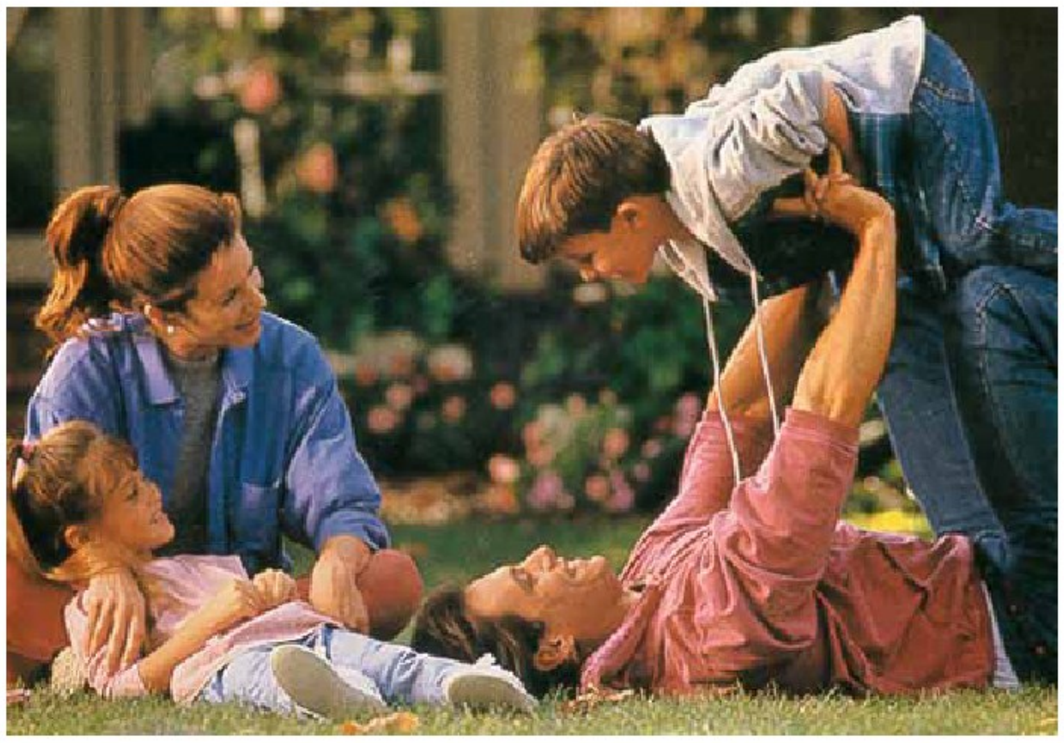
1.3.5 Health and Wellness

Scenic pathways, playfields, and other recreational amenities make healthy living an irresistible choice for residents. Harmony provides a range of recreation and wellness opportunities that are fun, easy to access, and appealing to both those who like to recreate as individuals and those who like to recreate in groups. For instance, sports and recreation facilities in the Community Park along the Lower Loop Road and neighborhood-serving pocket parks and playgrounds create attractive space for active recreation, and the trails that connect these active areas create a venue for both peaceful and interesting strolls and jogs.

By providing outdoor-oriented learning opportunities, Harmony helps address the phenomenon of "Nature Deficit Disorder" described by author Richard Louv in *Last Child in the Woods*. The term refers to the behavioral and emotional issues caused by a lack of familiarity and connection to Nature and the out-of-doors. From meditation and reflection along the river parkway to countless exercise opportunities along the miles of trails, the design supports community health and fitness at all levels and ages.

Design features:

1. A community park that integrates youth and adult recreation fields with other complementary active recreation amenities
2. Neighborhood-serving pocket parks providing relaxation and recreation for multiple generations
3. An extensive trail network weaves through the property, connecting to the mountains to the north, and along Highland Beach to the south



1.3.6 A Place to Grow

A variety of living environments will be created within the community, clustered in smaller villages or neighborhoods. A wide range of home types will be built to suit housing needs at all stages of life. Harmony is a place for first-time home buyers, move-up buyers, families with children, empty-nesters, and singles. The community carefully integrates community support facilities, education, recreation, and places for gathering and social activities.

Design features:

1. Family housing is encouraged near the elementary school and adjacent to parks
2. Neighborhoods are connected with multipurpose trails and sidewalk paths, enabling residents to enjoy walking and bicycling throughout the community
3. A Master HOA will organize activities and community meetings, as well as maintain a community website to keep residents informed of upcoming events and programs
4. Residential neighborhoods will be designed to be easily accessible to parks, and housing will be oriented to the outstanding views
5. Encourage multi-generational living

1.3.7 Sustainable Design

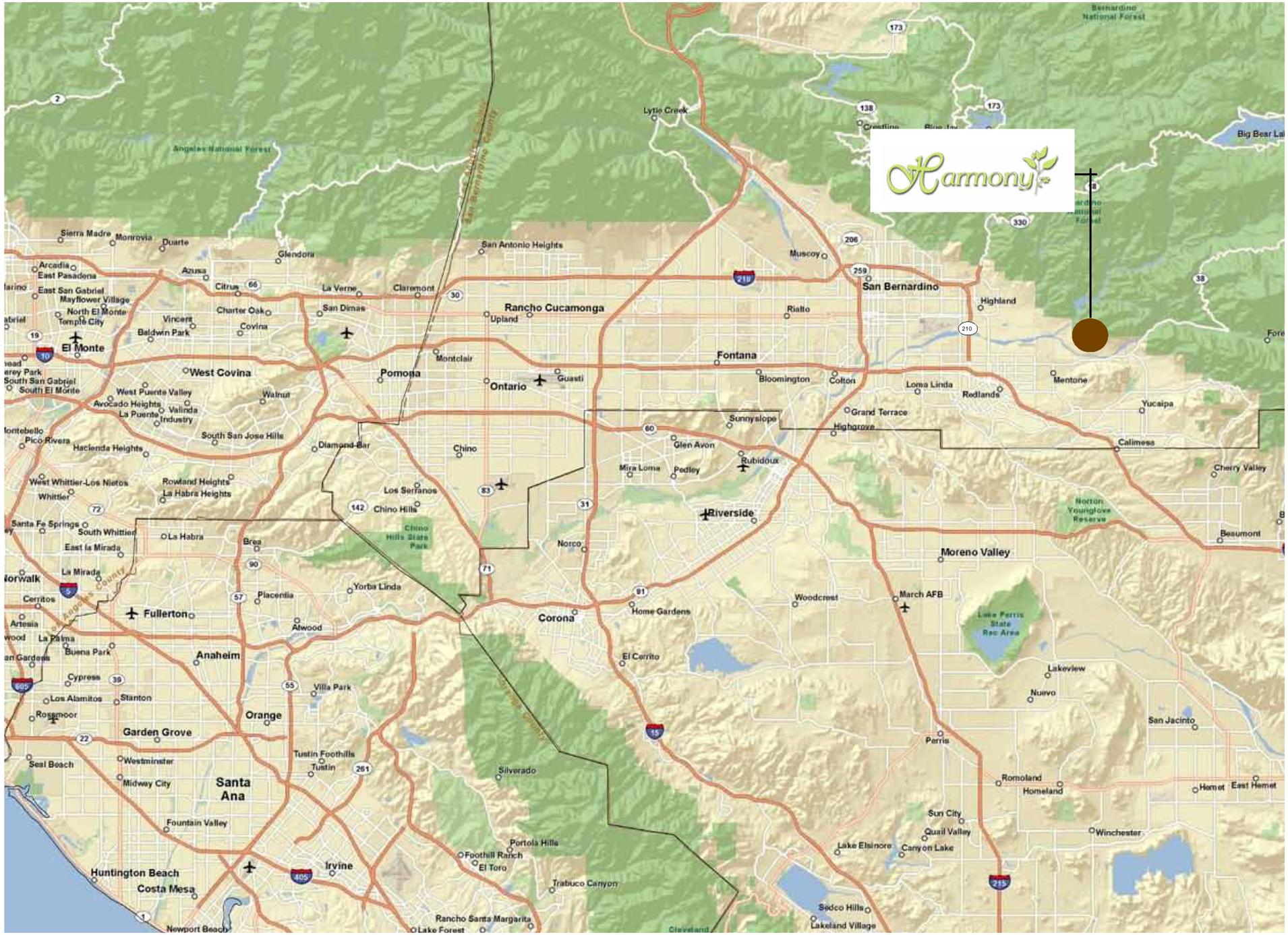
The longevity and success of a community is not only based on a strong community structure and development program, it is also based on how a community evolves and sustains itself over time.

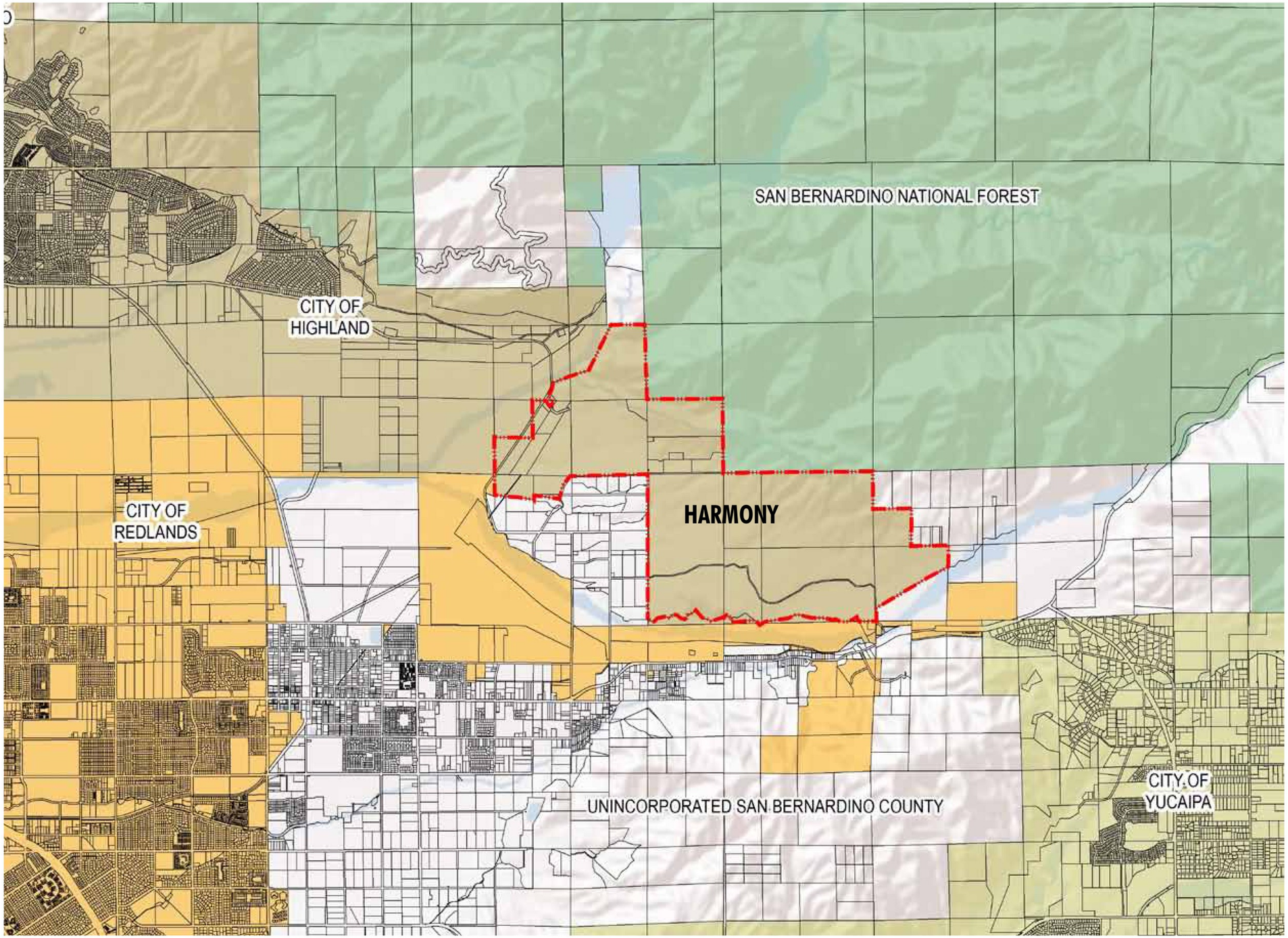
Sustainability is generally defined as a community's ability to meet the needs of the present without compromising the ability of future generations to meet their own needs. Through careful, thoughtful planning and design, Harmony is infused with sustainable design practices at all levels. The community design of Harmony focuses on the creation of a sustainable community with walkability and resource conservation as primary development objectives. Key design features are listed below; please see Chapter 10, Development Regulations, for a complete list of Harmony's sustainable design strategies.

Design features:

1. Residential neighborhoods sited to maximize open space and to preserve sensitive habitat areas, ridges, canyons, and wildlife corridors
2. The opportunity for development of residential units designed with living areas on the second floor and home office areas on the first floor
3. Equip residential development with appropriate wiring for Internet access for residents to shop and work online, reducing vehicle trips
4. The use of climate-appropriate plant materials and noninvasive ornamental landscape materials utilized as the primary plant materials for public open space and trails
5. Strategically planted canopy trees that provide shade and naturally cool public areas
6. The use of recycled (non-potable) water to irrigate public parks, neighborhood edges, agriculture areas, and other common landscape areas
7. Sustainable development practices consistent with the 2010 California Green Building Code
8. Reduced automobile trips through the construction of alternative modes of travel including an extensive network of biking trails and walkways connecting residential areas, schools, parks, open space, and commercial services, reducing reliance on the automobile for access to these facilities
9. Use (or reuse) of site materials such as rocks and wood where possible

EXHIBIT 1-1 REGIONAL LOCATION MAP




SAN BERNARDINO NATIONAL FOREST
CITY OF HIGHLAND
CITY OF REDLANDS
HARMONY
UNINCORPORATED SAN BERNARDINO COUNTY
CITY OF YUCAIPA

1.4 LAND USE

Land uses are arranged in keeping with the guiding principles of design as well as the geographical features and environmental character of the Specific Plan area as follows:

- A human scale of development is planned as being oriented to pedestrian activities, with connectivity provided within the community through a comprehensive network of green streets, sidewalk paths, and multipurpose trails
- Provision of a full array of housing types addressing a variety of economic segments of the market
- A design of residential neighborhoods oriented to parks and open space creating an outdoor experience and active and passive recreational opportunities for its residents
- Residential neighborhoods designed within easy walking distance to parks and open space

"For every site there is an ideal use. For every use there is an ideal site."

—John O. Simonds, landscape architect

1.4.1 Streets and Bikeways

Collector and local streets form the circulation system for the community, providing a safe and efficient movement of vehicles through the community as well as a backbone for a comprehensive system of multipurpose pathways. The street system of Harmony incorporates the following features:

- Local streets designed to slow vehicular traffic utilizing adjacencies to open space, landscaped areas, and narrowed yet safe intersections to influence a driver's peripheral vision and encourage drivers to proceed more slowly
- A system of bikeways integrated into the design of the community to encourage bicycle travel as an alternative to the automobile

1.4.2 Residential Architecture and Site Planning

Harmony incorporates architecture reminiscent of the project area's ranching history combined with comprehensive site planning that works with the natural environment to produce a community of aesthetic and functional harmony, provides a sense of place for residents, and retains environmentally sensitive areas through the following:

- Residential neighborhoods designed with varied housing types and architectural styles and elements within each neighborhood
- Green streets linked with natural drainage features and distinct landscaping in a manner friendly to pedestrians while being accessible to bicycles and automobiles
- A circulation system that connects neighborhoods to parks, open space, public uses, commercial uses, and recreational areas for residents to either walk, bike, or drive to

1.4.3 Commercial Architecture and Site Planning

Harmony features a neighborhood commercial site for small commercial uses. In addition, some residentially designated areas of Harmony are designated with a neighborhood commercial overlay, allowing them the flexibility to develop as either their underlying residential land use or as neighborhood commercial, based on market conditions.

- Neighborhood commercial located along major vehicular roadways, providing easy vehicular access from streets surrounding the community and reducing cut-through trips
- Commercial buildings are oriented to the street wherever possible to create an urban edge and sense of arrival

1.5 GOVERNING DOCUMENTS

Development of Harmony will be governed by the following:

1. The City of Highland General Plan, as amended, which establishes policies governing land use, circulation, housing, public services and facilities, conservation and open space, public health and safety, noise, economic development, community design, and airport elements
2. The Harmony Specific Plan, which includes a land use plan, infrastructure plan, development regulations, design guidelines, and implementation procedures, and which establishes the General Plan policies for the Specific Plan area
3. The Highland Municipal Code, as amended, which governs development within the Specific Plan area in instances where the Specific Plan is silent on development standards and regulations
4. The City of Highland Municipal Code, as amended, regulating the subdivision of land within the Specific Plan area
5. Covenants, Conditions, and Restrictions (CC&Rs) to be established by the developer of Harmony as a private contract binding property owners with specific restrictions on the use of their property, and establishing a homeowners association (HOA) as a means of governance, revenue collection, and management of HOA functions
6. The Harmony Specific Plan Development Agreement, which will incorporate the phasing of the Specific Plan and provide for the financing of infrastructure. The Development Agreement will be forwarded to City Council for approval along with the Harmony Specific Plan

1.6 ACTION EXPECTATIONS

Numerous statements occur in this plan in the form of policies, standards, and guidelines that define action expectations to successfully implement the plan. The following terms clarify the level of commitment intended in the plan and reflect the expectation or desired outcome. The application of each term to a particular policy or action is a deliberate application of these definitions.

Shall. This type of policy will always be followed. Shall represents an absolute commitment to the guidance expressed in the policy. (Similar action words: require, enforce, must, ensure)

May. This type of policy will be followed in most cases, and exceptions or degrees of implementation are acceptable with valid reasons. (Similar action words: should)

Encourage. This type of policy is voluntary and is not required to be followed. (Similar action words: promote, support)

Allow. Permit someone else's initiative and support it unless there is a very good reason not to. (Similar action words: control, limit, contain)

Restrict. This type of policy sets specific limits within which action and/or implementation will occur. (Similar action words: control, limit, contain)

Prohibit. This type of policy requires steps to actively prevent a specified condition or decision from occurring. (Similar action words: forbid, ban)

1.7 SPECIFIC PLAN COMPONENTS

The Harmony Specific Plan is organized into the following chapters in addition to Chapter 1, Executive Summary.

Chapter 2 - Introduction

The Introduction acquaints the reader with:

- Specific Plan goals, policies, and objectives
- The project setting
- A general description of the project proposal
- The relationship of the Specific Plan to the City of Highland General Plan and Zoning Code
- A description of the General Plan Amendments necessary to implement the project

Chapter 3 - Existing Conditions

The physical setting for Harmony is described in this chapter, which outlines the existing physical conditions on and around the Specific Plan area.

Chapter 4 - Community Plan

This chapter describes the land use planning areas and the types, density, and intensity of uses within each planning area.

Chapter 5 - Infrastructure and Services

This chapter provides conceptual plans and information on the community's backbone water, sewer, and storm drain systems, the grading concept for the development of the project, and a discussion of public facilities provided and public utilities needed to serve the community.

Chapter 6 - Circulation

This chapter provides conceptual plans and information on the community's circulation system, including trails and public transit.

Chapter 7 - Residential Design Guidelines

The Harmony Residential Design Guidelines are intended to direct the site planning and architectural quality of the development, and include:

- Community recreation and common facilities
- Single-family detached, enclave, single-family attached, and multifamily homes

Chapter 8 - Commercial Design Guidelines

The Harmony Commercial Design Guidelines are intended to direct the site planning, landscape, and architectural quality of commercial, mixed-use and other non-residential development.

Chapter 9 - Landscape Design Guidelines, Parks, and Amenities

The Harmony Landscape Design Guidelines contained in this chapter are intended to direct the quality of the community landscape. Park types and design recommendations are also included in this chapter, along with details regarding design amenities such as entry monumentation, walls and fences, site furniture, and signage.

Chapter 10 - Development Regulations

Regulations contained in this chapter will establish permitted and conditionally permitted uses for the community and the standards regulating the development of land uses within the Specific Plan area. The relationship of the Harmony Specific Plan development regulations to the Highland Municipal Code is also provided. This chapter also contains Harmony's commitment to sustainable design features for both residential and nonresidential development.

Chapter 11 - Implementation

The Implementation chapter presents:

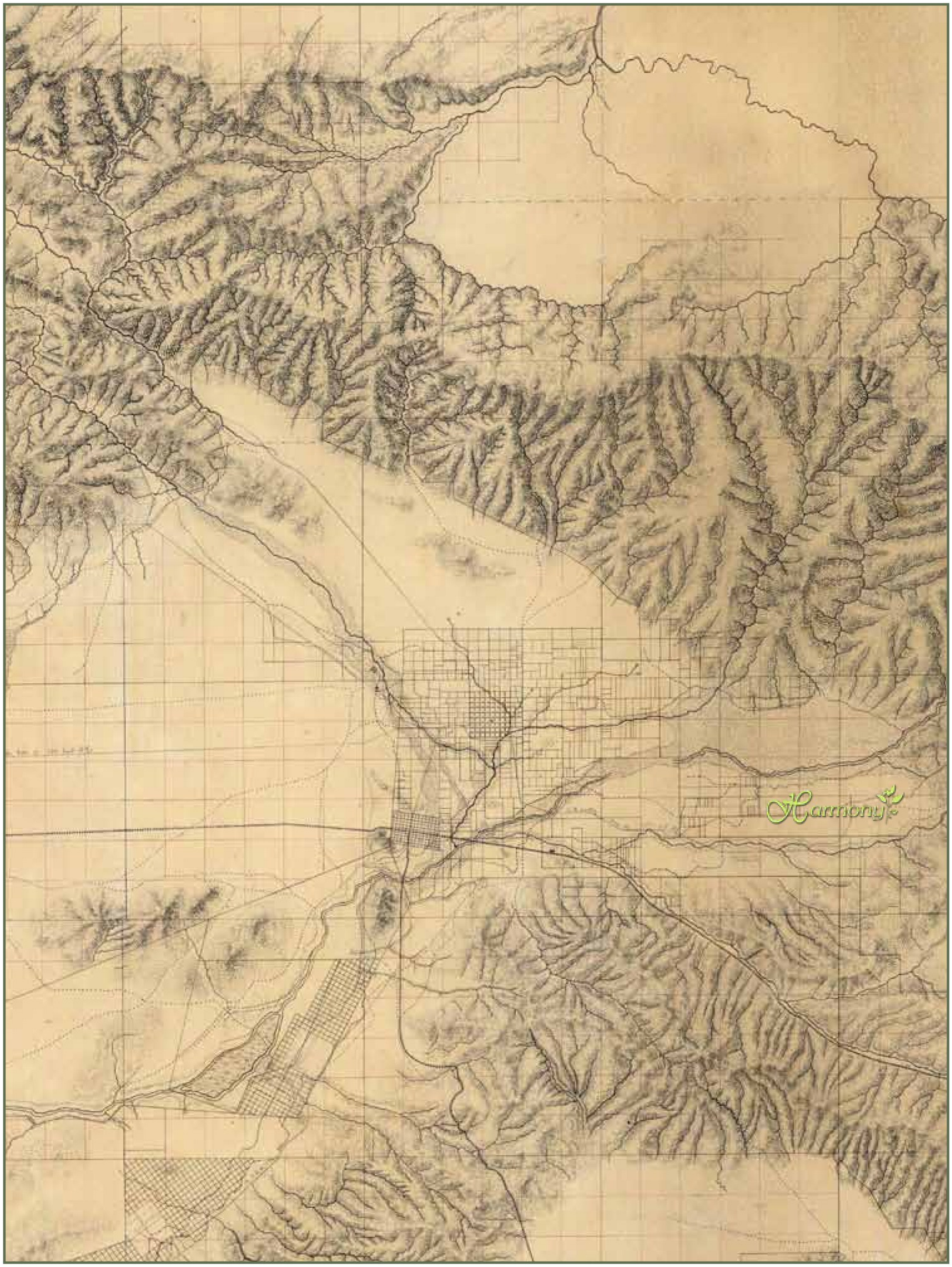
- The policies and procedures for the review and approval of specific development proposals within the Harmony Specific Plan by the City of Highland
- The methods and procedures for interpreting and amending the Specific Plan as necessary
- A summary of public project financing and project maintenance responsibilities for new development within the Specific Plan area

Chapter 12 - General Plan Consistency

This chapter includes a discussion describing the relationship of the Harmony Specific Plan to the Goals of the City of Highland General Plan.

INTRODUCTION

Chapter 2


Harmony

2.1 SPECIFIC PLAN OVERVIEW

To design with nature is to create healthy relationships between human and natural communities. At Harmony, this is realized through the preservation of sensitive habitats and mountain environments, restoration of a disturbed landscape, and the integration of natural functions—such as stormwater infiltration—into the built environment. It is also realized through the wealth of opportunities for interaction with the landscape: the majestic backdrop of the San Bernardino Mountains, the peacefulness of the river corridors, the profundity of the canyons, and the rich bounty of local croplands. Harmony's wide range of open and green spaces provide endless opportunities for recreation, reflection, learning, and community interaction.

The Harmony Specific Plan is an approximately 1,650-acre area in the southeastern most part of the City of Highland, San Bernardino County, California, at the base of the San Bernardino National Forest. During the second half of the 1990s the property played a significant role in the construction of the 550-foot-high Seven Oaks Dam. From 1994 to 1999, approximately six million cubic yards of impervious material needed for construction of the earthen dam were removed or "scraped" from the property and hauled to the Seven Oaks Dam site via a conveyor system. Following completion of the dam, the removal of materials at the site was discontinued and the property was left vacant and undeveloped, as it remains today.

The City of Highland annexed the project area in 2000 and later designated it Planned Development in its General Plan. In applying the Planned Development designation to the newly annexed area, the City of Highland made clear its intention for the property to develop into a high-quality master-planned project, with a greater level of community amenities and cohesiveness, superior design, and a more desirable living environment than could be achieved through conventional subdivision design and requirements.

The Harmony Specific Plan is a comprehensive plan for the development of a new 21st-century community combining environmental stewardship of the natural features within and around the Specific Plan area with development of traditional residential neighborhoods designed at a human scale and located within walking and biking distance to preserved open space, recreation areas, schools, and social gathering places.

The creation of a sustainably designed, planned community is a fundamental objective for the Harmony Specific Plan. State of the art water reclamation and groundwater recharge technology for water reuse is planned to supplement the water needs of the community, thereby completing the water cycle. A neighborhood commercial center, school, parks and open space are within walking or biking distance to residences through a comprehensive network of pedestrian and bicycle trails connecting the community and offering an alternate means of travel to the automobile.

The Harmony Specific Plan serves as a mechanism to ensure that the development of the new community is accomplished in a cohesive manner and that the community is served by adequate infrastructure, open space, parks, and public facilities. The adoption of the Harmony Specific Plan by ordinance establishes the zoning districts of the Harmony Specific Plan area the zoning regulations governing development of the Specific Plan area.

2.2 PROJECT SETTING

The Harmony Specific Plan encompasses approximately 1,650 acres of vacant land with some fallow, remnant orange groves. The site is bounded by national forest land to the north and a small, very low-density residential area to the northeast. The Mill Creek wash forms the southern boundary. Emerald Avenue and a portion of Tres Lagos Street are the boundaries for the southwestern portion of the subject property, and the Santa Ana Riverwash forms the boundary to the west and northwest. Citrus groves and a rural estate residential neighborhood are to the southwest of the project site, within the City of Redlands' sphere of influence. It is located approximately 6 miles east of the 210 freeway, 4.5 miles north of the 10 freeway and just north of SR 38. The property has limited access from Greenspot Road and Newport Avenue.

"If you have built castles in the air, your work need not be lost; that is where they should be. Now put foundations under them."

—Henry David Thoreau

2.3 PROJECT HISTORY

The Harmony Specific Plan area has been privately owned since the 1880s and corporately owned since the 1930s. During these years, the property was considered agricultural and associated with at least three relatively large "ranches" devoted to citrus and fruit growing—Featherstone Ranch, Brown Ranch, and Roberts Ranch. While no standing structures from this part of the project's past remain, foundations, roads, irrigation systems, and wells attest to the project area's past activities.

Featherstone Ranch was used for some citrus growing, but was better known for growing cherries and peaches. Some of the previously planted orchards remain, but all trees east of Emerald Avenue have been removed. The Featherstone property was eventually sold to Western Fruit Growers.

The Roberts Ranch was established prior to 1895 by William Roberts when he and his neighbor to the east invested in developing an irrigation system. Roberts maintained ownership of the property until 1907 when it was sold to the Mentone Heights Orange Company. This property was eventually consolidated with property to the west and known as the "Sunrise Ranch," owned by the Redlands Heights Orange Company and/or the East Highlands Orange Company.

The Brown Ranch was established by Mary A. Brown in the 1880s. The Brown property consisted of approximately 940 acres and was mostly unimproved while under the ownership of the Brown family. Subsequent owners (Mentone Groves, Mentone Heights Orange Company, and/or East Highland Heights Orange County) are credited with the large-scale development of the citrus orchards and infrastructure that carried the economy of the area between the 1910s and 1950s (and later). Brown Ranch is reported to represent one of the earliest ranches along the lower Mill Creek drainage.

Following the sales of the Featherstone, Roberts, and Brown properties (along with some smaller holdings) to larger agricultural businesses, the majority of the project area was subjected to improvements that included the removal of noncitrus trees, expansion of the citrus groves, the replacement and/or expansion of the irrigation systems, the alteration and reuse of earlier ranch facilities, and the development of additional support facilities to manage the orchards. These businesses—whether referenced as the Western Fruit Company, Mentone Heights Orange Company, Redlands Heights Orange Company East Highlands Orange Company or, collectively, as Sunrise Ranch—were also specifically credited with the development of the expansive standpipe irrigation system.

In general, the area was known in the post-1930s period as the Sunrise Ranch. During the active period of the Sunrise Ranch operations (ca. late 1920s through 1960s), the residential complexes associated with both the Featherstone and Roberts ranches were occupied and used as support facilities. Following the prime of Sunrise Ranch's agricultural production activities, most of the site and its farming features were destroyed by fire, neglect, and abandonment.

In concert with the rise and fall of its agricultural operations, the project area also played an important role in water delivery to the region. The development of water facilities in the vicinity of the Santa Ana River and Mill Creek date back to the early 1800s and the construction of the Mill Creek Zanja, just outside of the project area's boundaries. Within the project area there is evidence of three historic water delivery facilities: the Santa Ana River Highline Canal/Aqueduct (1892), the Sunnyside Ditch (1878), and the Redlands Canal. Most significantly, the

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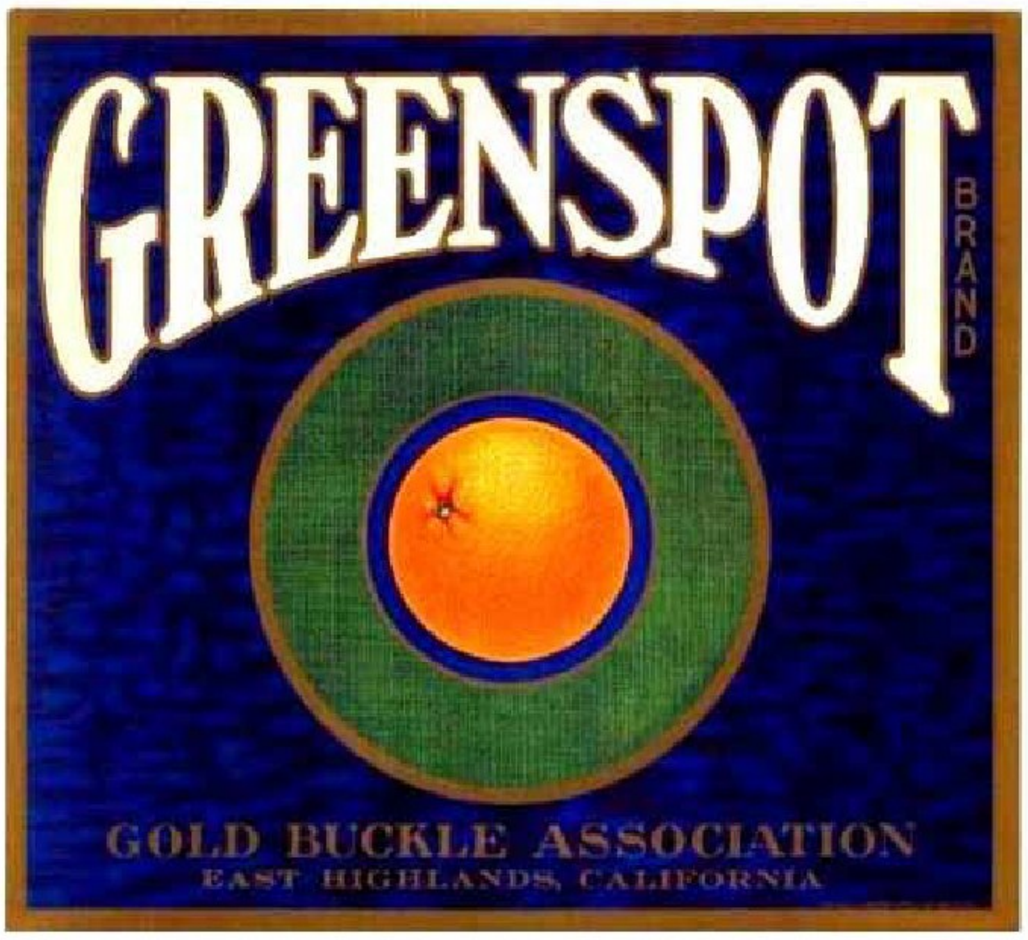
Santa Ana River Highland Canal was designed to provide Santa Ana River water to Moreno Valley, Crafton, and the Greenspot area. In 1910 a flood on the Santa Ana River forced the abandonment of the Greenspot Pipeline, which was subsequently rebuilt along a new alignment and renamed the Bear Valley Highline.

On December 14, 1989, the U.S. Army Corps of Engineers and the Orange, Riverside, and San Bernardino County Flood Control Districts (Local Sponsors) entered into a local cooperation Agreement (LCA) defining the responsibility and cost-sharing for each feature of the "Santa Ana River Mainstem Project". The Local Sponsors were to acquire all lands, easements, rights-of-way, and relocations required to make way for construction of the Santa Ana Mainstem Project, and the Corps of Engineers would construct the improvements. The three flood control districts agreed that cost sharing should be proportionate to flood control benefits, with the following allocation for the Seven Oaks Dam: Orange 87.7%, San Bernardino 7.03%, and Riverside 5.27%.

The Local Sponsors acquired approximately 1,650 acres near the construction site of the Seven Oaks Dam in unincorporated San Bernardino County. This property, often referred to as "Greenspot" or "Sunrise Ranch," was acquired for the impervious material needed for the construction of the earthen dam. Since the land was entitled as two separate residential developments at the time, the acquisition costs were high.

To simplify acquisition and disposition, title was held by the San Bernardino County Flood Control District during construction, and transferred to the Orange County Flood Control District upon completion of the Dam. Along with ownership of the property came majority ownership in the Tres Lagos Mutual Water Company, a small water company with a well, one storage tank, and water lines on the property. The minority ownership of Tres Lagos consists of five property owners to the south of the property who receive water from the well.

Construction of the 550-foot-high Seven Oaks Dam began in May of 1994 and was completed in November of 1999. Approximately six million cubic yards of material was excavated from the property and conveyed to the construction site. The excavated area of the property is known as the borrow site. Upon completion of the dam the borrow site property was transferred to the County of Orange, and in 2000 the City of Highland annexed the property.



A reservoir does not sound very picturesque, but consider this view on a 1911 postcard of a Redlands reservoir with 10,300-foot Mount San Bernardino in the center and 11,452-foot Mount San Gorgonio (Old Greyback) to the right. Add in that the orchards, green hills, and water, and it is indeed picturesque.

2.4 SPECIFIC PLAN PURPOSE

The City of Highland General Plan designates the Specific Plan area for Planned Development. Per the City's General Plan, development within areas designated Planned Development are to be processed through the use of a specific plan pursuant to Government Code Section 65450, a planned unit development, a conditional use permit, or a similar device. The City of Highland, in coordination with the County of Orange, has determined that a specific plan should be prepared for Harmony to ensure that the General Plan's goals and policies related to the comprehensive master planning of this property are implemented. This includes providing appropriate growth and comprehensive planning of new residential, neighborhood commercial, open space, and recreational land uses accompanied by adequate infrastructure and public facilities compatible with existing agriculture and residential land uses.

The approved Harmony Specific Plan will serve as the implementation tool for the General Plan and will amend the City of Highland's Zoning Code and Map to designate the property within the project boundaries as "Harmony Specific Plan (SPR-011-001)". The vision for the Harmony Specific Plan is achieved through the implementation of unique goals and objectives established for the Specific Plan.

2.5 SPECIFIC PLAN GOALS AND OBJECTIVES

Eight (8) goals have been identified for the Harmony Specific Plan. These goals, along with objectives and policies are explored in detail over the follow pages in Subsections 2.5.1 through 2.5.8.

2.5.1 Create a livable environment

2.5.2 Develop a land use plan responding to the unique environmental conditions of the area

2.5.3 Provide for a range of housing to meet the needs of a variety of economic segments

2.5.4 Create traditional residential neighborhoods

2.5.5 Meet residential needs for commercial, public facilities and other services

2.5.6 Plan for a circulation system serving motorists, bicyclists, and pedestrians (referred to as "complete streets")

2.5.7 Create a strong community identity for Harmony

2.5.8 Incorporate sustainable features into all aspects of the community

2.5.1 Goal: Create a livable environment

Objective

Implement a land plan for a livable community incorporating a balance of land uses adequately served by public facilities, a variety of transportation alternatives, infrastructure, and utilities, parks, and open space. A livable community should include features such as:

- Preservation and enhancement of natural features
- Facilitation of alternate means of mobility such as biking and walking
- Opportunities for informal neighborhood interaction
- Diverse architectural design of a high quality.
- Connectivity among neighborhoods
- Diversity and choice of housing types and opportunities for a variety of lifestyles and economic segments of the marketplace
- Commercial and service retail opportunities connected to residential areas through a network of bicycle and pedestrian trails
- A school site within walking distance of residences
- Passive and active recreational opportunities located throughout the community

Policies

1. Provide a balance of compatible and complementary residential, recreational, and commercial land uses in a well-designed community.
2. Create an aesthetically pleasing and distinct community identity with a "sense of place" through the establishment of design criteria for architecture, landscaping, walls, street improvements, signs, entry monuments, and other planning and design features. Create a sense of internal community connectivity and enhance the relationship of buildings to the street within the Specific Plan area
3. Provide a range of housing types, including entry level homes, estate homes, move-up homes, apartment homes, and active adult homes.
4. Preserve features of historical and cultural significance
5. Reinforce community identity through the control of project design elements such as architecture, landscaping, color, paving, walls, fencing, signage, entry treatments, and circulation.
6. Link streets together in a pedestrian- and bicycle- friendly manner connecting residential neighborhoods, open space, parks, and schools.
7. Provide for adequate public facilities as part of the development, including, fire, schools, and parks.

2.5.2 Goal: Develop a land use plan responding to the unique environmental conditions of the area

Objective

Address topographic, geologic, hydraulic, and environmental opportunities and constraints as part of the community plan.

Policies

1. Provide for adequate flood control measures designed to contain on- and offsite flows affecting the property
2. Consider the existing topographic, geologic, and hydrologic site conditions in creating the land plan
3. Provide facilities for water quality treatment
4. Implement a habitat enhancement plan through the removal of invasive and nonnative vegetation and introduction of restored native habitat, and incorporate a planting plan using drought-tolerant and native plant materials as a community design feature
5. Concentrate development of new uses within defined Planning Areas, and buffer natural open space areas from development within fire safety zones in order to provide fire safety to development and to preserve substantial natural habitat within the Specific Plan area
6. Design a land plan to optimize views of the San Bernardino Mountains and valley areas
7. Provide a network of publicly accessible trails to encourage walking and biking to view areas

2.5.3 Goal: Provide for a range of housing to meet the needs of a variety of economic segments

Objective

Anticipate market needs and public demand by providing homes that will be marketable within the evolving economic profile of the surrounding region.

Policies

1. Provide a range of housing choices through a variety of attached and detached housing options in one master-planned community
2. Provide the potential for gated communities
3. Create the potential for development of active adult villages

2.5.4 Goal: Create traditional residential neighborhoods

Objective

Incorporate the tenets of livable residential neighborhoods into the design of neighborhoods.

Policies

4. Provide diversity in architectural design that is compatible with historical styles
5. Design residential neighborhoods at a human scale and oriented to pedestrian activity
6. Provide connectivity between residential neighborhoods, commercial areas, schools, recreational areas, and other facilities through a comprehensive network of pedestrian paths, on-street bicycle lanes, and multipurpose trails
7. Incorporate a variety of housing types into the land use plan addressing lifestyle considerations of singles, families, and empty nesters
8. Promoting active and passive recreational activity and casual social interaction among neighbors

2.5.5 Goal: Meet residential needs for commercial, public facilities, and other services

Objective

Provide for commercial, agriculture, recreation, and other public facilities to meet demand.

Policies

1. Provide sites for the development of new neighborhood commercial uses to meet the needs of the residential community as the market demand changes over time
2. Provide a site for a new elementary school to serve the community (and participate with the school district in the planning of school facilities)
3. Provide for construction of new public infrastructure improvements adequate to serve the new community as part of the development
4. Provide fire protection service in accordance with the approved Fire Master Plan (on file at the City of Highland)

2.5.6 Goal: Plan for a circulation system serving motorists, transit users, bicyclists, and pedestrians

Objective

Create a pedestrian-friendly, bicycle-friendly, and transit-ready circulation system that encourages walking and biking while providing for the safe and efficient movement of automobiles through the community.

Policies

1. Create an environment inviting to bicycle and pedestrian travel through the use of landscaped parkways and walkways separate from the street
2. Coordinate with Omnitrans to provide bus service to Harmony that will connect to other local and regional destinations
3. Coordinate with Omnitrans on the location and design of a transit stop(s)

2.5.7 Goal: Create a strong community identity for Harmony

Objective

Implement a community design providing a sense of place and promoting a sense of belonging to the City of Highland and Harmony.

Policies

1. Create a plant palette for community greenways (deep canyons that drain the community), slopes, and fuel modification zones to enhance the street scene and promote walkability
2. Join the community with the adjacent landscape using agricultural plantings or other historically relevant landscape techniques
3. Create a strong sense of arrival into the project
4. Encourage outdoor activity and wellness by providing parks, open space, and a community recreation center that are connected by pedestrian walks and paseos to residential areas, along with connections to a regional trail network
5. Have joint use of park and school facilities
6. Create an open space setting for the community through conservation and enhancement of open space

2.5.8 Goal: Incorporate sustainable features into all aspects of the community

Objective

Implement a community plan incorporating the fundamentals of smart growth and sustainability. See Chapter 10, Development Standards, for further details regarding Harmony's Sustainable Design features for residential and nonresidential development.

Policies

1. Design homes to provide opportunities for home offices, allowing people to work from home and reduce driving time and vehicle emissions
2. Reduce roadway widths and use of nonpervious materials as much as possible to minimize heat-generating asphalt surfaces and surface runoff of water
3. Develop a plant palette to include canopy trees to achieve natural ventilation and cooling
4. Incorporate climate-appropriate plant materials or drought-tolerant plant materials into the landscaping plan for public spaces and encourage homeowners to utilize drought tolerant plant materials in private yard areas
5. Maintain natural habitat within permanent open space areas and reintroduce historical indigenous habitat and species into open space areas and waterways

2.6 SPECIFIC PLAN SUMMARY

The Harmony Specific Plan proposes the development of:

- Residential
- Neighborhood Commercial
- Parks and Recreational Facilities
- Community Public Facilities

Of the project area's 1,650 acres, approximately 875 acres, or 53% of the entire community, is reserved for parks, recreation and open space. A summary of the Specific Plan's acreage by land use category is provided in Table 2.1, "Land Use Acreage Summary." The comprehensive land use plan for Harmony Specific Plan is illustrated in Exhibit 4-1, "Community Plan," and described in Table 4.1, "Comprehensive Land Use Summary."

Planning Areas 20A and 20C (13.9 total acres) and a 1.0-acre portion of each Planning Areas 35 and 40 have been designated with a Neighborhood Commercial (NC) overlay. Areas designated with an NC overlay may develop as their underlying residential land use, as neighborhood commercial, or as a combination of the two uses. If the site designated with an NC overlay develops as residential, its acreage and units are reflected in the "Without NC Overlay" scenario columns of Table 2.1. If the area designated with an NC overlay develops as neighborhood commercial, its acreage and building square footage are reflected in the "With NC Overlay" scenario of Table 2.1. Please refer to Page 4-6 for further information on areas designated with a Neighborhood Commercial overlay.

"Growth is inevitable and desirable, but destruction of community character is not. The question is not whether your part of the world is going to change. The question is how."

—Edward T. McMahon, The Conservation Fund

TABLE 2.1 LAND USE ACREAGE SUMMARY

LAND USE	ADJUSTED GROSS ACREAGE[1]	
	Without NC Overlay	With NC Overlay
Residential		
Estate Residential, ER (0–2.0 du/ac)	84.4	84.4
Low Density Residential, LDR (2.1–6.0 du/ac)	323.0	322.0
Medium Density Residential, MDR (6.1–12.0 du/ac)	169.0	155.1
Medium-High Density Residential, MHDR (12.1–20.0 du/ac)	34.4	34.4
High Density Residential, HDR (20.1–30.0 du/ac)	8.9	7.9
Residential Subtotal	*619.7 (37%)*	*603.8 (36%)*
Neighborhood Commercial		
Neighborhood Commercial, NC	5.7	21.6
Neighborhood Commercial Subtotal	*5.7 (0.5%)*	*21.6 (1.5%)*
Recreation and Open Space		
Parks, P	104.2	104.2
Community Greenway, CG (including Agriculture Overlay)	111.8	111.8
Private Recreation, PR	4.3	4.3
Natural Open Space, NOS	582.1	582.1
Manufactured Open Space, MOS	72.0	72.0
Recreation and Open Space Subtotal	*874.4 (53%)*	*874.4 (53%)*
Community Public Facilities		
Elementary School, S	8.3	8.3
Public Facilities, PF	20.0	20.0
Right-of-Way, ROW	129.2	129.2
Community Public Facilities Subtotal	*157.5 (9.5%)*	*157.5 (9.5%)*
TOTAL	1,657.3	

1. Gross acreage for a defined area (see Chapter 10) minus the roadway network shown on Exhibit 6-1, "Master Circulation Plan".

2.6.1 Residential Land Use

Residential land use comprises approximately 658 acres of the Harmony Specific Plan, providing a variety of residential detached and attached housing types.

Harmony consists of 48 distinct residential planning areas, 4 of which (15.9 total acres) are entirely or partially covered by a Neighborhood Commercial Overlay. The following categories of residential land use are planned for Harmony.

- Estate: 4 planning areas
- Low Density: 24 planning areas (one planning area is partially covered with a Neighborhood Commercial Overlay)
- Medium Density: 15 planning areas (two planning areas are entirely covered with a Neighborhood Commercial Overlay)
- Medium-High Density:4 planning areas
- High Density: 1 planning area (partially covered with a Neighborhood Commercial Overlay)

2.6.2 Commercial Land Use

Approximately 5.7 acres of Harmony are planned for development of neighborhood commercial land uses to provide retail goods and services to Harmony and the surrounding community. In addition, one acre within the Community Parkway (PA 66) has been designated with an Agriculture Overlay; this area is envisioned to provide space for community gardens, stands for local farmers to sell their produce, and/or potentially recreational amenities for residents and complement the neighborhood commercial uses. An additional 15.9 acres of neighborhood commercial are allowed in residential areas designated with a Neighborhood Commercial Overlay. For further details, see Chapter 4, Community Plan.

2.6.3 Recreation and Open Space

The Harmony Specific Plan includes the development of approximately 216 acres as parks and a community greenway. Parks will be improved as active and passive recreational areas. Active parks could include soccer fields and baseball diamonds as well as open play areas, picnic tables, and informal gathering areas, while passive parks are design for activities such as walking, hiking and quiet reflection. Harmony offers its residents the opportunity to connect with the natural topography of adjacent mountains and the site's drainage features along its multipurpose trails that meander through the community's greenway system. The project's community greenways are an important part of Harmony's park and recreation system in addition to the important role they play in the water system. See Chapter 9, Landscape Design Guidelines, Parks, and Amenities for further details.

Harmony's park areas include a multiuse trail system connecting the Specific Plan area to existing and planned bikeways in the City of Highland and hiking and biking trails in the natural open space. The Harmony Specific Plan provides for development of greenways and trails linking each planning area of the Specific Plan to parks, open space, natural wetlands, commercial areas, and schools. These greenways and trails offer pedestrian and bicycle access throughout the entire Specific Plan area, connecting residential areas to public facilities, commercial uses, parks, and open space planned within Harmony, and providing new residents with access to community-wide amenities and facilities.

A signature feature of Harmony is the provision of approximately 4.3 acres for The Parkhouse, a private recreation facility featuring a clubhouse, swimming pool, and other active and passive amenities.

2.6.4 Community Public Facilities

The Harmony Specific Plan provides for development of one elementary school on a 8.3-acre site (PA 19A). The elementary school site is adjacent to a 5.0-acre joint-use neighborhood park at the center of the community to ensure equitable access for all Harmony residents. The elementary school will be accessible by pedestrians and bicyclists via the proposed multipurpose trail network.

Harmony has also identified a 1.5-acre site for the development of a new fire station. Additional public facilities totaling 18.5 acres, including water reservoirs, water treatment sites, and other similar facilities, are identified on Exhibit 4-1, "Community Plan".

2.7 AUTHORITY AND REQUIREMENTS OF THE SPECIFIC PLAN

State of California Government Code, Title 7, Division 1, Chapter 3, Article 8, Sections–65450-57 grants authority to cities and counties to adopt specific plans for purposes of implementing the goals and policies of their general plans. The Government Code specifies that specific plans may be adopted either by resolution or by ordinance and that the specific plan is required to be consistent with the general plan. The Government Code sets forth the minimum requirements and review procedures for specific plans, including provision of a land use plan, infrastructure and public services plan, criteria and standards for development, and implementation measures. The Government Code also states that specific plans may address any other subjects that, in the judgment of the local agency, are necessary or desirable for implementation of the general plan.

California Government Code Section 65451 sets forth the minimum requirements and review procedures for Specific Plans as follows:

"A Specific Plan shall include a text and a diagram or diagrams which specify all of the following in detail:

1. The distribution, location, and extent of the uses of land, including open space, within the area covered by the plan;
2. The proposed distribution, location, and extent and intensity of major components of public and private transportation, sewage, water, drainage, solid waste disposal, energy, parks, and other essential facilities proposed to be located within the area covered by the plan and needed to support the land uses described in the plan;
3. Standards and criteria by which improvements will proceed, and standards for the conservation, development, and utilization of natural resources, where applicable, and
4. A program of implementation measures including regulations, programs, public works projects and the financing measures necessary to carry out paragraphs 1, 2, and 3 above.
5. The Specific Plan shall include a statement of the relationship of the Specific Plan to the General Plan."

Further, the Highland Municipal Code Section 16.60.050 items D through G state that a Specific Plan shall also include the following:

D. "A statement of its relationship to the general plan including a detailed statement and/or matrix of how the specific plan implements the goals and policies of the general plan.

E. Project phasing of all improvements and development.

F. Responsibility of the developer, the city and any other agencies shall be clearly identified in the phasing section of the document.

G. Agreements which require city participation, developer contribution, or construction of facilities shall be identified and discussed. (Ord. 171 § 15.50, 1994)"

The Harmony Specific Plan is designed to meet the requirements of the State of California Government Code and the Highland Municipal Code and will be adopted by ordinance.

2.8 DEVELOPMENT APPROVAL COMPONENTS

The adoption of the Harmony Specific Plan is one step in a process leading to the development of the Specific Plan area. The components of the development approval process for the Harmony Specific Plan area are discussed below.

2.8.1 General Plan Amendment

The City of Highland will adopt a General Plan amendment as part of approving the Harmony Specific Plan. This General Plan amendment will enable the City of Highland to implement General Plan land use and circulation policies within the Specific Plan area in a manner that addresses the physical characteristics of the Specific Plan area. The General Plan amendment proposed in conjunction with approval of the Harmony Specific Plan include:

1. General Plan Land Use Element: Amend Land Use Element Table 2.1 Notes to reflect the correct "assumed density" for the Seven Oaks Planned Development area of 2.2 du/ac.
2. General Plan Circulation Element Amendment. New roadway classification and cross-section and updated Roadway Network Map and Bikeways Map (pending outcome of traffic study).

2.8.2 Zone Change

The City will adopt Zone Change No. ZC 011-003 to change the existing zoning classification from Planned Development to SPR 011-001.

2.8.3 Specific Plan

The Harmony Specific Plan, when adopted, will serve as a legal document that implements the General Plan land use designation of Planned Development and the "Harmony Specific Plan (SPR-011-001)" zoning district for the Specific Plan area. The Specific Plan will serve as a blueprint for development by establishing the distribution of land use and the criteria for development of each land use as set forth herein. The Specific Plan establishes the development requirements and guidelines to be applied to each phase of development within the Specific Plan area. In this regard, all future development plans, tentative parcel and/or tract maps, or other similar entitlements shall be consistent with regulations set forth in this document and will follow all applicable City regulations.

Any standard or regulation contained in this Specific Plan that differs from Title 16 Land Use and Development of the Highland Municipal Code (Highland Municipal Code) or its planning and zoning laws shall take precedence over and shall supersede the Highland Municipal Code or planning and zoning laws. Where any discrepancy occurs between this Specific Plan and any zoning or land use laws of the City of Highland, the terms of this Specific Plan shall govern. In instances where this Specific Plan is silent, the provisions of the Highland Municipal Code shall prevail as interpreted by the Community Development Director or Planning Commission to be applicable.

2.8.4 Subdivision Maps/Final Development Plans

Tentative tract maps, final tract maps, and development plans for the development within the Specific Plan area will be reviewed and approved by the City of Highland pursuant to the approval of the Harmony Specific Plan (please see Chapter 11, Administration). Tentative tract maps, final tract maps, and development plans will be prepared pursuant to the applicable provisions of the State of California Subdivision Map Act (Government Code Section 66410 through 66499), the City of Highland Municipal Code, as amended, and Zoning Ordinance, and consistent with the applicable provisions in the Harmony Specific Plan.

2.8.5 Development Agreement

A development agreement may be approved by the City of Highland. The development agreement will provide a framework for the development of Harmony, establishing provisions related to phasing of development, timing of infrastructure and public facilities, and provisions for infrastructure financing.

2.9 RELATIONSHIP OF THE SPECIFIC PLAN TO THE CITY OF HIGHLAND'S GENERAL PLAN

California Government Code (Title 7, Division 1, Chapter 3, Article 8, Sections 65450–65457) permits the adoption and administration of a specific plan as an implementation tool for elements contained in the local general plan. Specific plans must demonstrate consistency in regulations, guidelines, and programs with the goals and policies set forth in the general plan. A consistency analysis between the Harmony Specific Plan and the City of Highland General Plan is provided in Chapter 12.

The City of Highland General Plan sets forth the following topics, which may be amended time to time, to address the state-mandated and optional general plan elements:

- Land Use
- Circulation
- Public Services and Facilities
- Conservation and Open Space
- Public Health and Safety
- Noise
- Housing
- Economic Development
- Community Design
- Airport

2.10 CEQA COMPLIANCE

An EIR has been prepared by the City of Highland for the Harmony Specific Plan in accordance with the California Environmental Quality Act (CEQA) and City of Highland requirements to provide a detailed analysis of potential environmental impacts associated with the development of the Specific Plan area. The EIR prepared for the Harmony Specific Plan addresses the potential impacts associated with the project at a program level for the Specific Plan area. The EIR includes recommended mitigation measures for the project. The Harmony Specific Plan EIR has been prepared to fulfill the requirement for environmental determinations for all subsequent discretionary and ministerial applications for development within the Harmony Specific Plan. The Program EIR Mitigation Monitoring Program is attached as an Appendix.

2.11 SEVERABILITY

If any regulation, condition, program, or portion of the Harmony Specific Plan is held invalid or unenforceable, such portions shall be deemed separate, distinct, and independent provisions, and the invalidity of such portions or provisions shall not affect the validity and enforceability of the remaining portions and provisions therein.

SITE HISTORY

Chapter 3

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3.1 SITE HISTORY

For the first half of the 20th century the Harmony Specific Plan area was home to several private and commercial agricultural ranches. By the 1960s agricultural activities on the site had declined considerably, and by the 1990s most of the groves and crops had been abandoned. No standing structures related to the area's agricultural history remain, but foundations, roads, irrigation systems, and wells attest to the activities of the past 100 years. In the areas devoid of trees, the terracing of the landscape is still evident and a physical reminder of the property's rich past.

In the early 1990s the site's character, topography, and natural drainage features were again impacted when it became a borrow site for materials used to construct the Seven Oaks Dam. After competition of the dam, borrow activities ceased and the property has been vacant since that time. Existing land uses are illustrated on Exhibit 3-1 "Existing Land Uses".

3.2 PROPERTY OWNERSHIPS

The Harmony Specific Plan area consists of approximately 1,650 gross acres. The Specific Plan area consists of portions or the entirety of 25 parcels owned by the Orange County Flood Control District.

3.3 SURROUNDING LAND USE

At the base of the San Bernardino Mountains, Harmony is well positioned to take full advantage of all that the surrounding mountains, canyons, and river corridor have to offer. The community occupies only a narrow portion of this dramatic landscape, yet is intrinsically connected to the beauty and natural wonders it affords through scenic views and extensive trail networks.

Land uses adjacent to the Specific Plan area include:

- North: San Bernardino National Forest
- South: The Mill Creek Wash
- West: Citrus groves and scattered residents to the southwest, the Santa Ana River wash to the west and northwest
- East: A rural low-density residential development containing large custom homes on large acreage sites.

"Before beginning, plan carefully."

—Marcus Tulius Cicero, Roman statesman and orator

The undeveloped areas surrounding the Specific Plan area are designated for the following land uses:

- South: Planned Development (within the City of Highland); Flood Control/Construction Aggregates Conservation/Habitat Preservation (within the City of Redlands)
- West: Rural Living-10-Agricultural Preserve and Resource Conservation-Agricultural Preserve (within the County of San Bernardino); Flood Control/Construction Aggregates Conservation/ Habitat Preservation (within the City of Redlands); Open Space, Planned Development, and Agricultural/Equestrian (within the City of Highland)
- East: Rural Living-5, Rural Living-10-Agricultural Preserve, Single Residential (within the County of San Bernardino);

Exhibit 3-2 "Surrounding Land Use," illustrates the General Plan land use designations surrounding the Harmony Specific Plan area.

3.4 PHYSICAL SITE FEATURES

3.4.1 Topography

The project site is located at the foothills of the San Bernardino National Forest east of the Santa Ana River and north of Mill Creek. The Harmony area can be characterized as mostly gently sloping and rolling terrain in the south and west, with moderately to steeply sloping terrain in the north and northeast. The elevation of the site varies from approximately 1,800 feet above sea level along the western boundary to approximately 2,700 feet above sea level at the foothills on the northeast side of the property. Onsite drainages generally flow in a southwesterly direction into the Santa Ana River and Mill Creek.

The topographic conditions found within the Specific Plan area are illustrated on Exhibit 3-3, "Existing Site Topography."

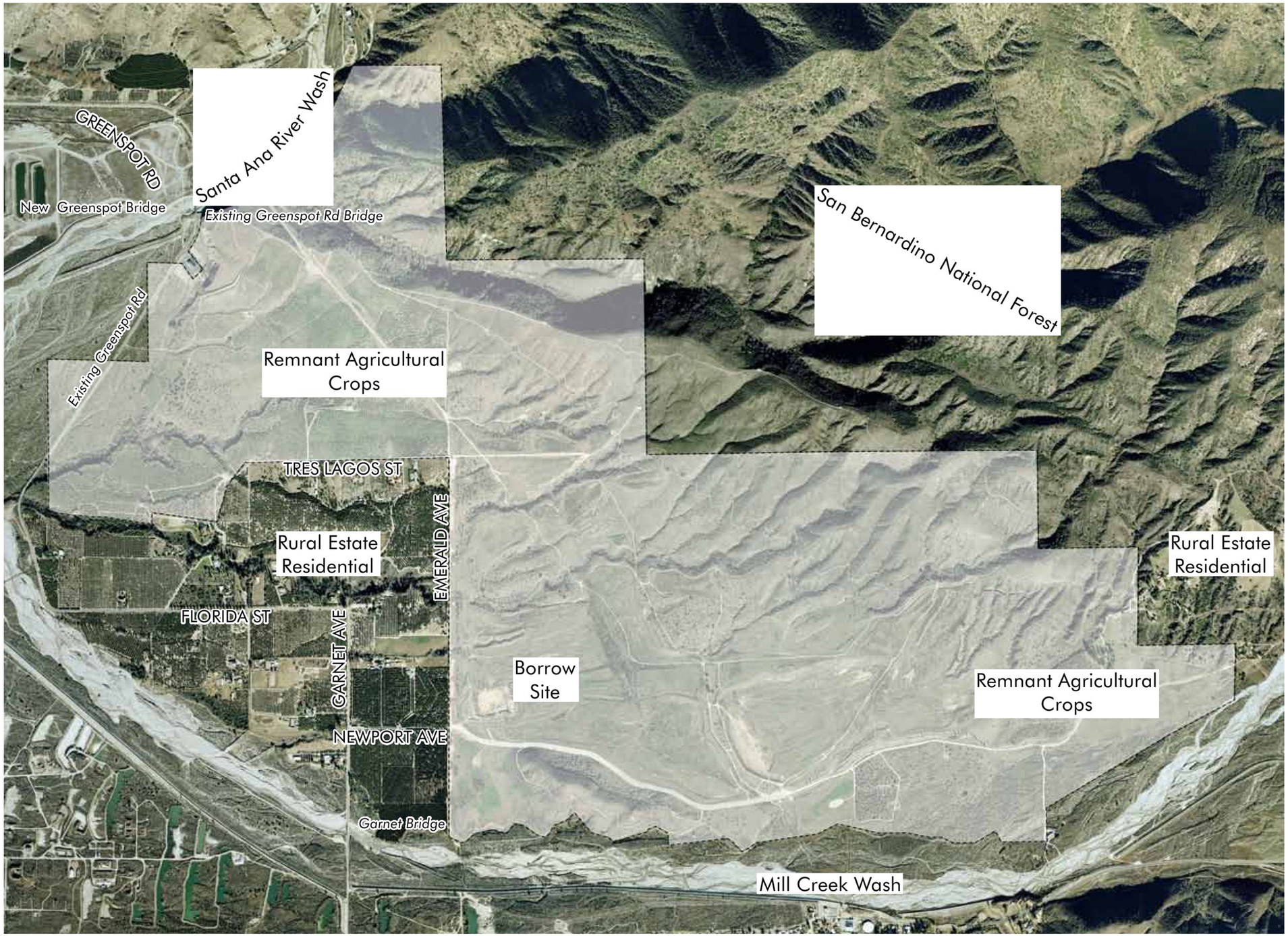
3.4.2 Site Opportunities and Constraints

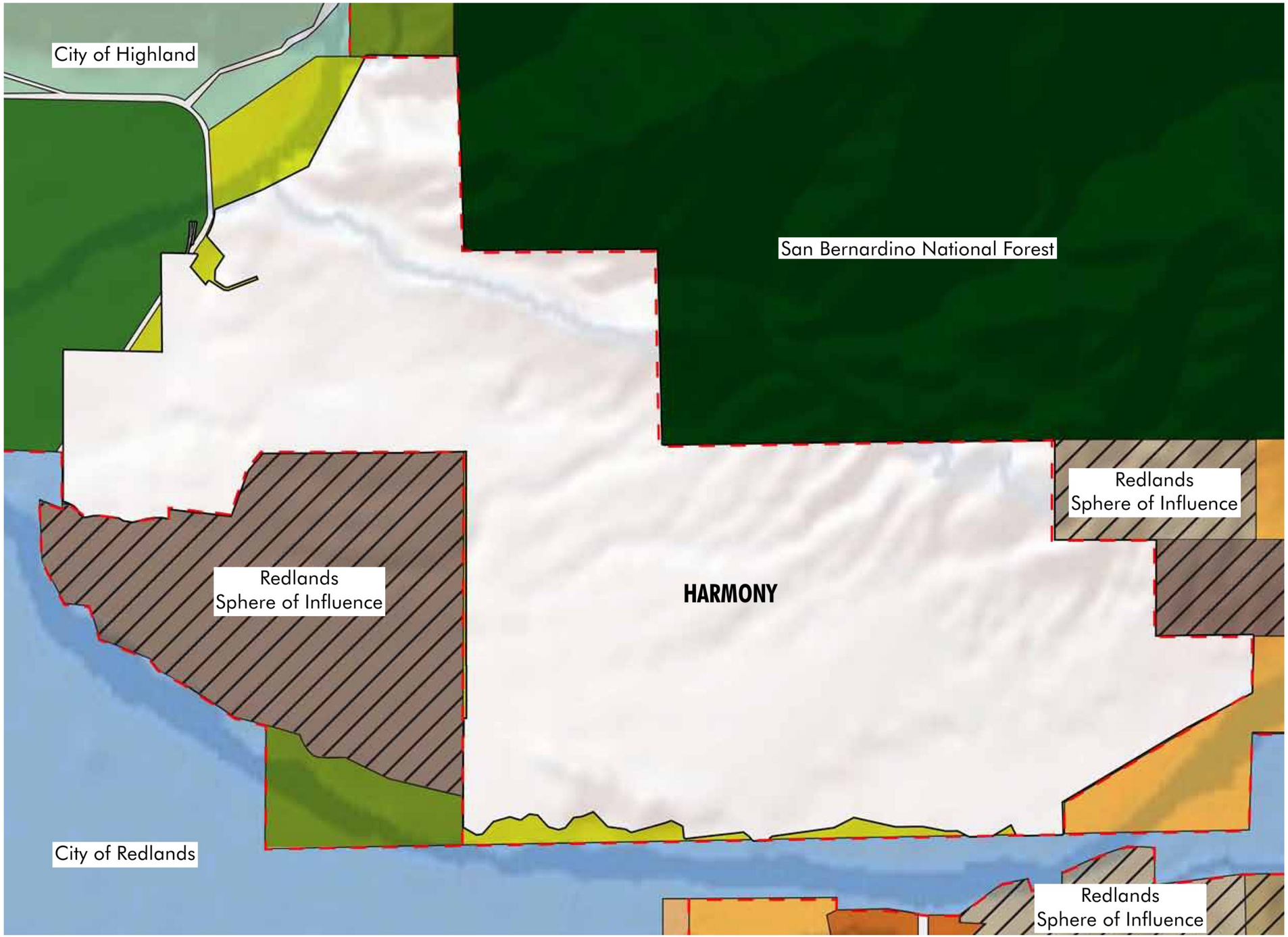
Exhibit 3-4, "Site Opportunities and Constraints," illustrates the physical site characteristics of the Specific Plan area, including:

- Ridges
- Scenic vistas
- Hydrology
- Easements
- Seismic constraints
- Vegetation
- Significant habitat
- Biology
- Water
- Cultural resources
- Historic resources

3.4.3 Geology

The northern portion of the site is located within the San Andreas Earthquake Fault Zone, as designated by the State of California. Several strands of the active San Andreas fault cross through the site. An active fault is defined as one that has had surface displacement with Holocene time (about the last 11,000 years). Although several other faults have been mapped within the site (as depicted on Exhibit 3-4), none have been identified as active by the State of California or San Bernardino County. A fault study conducted by Converse in 2011 determined that all of the known onsite faults are "not active" according to the definitions established by the State of California.


GREENSPOT RD
Santa Ana River Wash
New Greenspot Bridge
Existing Greenspot Rd Bridge
San Bernardino National Forest
Existing Greenspot Rd
Remnant Agricultural Crops
TRES LAGOS ST
EMERALD AVE
Rural Estate Residential
FLORIDA ST
GARNET AVE
Borrow Site
Rural Estate Residential
Remnant Agricultural Crops
NEWPORT AVE
Garnet Bridge
Mill Creek Wash



LEGEND

Unincorporated San Bernardino County

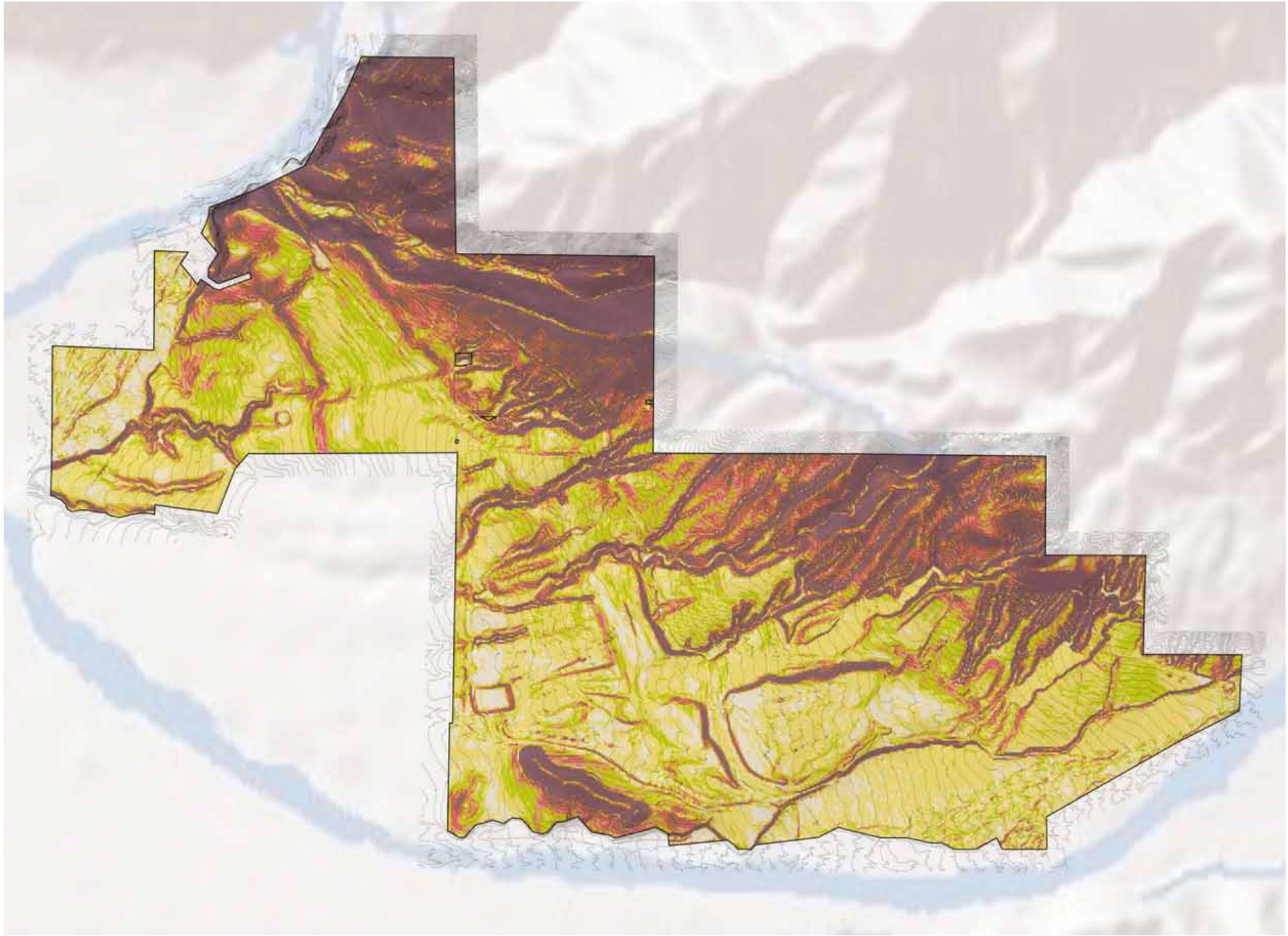
- San Bernardino National Forest
- Resource Conservation
- Redlands Sphere of Influence Rural Living - 5
- Yucaipa Sphere of Influence Rural Living - 10
- Redlands Sphere of Influence Rural Living - 10 - AP
- Single Residential
- Single Residence - 20M

City of Highland

- Planned Development
- Agriculture
- Open Space

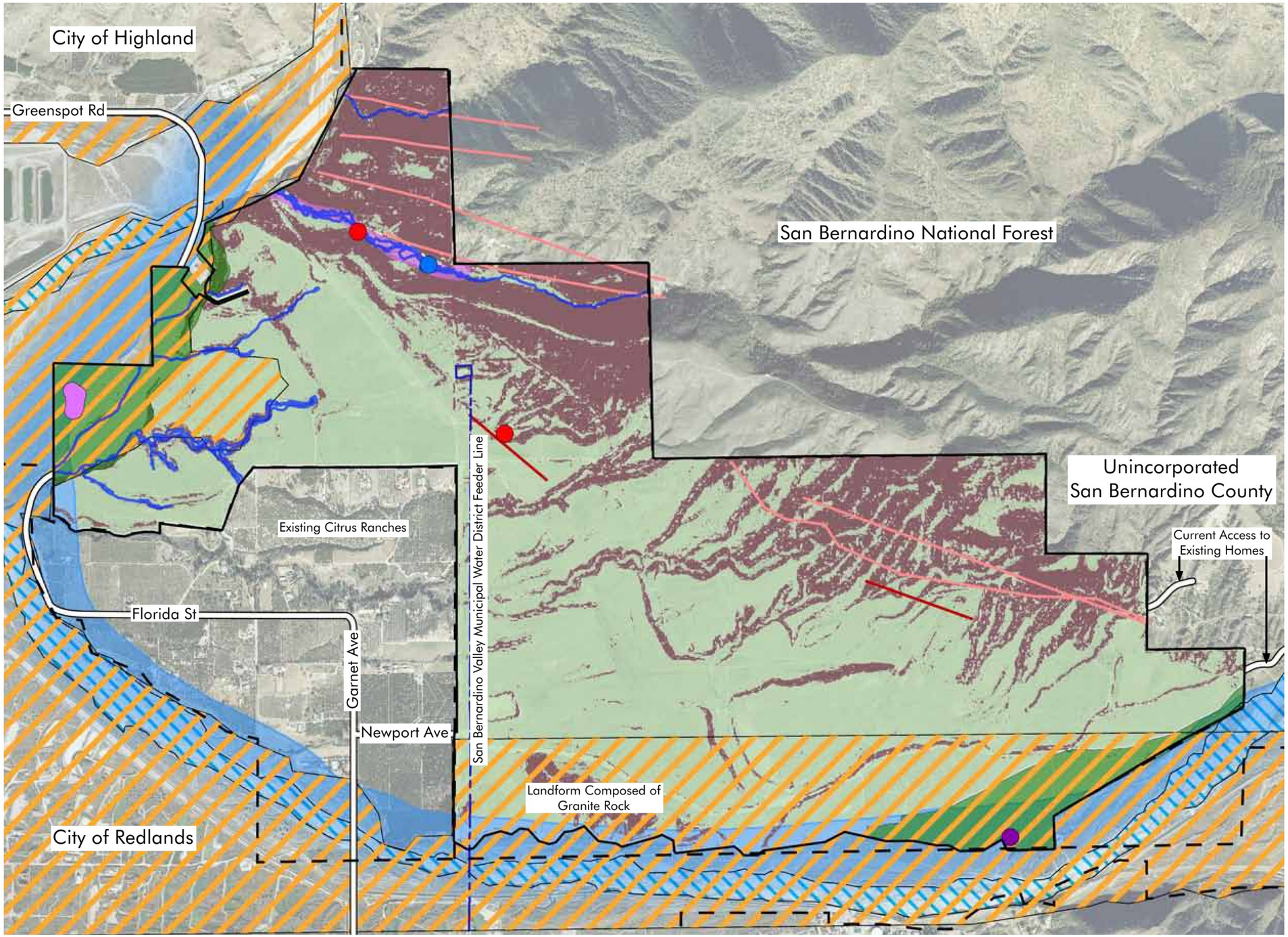
City of Redlands

- Very Low Density Residential
- Flood Control/Construction Aggregates Conservation/ Habitat Preservation



LEGEND

- Slopes 0 to 5%
- Slopes 5 to 10%
- Slopes 10 to 15%
- Slopes 15 to 20%
- Slopes 20 to 25%
- Slopes 25 to 30%
- Slopes 30% Plus



LEGEND

Opportunities

- Potential Developable Land

Wildlife and Habitat

- Least Bell's Vireo
- Santa Ana River Woollystar
- Southwestern Willow Flycatcher
- San Bernardino Kangaroo Rat
- San Bernardino Kangaroo Rat Critical Habitat
- Santa Ana Sucker Critical Habitat

Vegetation

- Riversidian Alluvial Fan Sage Scrub
- Southern Willow Scrub

Geologic Features

- Slopes 25% or Above
- 100 Year Flood Limits
- Jurisdictional Drainages
- Suspected Faults
- Verified Inactive Faults

3.5 EXISTING CIRCULATION AND INFRASTRUCTURE

3.5.1 Existing Access and Circulation

The Harmony Specific Plan is located approximately 6 miles east of the 210 freeway, 4.5-miles north of the 10 freeway, and just north of State Route 38. Access from the City of Highland to Harmony is limited and is provided by Greenspot Road, a paved, two-lane road with no curb, gutter, sidewalks, or other roadway improvements. Newport Avenue, a paved street with no lane striping or improvements, runs east–west through the southern portion of the project and provides limited access from City of Redlands and unincorporated San Bernardino County. Several unpaved roadways, likely a result of the project area's agricultural past, traverse through portions of the project site but currently serve no significant access or circulation purpose. These roadways include Emerald Avenue and Tres Lagos/Villers Street, and High Line Aqueduct Road in the northwest and Fish Hatchery Road and Redlands Heights Ranch Road in the south.

3.5.2 Existing Infrastructure

A. *Domestic Water*

East Valley Water District (EVWD) is the water service provider for the Specific Plan area. EVWD presently provides retail water service to approximately 27.7 square miles. Harmony lies within the eastern limits of the EVWD service area. There are no existing EVWD facilities within or adjacent to Harmony. A domestic water plan has been prepared for the project area. Please see Chapter 5, Infrastructure, for further information.

B. *Recycled Water*

Recycled water will be supplied to the Harmony Specific Plan by EVWD. Currently there are no recycled water facilities within the EVWD service area. However, as discussed in the section below regarding sewer service, Harmony will provide an onsite wastewater treatment plant that in turn will produce recycled water for use within the project area.

C. *Sewer*

The EVWD is the entity providing sewer service to the Specific Plan area. There are no existing sewer collection facilities in the immediate vicinity of the Harmony Specific Plan. The closest existing sewer collection facility is to the west of Greenspot Road approximately 9,000 feet from the Harmony Specific Plan. From this point sewage is carried in existing facilities westerly approximately 11 miles to the San Bernardino Regional Wastewater Treatment plan operated by the City of San Bernardino.

The existing EVWD collection facilities are not adequately sized to carry the wastewater generated from Harmony. For this reason, Harmony will be served by a new on-site wastewater treatment plant. Please see Chapter 5, Infrastructure, for more details regarding the proposed sewer treatment system.

D. *Drainage*

Harmony generally receives stormwater runoff from the foothills lying to the north and northeast. The runoff is conveyed through the site and ultimately reaches the Santa Ana River to the west or Mill Creek on the south. The Harmony Specific Plan area has historically been used for agricultural purposes and most recently served as an earth borrow site for construction of the Seven Oaks Dam. Both these activities have altered natural drainage patterns and drainage characteristics for a significant portion of the project site.

3.5.3 Utilities

A. *Electricity*

The Specific Plan area is located within the service territory of Southern California Edison Company.

B. *Natural Gas*

The Southern California Gas Company (SCG) provides natural gas service within the area near the Specific Plan area.

C. *Communication Systems*

Verizon California, Inc., currently provides telephone service within the Specific Plan area.

D. *Solid Waste*

Burrtec Waste Industries, Inc. and Cal Disposal Co., Inc. currently provide solid waste collection and disposal services to the City of Highland on a contract basis. Service to the Specific Plan area can be extended through existing service agreements.

E. *Cable Television*

Time Warner Cable currently provides cable television service within the Specific Plan area.

3.6 SCHOOLS

Harmony Specific Plan is located within the current Mentone Elementary School and Cram Elementary School attendance boundaries. However, it is anticipated that most of the elementary- school-aged children living in the community will attend a new 8-acre elementary school that could be developed on a site reserved within the Harmony Specific Plan. Two Redlands Unified School District middle schools, Moore and Beattie, serve the project area and are 5.8 miles and 8.0 miles away, respectively. The project area is in the Redlands East Valley High School attendance area, and the school is approximately 4 miles from Harmony. Although the project is outside of its attendance area, Citrus Valley High School serves Beattie Middle School. Citrus Valley High School is the latest secondary school to open in the district in 2009.

COMMUNITY PLAN

Chapter 4

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4.1 INTRODUCTION

The community plan for Harmony is a comprehensive approach to development of a new community that balances residential land uses with parks, trails, open space, recreational amenities, neighborhood commercial services, and public facilities within a traditional neighborhood setting. At its foundation, Harmony has a deep respect for the area's natural environment and agricultural past while acknowledging, through creative and thoughtful design, the community's future role in San Bernardino County.

The comprehensive plan for Harmony is illustrated in Exhibit 4-1, "Community Plan." Table 4.1, "Comprehensive Land Use Summary," provides a description of the total acreage assigned to each land use category within the Harmony Specific Plan.

4.2 COMMUNITY DESIGN

4.2.1 Traditional Neighborhood Design

The plan for Harmony establishes a new community of traditional walkable neighborhoods supported by active and passive recreation opportunities, neighborhood commercial services, and public facilities. These uses are connected by a network of trails and pathways encouraging walking and biking throughout the community.

The plan for Harmony as a "walkable" community is physically realized in its land use plan, which implements traditional neighborhood design techniques at both the community and neighborhood scales. At the community scale, Harmony takes advantage of the project area's unique topography and historical drainages by supporting a comprehensive system of community greenways that will incorporate multipurpose trails and recreational opportunities.

At the neighborhood scale, residents can utilize an integrated system of pedestrian pathways and bikeways to access public and private recreation, neighborhood commercial services, and public facilities. Pedestrian accessibility is provided throughout Harmony through a system of green streets that incorporate pathways adjacent to swales, natural drainage, and distinctive landscaping. Bicycle access is provided throughout the community through a system of on-street and off-street bicycle trails and lanes. The Harmony Parkhouse, a private recreation facility for community residents; a neighborhood commercial center; and an elementary school site are conveniently located and accessible from around the community.

Harmony is the kind of place where residents can visit with neighbors while walking along shaded pathways and trails throughout the community. Harmony is a community of smaller neighborhoods offering a diversity of streetscapes, architectural types, and styles with landmarks that locate residents and visitors within the community. Harmony is an inclusive place to relax when not at home or at work.

4.2.2 Community Structure

The overall community plan for Harmony is further defined through a collection of planning areas. These planning areas were formed on the basis of clustering development to provide more open space. Each planning area will have unique characteristics, but will be integrated into the broader, cohesive community. Collectively, the various planning areas will form the interlinked Harmony community through complementary architectural and landscape themes, a network of community trails, and common recreational amenities strategically positioned throughout the community. Planning area details are presented for reference in Table 4.2.

"Good plans shape good decisions. That's why good planning helps to make elusive dreams come true."

—Lester Robert Bittel, writer

"Planning is bringing the future into the present so that you can do something about it now."

—Alan Lakein, writer

4.3 COMMUNITY ELEMENTS

4.3.1 Residential

Residential planning areas comprise approximately 658 acres of Harmony. A maximum of 3,632 residential dwelling units in a variety of density ranges and housing types are planned. Harmony's five residential land use designations and associated typical housing types are identified below. These housing types are intended to address a variety of economic segments of the market. While the descriptions of housing types identified in this section provide general guidance as to typical products expected within that land use designation, different or additional housing types not identified below are also permitted so long as the appropriate density range and other development standards for each planning area are met.

A. *Estate Residential, ER (1.0–2.0 du/ac)*

Estate Homes: Lots 15,000 SF and Larger

Lots 15,000 SF and larger is the largest estate lots planned for Harmony. The building plotting will vary greatly from lot to lot depending on lot shape, topography, location, and fuel modification requirements. Estate homes are appropriate in Planning Areas 37, 38, 45, and 46.

B. *Low Density Residential, LDR (2.1–6.0 du/ac)*

Conventional Single-Family Homes: 4,500 to 14,999 SF Lots

Conventional residential homes on a variety of lot sizes ranging from 4,500 SF to 14,999 SF are planned in areas designated for low density residential. Garages are front-loaded and, where possible, placement varies to give a variety of front elevations. Entries address the street and front setbacks vary to help enhance the street scene. Conventional home sites from 4,500 square feet to 14,999 square feet are appropriate in Planning Areas 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 16, 17, 27, 28. 29A, 29B, 30, 31B, 32A, 32B, 35, 42.

Enclave Homes: 4 Unit

Detached homes in groups of four clustered around a common green court paseo. Four unit garages share a common motorcourt. The front doors of these enclave homes may be taken from the street, the common private drive, or a paseo or open space area, resulting in a variety of plotting conditions. These home types are appropriate in Planning Areas 22.

TABLE 4.1 COMPREHENSIVE LAND USE SUMMARY

LAND USE	WITHOUT NC OVERLAY		WITH NC OVERLAY	
	Adjusted Gross Acreage[1]	Target Units/Square Footage	Adjusted Gross Acreage[1]	Target Units/Square Footage
Residential				
Estate Residential, ER (0–2.0 du/ac)	84.4	81	84.4	81
Low Density Residential, LDR (2.1–6.0 du/ac)	323.0	1,436	322.0	1,430
Medium Density Residential, MDR (6.1–12.0 du/ac)	169.0	1,382	155.1	1,243
Medium-High Density Residential, MHDR (12.1–20.0 du/ac)	34.4	518	34.4	518
High Density Residential, HDR (20.1–30.0 du/ac)	8.9	215	7.9	195
RESIDENTIAL SUBTOTAL	*619.7 (37%)*	*3,632*	*603.8 (36%)*	*3,467*
Neighborhood Commercial				
Neighborhood Commercial, NC (0.23 – 0.25 FAR)	5.7	62,073 sf	21.6	225,423 sf
NEIGHBORHOOD COMMERCIAL SUBTOTAL	*5.7 (0.5%)*	*62,073 sf*	*21.6 (1.5%)*	*225,423 sf*
Recreation and Open Space				
Parks, P	104.2	-	104.2	-
Community Greenway, CG	111.8	8,712	111.8	8,712
Private Recreation, PR	4.3	-	4.3	-
Natural Open Space, NOS	582.1	-	582.1	-
Manufactured Open Space, MOS	72.0	-	72.0	-
RECREATION AND OPEN SPACE SUBTOTAL	*874.4 (53%)*	*8,712*	*874.4(53%)*	*8,712*
Community Public Facilities				
Elementary School, S (0.20 FAR)	8.3	72,310 sf	8.3	72,310 sf
Public Facilities, PF	20.0	-	20.0	-
Right-of-Way, ROW	129.2	-	129.2	-
COMMUNITY PUBLIC FACILITIES SUBTOTAL	*157.5 (9.5%)*	*72,310 sf*	*157.5 (9.5%)*	*72,310 sf*
TOTAL	1,657.3	3,632 units and 143,095 sf	1,657.3	3,467 units and 306,445 sf

1. Gross acreage for a defined area (see Chapter 10) minus the roadway network shown on Exhibit 6-1, "Master Circulation Plan".

C. *Medium Density Residential, MDR (6.1–12.0 du/ac)*

Conventional Homes: 3,000 to 4,499 SF Lots

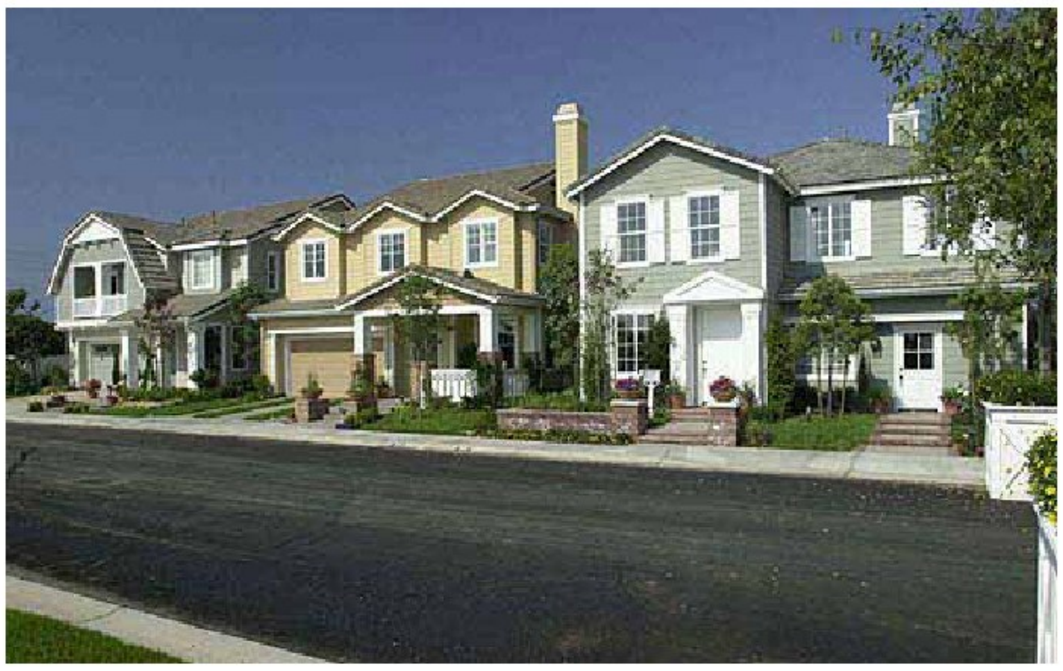
Conventional residential homes on lot sizes ranging from 3,000 SF to 4,499 SF are planned in areas designated for medium density residential. Garages are front-loaded and, where possible, placement varies to give a variety of front elevations. Entries address the street, and front setbacks vary to help enhance the street scene. Private yard space is on the side and rear of the home. Conventional home sites from 3,000 SF to 4,499 SF are appropriate in Planning Areas 1, 2, 3, 24, 31A, 34, and 36.

Townhomes

Three-story townhome units with alley- or court-loaded garages. Unit entries face street or shared green court paseo. Garages have direct access to living space. Generally, no garages face the street and no driveway curb cuts interrupt the pedestrian connectivity along the street. These home types are appropriate in Planning Area 15.

Enclave Homes: 4, 6, or 8 Unit

Detached homes in groups of four, six, or eight clustered around a common green court paseo. Four, six, or eight unit garages share a common motorcourt. The front doors of these enclave homes may be taken from the street, the common private drive, or a paseo or open space area, resulting in a variety of plotting conditions. These home types are appropriate in Planning Areas 20A, 20C, 20D, 21, 23, 39, and 43B.



D. *Medium-High Density Residential, MHDR (12.1–20.0 du/ac)*

Conventional Homes: Less than 3,000 SF Lots

Conventional residential single-family detached homes on lots less than 3,000 SF are appropriate in Planning Areas designated for Medium-High Density Residential.

Paired Homes

Paired homes are commonly referred to as duplexes and triplexes. These two- or three-story duplexes are single-family homes that utilize garages loaded from courts or alleys. Unit entries face streets or green court paseos. Garages have direct access into the living space. These home types are appropriate in Planning Areas 26 and 43A.

Townhomes

Three-story townhome units with alley- or court-loaded garages. Unit entries face street or shared green court paseo. Garages have direct access to living space. Generally, no garages face the street and no driveway curb cuts interrupt the pedestrian connectivity along the street. These home types are appropriate in Planning Areas 25 and 33.

Enclave Homes: 4, 6, or 8 Unit

Detached homes in groups of four, six, or eight clustered around a common green court paseo. Four, six, or eight unit garages share a common motorcourt. The front doors of these enclave homes may be taken from the street, the common private drive, or a paseo or open space area, resulting in a variety of plotting conditions. These homes are appropriate in planning areas designated as medium-density residential.

E. *High Density Residential, HDR (20.1–30.0 du/ac)*

Stacked Flat Condos/Apartments

Similar to the cluster court concept, these attached products include stacked condominium or apartment units. Garages are oriented onto a private motorcourt served by a lane, with front doors opening onto linear paseos, courtyards, or neighborhood streets. This residential home type is appropriate in Planning Area 40.

4.3.2 Neighborhood Commercial, NC

Approximately 5.7 acres are designated for development of a neighborhood commercial center. The neighborhood commercial center provides retail goods and services to residences within Harmony and nearby residential areas. The proposed neighborhood commercial center is designed to provide basic retail goods and services (such as a gas station or drug store), other personal services (such as dry cleaners, video stores), or other convenience goods and services or pad site uses. Neighborhood Commercial uses are accommodated in Planning Area 20B. The estimated floor area ratio (FAR) for Neighborhood Commercial uses is 0.25 FAR.

A. *Neighborhood Commercial Overlay*

A Neighborhood Commercial Overlay has been applied to 13.9 acres of area designated for Medium Density Residential uses, 1 acre designated for Low Density Residential, and 1 acre designated for High Density Residential uses. The Neighborhood Commercial Overlay allows the designated property to develop as its underlying land use, as Neighborhood Commercial, or a combination of the two uses. This allows the flexibility to adapt to future market conditions while still creating a cohesive and interconnected master plan for the project. Should the area(s) develop as Neighborhood Commercial and not its underlying residential land use(s), all provisions of the Neighborhood Commercial designation detailed in this Specific Plan shall apply. Planning Areas 20A and 20C and portions of Planning Areas 35 and 40 are designated with a Neighborhood Commercial Overlay. Planning Areas 35 and 40 would be small pad sites near the east entrance to the property. The estimated FAR for Neighborhood Commercial overlay uses ranges from 0.23 to 0.25.

4.3.3 Parks, Recreation, and Open Space

Approximately 875 acres of Harmony are reserved for parks, recreation, and open space. This represents over 50 percent of the entire community. The parks, recreation and open space planned for Harmony are illustrated on Exhibit 9-8, "Master Plan of Parks, Trails, and Open Space". Further details regarding Harmony's Parks, Recreation, and Open Space system is provided in Chapter 9, Landscape Design Guidelines, Parks, and Amenities.

A. *Parks, P*

Approximately 104.2 acres will be developed as a variety of park types, ranging from a community park to pocket parks, to provide for the active and passive recreational needs of the community. Active parks will be improved with recreational facilities such as sports fields and courts, informal playing fields, picnic and barbecue facilities, tot lots, a dog park, and restrooms and parking. Passive parks will focus on providing the community with contemplative places to relax and appreciate the natural beauty of the area. Planning Areas 19B, 44, and 48 through 59 represent Harmony's parks.

B. Community Greenway, CG

Nearly 110 acres of Harmony are designated as a Community Greenway. A Community Greenway incorporates the linear open spaces within the project that contain drainage swales, off-road walking and bicycling trails, areas for environmental mitigation, and other landscaped areas. Community Greenways are intended to visually and physically connect Harmony residents to parks, the school, The Parkhouse, and trails in the natural open space areas. Planning Areas 60 through 66 represent Harmony's community greenway system.

Community Greenway with Agriculture Overlay

Approximately 1.0 acre in Planning Area 66 has been designated with an Agriculture Overlay. The general location of the overlay is shown on Exhibit 4-1, "Community Plan," but it may shift overtime as the boundaries of the community greenway are better defined and adjacent planning areas are developed. This area is envisioned for year-round agricultural production. The site is expected to be owned by the Homeowner's Association and leased for farming. The parcel may be operated as a Community Supported Agricultural (CSA) operation or other type of private farming operation, but the intent is to grow and sell produce year-round from a farm stand or small building on the site. The estimated FAR for the Agriculture Overlay area is 0.20 FAR.

C. Private Recreation, PR

An additional 4.3 acres, Planning Area 18, is devoted to the development of The Parkhouse, a private recreation facility. This facility, which will be made accessible to all Harmony residents, will include amenities such as a clubhouse facility, sports courts, a swimming facility, a tot lot, and distinctive themed gardens. The Parkhouse is envisioned to be a central meeting point of the community where residents can come together to socialize and recreate.

D. *Natural Open Space, NOS*

Approximately 580 acres of Harmony are designated natural open space, designed for passive recreational use and enjoyment of the mountain setting. Most of this area is located north of the planned development, adjacent to the San Bernardino National Forest, and includes foothills and canyon areas that have remained relatively undisturbed over the years. This designation also includes approximately 47 acres of Riversidian Alluvial Fan Sage Scrub that supports the Santa Ana River Woolly Star, which will remain preserved. Within the natural open space areas to the north, a network of multipurpose trails is planned, largely based on existing trails that have been forged over the years. The trail system planned for Harmony is designed to link the community to the City of Highland, the national forest, and other adjacent land uses. Planning Areas 41, 47, and 67 through 70 represent Harmony's natural open space system.

E. *Manufactured Open Space, MOS*

Due to the topography of the site, manufactured open space are the slopes created to provide for developable enclaves or neighborhoods. Manufactured open space accounts for 72 acres of the Harmony Community Plan and will be owned and/or maintained by the Homeowner's Association. The manufactured open space will also provide fire protection for adjacent neighborhoods with landscaping that provides for defensible space.

4.3.4 Community Public Facilities

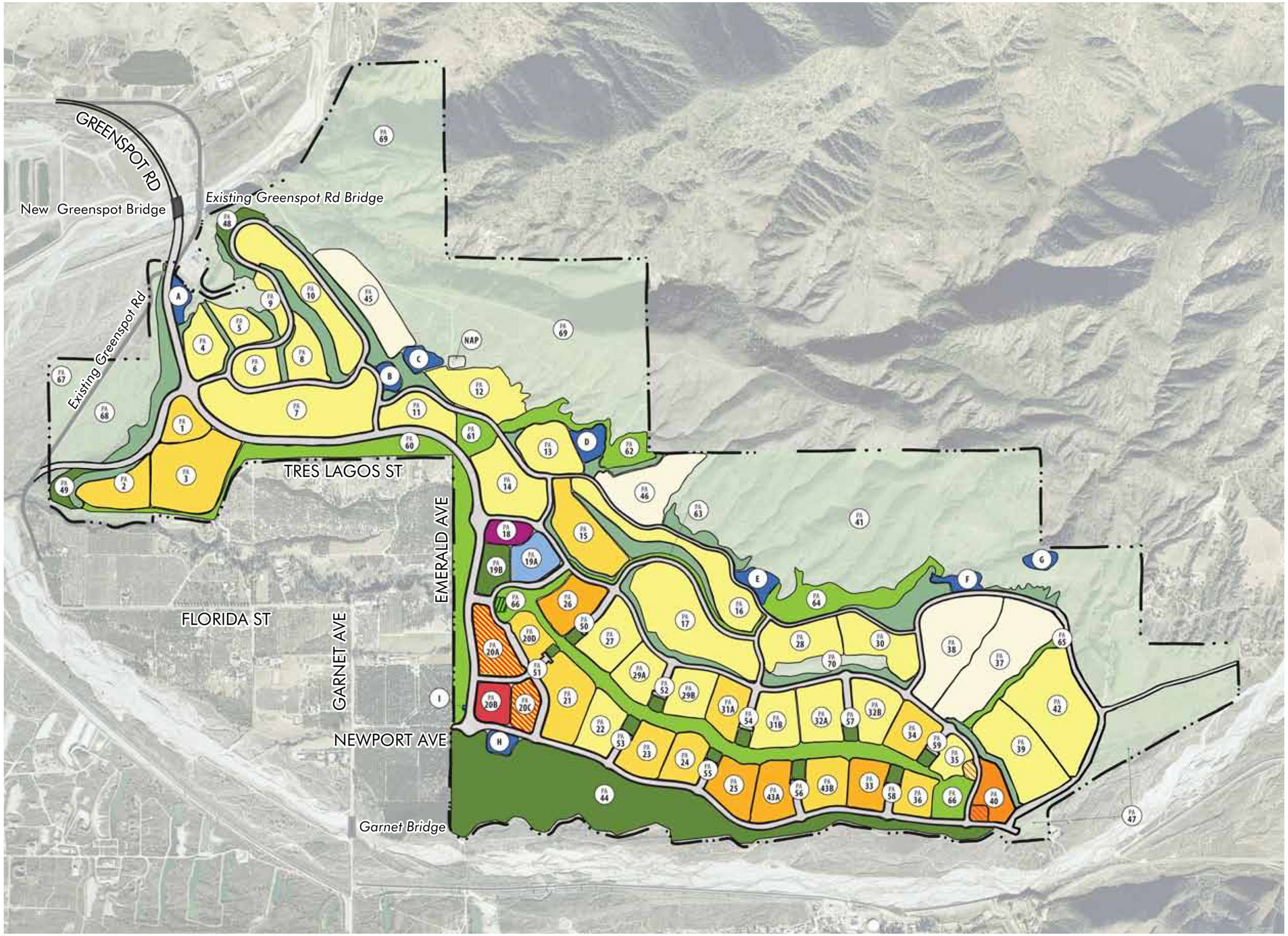
A. *Elementary School, S*

Planning Area 19A, a 8.3-acre site, is reserved for development of a new elementary school to meet the needs of Harmony. The school site will be large enough to accommodate all school-related parking and circulation requirements onsite, including employee parking and bus and student drop-off and pick-up areas. The school site is centrally located in Harmony. Recreational activities for the school will be augmented by the proximity of the 5.0-acre neighborhood park planned for development adjacent to the school site and considered as a joint-use facility.

B. *Other Public Facilities, PF*

The community plan for Harmony accommodates a new fire station along Emerald Avenue centrally-located at build out This 1.5-acre site is strategically located at the center of the community to ensure that all areas of Harmony can be reached from the fire station within a four-minute driving time at 35 miles per hour, which is a typical industry standard for fire response times. The proposed fire station is identified as Planning Area H.

Additional public facilities are identified with a letter and can represent several public facility uses, including water reservoirs, a water treatment facility, sewage treatment plant, or pump station.



LEGEND

- Estate Residential (ER) *0.0-2.0 du/ac*
- Low Density Residential (LDR) *2.1-6.0 du/ac*
- Medium Density Residential (MDR) *6.1-12.0 du/ac*
- Medium-High Density Residential (MHDR) *12.1-20.0 du/ac*
- High Density Residential (HDR) *20.1-30.0 du/ac*
- Neighborhood Commercial (NC)
- Neighborhood Commercial Overlay
- Park (P)
- Community Greenway (CG)
- Agriculture Overlay
- Manufactured Open Space (MOS)
- Natural Open Space (NOS)
- Private Recreation (PR)
- Elementary School (S)
- Community Public Facilities (PF)

* Planning Areas 12, 13, 45, and 46 will have internal fire access roads along their northern boundaries.

Note: Refer to exhibits in Chapter 5, Infrastructure, for further information on the type and location of community public facilities.

TABLE 4.2 PLANNING AREA DETAILS

PA	LAND USE	TARGET DENSITY/ INTENSITY	WITHOUT NC OVERLAY [1]		WITH NC OVERLAY [1]	
			Adjusted Gross Acreage[2]	Target Units/Square Footage	Adjusted Gross Acreage[2]	Target Units/Square Footage
Residential						
37	Estate Residential	1.0	28.9	28	28.9	28
38	Estate Residential	1.0	23.2	23	23.2	23
45	Estate Residential	1.0	15.6	15	15.6	15
46	Estate Residential	1.0	16.7	15	16.7	15
Estate Residential Subtotal			*84.4*	*81*	*84.4*	*81*
4	Low Density Residential	5.8	8.8	51	8.8	51
5	Low Density Residential	5.7	6.3	36	6.3	36
6	Low Density Residential	4.6	7.8	36	7.8	36
7	Low Density Residential	3.9	33.9	133	33.9	133
8	Low Density Residential	5.6	8.4	47	8.4	47
9	Low Density Residential	3.6	3.6	13	3.6	13
10	Low Density Residential	3.1	27.0	84	27.0	84
11	Low Density Residential	2.4	7.9	19	7.9	19
12	Low Density Residential	1.8	14.7	27	14.7	27
13	Low Density Residential	5.8	10.8	63	10.8	63
14	Low Density Residential	5.8	16.3	94	16.3	94
16	Low Density Residential	2.1	18.4	39	18.4	39
17	Low Density Residential	4.8	32.9	157	32.9	157
22	Low Density Residential	5.5	8.6	47	8.6	47
27	Low Density Residential	5.5	11.3	62	11.3	62
28	Low Density Residential	2.5	12.6	31	12.6	31
29A	Low Density Residential	5.5	8.2	45	8.2	45
29B	Low Density Residential	5.8	8.9	52	8.9	52
30	Low Density Residential	2.5	12.4	31	12.4	31
31B	Low Density Residential	5.9	10.6	63	10.6	63
32A	Low Density Residential	5.7	11.0	63	11.0	63

TABLE 4.2 PLANNING AREA DETAILS

PA	LAND USE	TARGET DENSITY/ INTENSITY	WITHOUT NC OVERLAY [1]		WITH NC OVERLAY [1]	
			Adjusted Gross Acreage[2]	Target Units/Square Footage	Adjusted Gross Acreage[2]	Target Units/Square Footage
32B	Low Density Residential	5.3	10.1	54	10.1	54
35	Low Density Residential (with Neighborhood Commercial Overlay) [1]	5.4	5.7	31	4.7	25
42	Low Density Residential	5.9	26.8	158	26.8	158
Low Density Residential Subtotal			*323.0*	*1,436*	*322.0*	*1,430*
1	Medium Density Residential	6.9	6.7	46	6.7	46
2	Medium Density Residential	8.0	13.0	104	13.0	104
3	Medium Density Residential	6.1	23.3	141	23.3	141
15	Medium Density Residential	9.9	21.0	208	21.0	208
20A	Medium Density Residential (with Neighborhood Commercial Overlay) [1]	10.1	9.0	91	See Neighborhood Commercial category within this table.	
20C	Medium Density Residential (with Neighborhood Commercial Overlay) [1]	10.1	4.9	49	See Neighborhood Commercial category within this table.	
20D	Medium Density Residential	10.1	5.2	53	5.2	53
21	Medium Density Residential	8.0	14.4	115	14.4	115
23	Medium Density Residential	8.4	9.2	77	9.2	77
24	Medium Density Residential	7.4	7.6	56	7.6	56
31A	Medium Density Residential	6.9	7.5	52	7.5	52
34	Medium Density Residential	6.2	8.4	52	8.4	52
36	Medium Density Residential	6.9	6.5	45	6.5	45
39	Medium Density Residential	8.6	22.6	193	22.6	193
43B	Medium Density Residential	10.2	9.7	99	9.7	99
Medium Density Residential Subtotal			*169.0*	*1,382*	*155.1*	*1,243*
25	Medium-High Density Residential	12.1	9.1	110	9.1	110
26	Medium-High Density Residential	18.6	9.3	173	9.3	173
33	Medium-High Density Residential	13.8	7.6	105	7.6	105
43A	Medium-High Density Residential	15.5	8.4	130	8.4	130
Medium-High Density Residential Subtotal			*34.4*	*518*	*34.4*	*518*

TABLE 4.2 PLANNING AREA DETAILS

PA	LAND USE	TARGET DENSITY/ INTENSITY	WITHOUT NC OVERLAY [1]		WITH NC OVERLAY [1]	
			Adjusted Gross Acreage[2]	Target Units/Square Footage	Adjusted Gross Acreage[2]	Target Units/Square Footage
40	High Density Residential (portion of site with Neighborhood Commercial Overlay) [1]	24.5	8.9	215	7.9	195
High Density Residential Subtotal			*8.9*	*215*	*7.9*	*195*
RESIDENTIAL SUBTOTAL			*619.7*	*3,632*	*603.8*	*3,467*
Neighborhood Commercial						
20A	Medium Density Residential (with Neighborhood Commercial Overlay)	0.23	See Medium Density Residential category within this table.		9.0	91,500
20B	Neighborhood Commercial	0.25	5.7	62,073	5.7	62,073
20C	Medium Density Residential (with Neighborhood Commercial Overlay)	0.23	See Medium Density Residential category within this table.		4.9	50,070
35	Low Density Residential (with Neighborhood Commercial Overlay)	0.25	See Low Density Residential category within this table.		1.0	10,890
40	High Density Residential (with Neighborhood Commercial Overlay)	0.25	See High Density Residential category within this table.		1.0	10,890
NEIGHBORHOOD COMMERCIAL SUBTOTAL			*5.7*	*62,073*	*21.6*	*225,423*
Recreation and Open Space						
19B	Park		5.3	-	5.3	-
44	Park		83.7	-	83.7	-
48	Park		2.9	-	2.9	-
49	Park		4.3	-	4.3	-
50	Park		0.7	-	0.7	-
51	Park		0.8	-	0.8	-
52	Park		0.7	-	0.7	-
53	Park		0.9	-	0.9	-
54	Park		0.8	-	0.8	-
55	Park		0.6	-	0.6	-
56	Park		1.0	-	1.0	-
57	Park		0.8	-	0.8	-
58	Park		1.0	-	1.0	-
59	Park		0.8	-	0.8	-

TABLE 4.2 PLANNING AREA DETAILS

PA	LAND USE	TARGET DENSITY/ INTENSITY	WITHOUT NC OVERLAY [1]		WITH NC OVERLAY [1]	
			Adjusted Gross Acreage[2]	Target Units/Square Footage	Adjusted Gross Acreage[2]	Target Units/Square Footage
Park Subtotal			*104.2*	-	*104.2*	-
60	Community Greenway		32.3	-	32.3	-
61	Community Greenway		5.1	-	5.1	-
62	Community Greenway		10.9	-	10.9	-
63	Community Greenway		3.9	-	3.9	-
64	Community Greenway		15.6	-	15.6	-
65	Community Greenway		4.3	-	4.3	-
66	Community Greenway (1.0 acre of site designated with Agriculture Overlay at 0.20 FAR)		39.7	8,712	39.7	8,712
Community Greenway Subtotal			*111.8*	*8,712*	*111.8*	*8,712*
18	Private Recreation		4.3	-	4.3	-
Private Recreation Subtotal			*4.3*	-	*4.3*	-
41	Natural Open Space		252.0	-	252.0	-
47	Natural Open Space		13.4	-	13.4	-
67	Natural Open Space		10.5	-	10.5	-
68	Natural Open Space		36.7	-	36.7	-
69	Natural Open Space		264.5	-	264.5	-
70	Natural Open Space		5.0	-	5.0	-
Natural Open Space Subtotal			*582.1*	-	*582.1*	-
-	Manufactured Open Space		72.0	-	72.0	-
Manufactured Open Space Subtotal			*72.0*	-	*72.0*	-
RECREATION AND OPEN SPACE SUBTOTAL			*874.4*	*8,712*	*874.4*	*8,712*

TABLE 4.2 PLANNING AREA DETAILS

PA	LAND USE	TARGET DENSITY/ INTENSITY	WITHOUT NC OVERLAY [1]		WITH NC OVERLAY [1]	
			Adjusted Gross Acreage[2]	Target Units/Square Footage	Adjusted Gross Acreage[2]	Target Units/Square Footage
Community Public Facilities [3]						
19A	Elementary School		8.3	72,310	8.3	72,310
A	Public Facility: Sewage Treatment Plant		2.4	-	2.4	-
B	Public Facility: Water Reservoir		1.8	-	1.8	-
C	Public Facility: Water Treatment or Reservoir		2.8	-	2.8	-
D	Public Facility: Water Treatment or Reservoir		3.7	-	3.7	-
E	Public Facility: Water Treatment or Reservoir		3.3	-	3.3	-
F	Public Facility: Water Treatment or Reservoir		2.6	-	2.6	-
G	Public Facility: Water Treatment or Reservoir		1.8	-	1.8	-
H	Public Facility: Fire Station		1.5	-	1.5	-
I	Public Facility: Pump Station		0.1	-	0.1	-
Right-of-Way			129.2	-	129.2	-
COMMUNITY PUBLIC FACILITIES SUBTOTAL			*157.5*	*72,309*	*157.5*	*72,309*
TOTAL			*1,657.3*	*3,632 units and 143,095 sf*	*1,657.3*	*3,467 units and 306,445 sf*

1. Planning Areas 20A and 20C and a 1.0-acre portion of each Planning Areas 35 and 40 have been designated with a Neighborhood Commercial (NC) overlay. Areas designated with an NC overlay may develop as their underlying residential land use, as neighborhood commercial, or as a combination of the two uses. If the site designated with an NC overlay develops as residential, its acreage and units are reflected in the "Without NC Overlay" scenario columns of this table. If the area designated with an NC overlay develops as neighborhood commercial, its acreage and building square footage are reflected in the "With NC Overlay" scenario of this table. Please refer to Page 4-4 for further information on areas designated with a Neighborhood Commercial overlay.
2. Adjusted Gross Acreage: Gross acreage for a defined area (see Chapter 10) minus the roadway network shown on Exhibit 6-1, "Master Circulation Plan".
3. Phasing of Community Public Facilities is described in Section 11.16 and illustrated in Exhibit 11-1.

INFRASTRUCTURE – PUBLIC FACILITIES AND SERVICES

Chapter 5

5.1 DOMESTIC WATER

Domestic (potable) water will be supplied to the Harmony Specific Plan Area by East Valley Water District (EVWD). EVWD presently provides retail water service to approximately 27.7 square miles in their service area. Harmony's average water demand is 2,283 AFY for domestic water and 1,322 AFY for irrigation water for a total of 3,605 AFY. Harmony lies within the eastern limits of the EVWD service area. There are no existing EVWD facilities adjacent to the project.

Potable water to serve the project will be supplied by a combination of sources that include 1) an extension of existing EVWD facilities located in Greenspot Road, 2) optional treatment of imported raw water from San Bernardino Valley Municipal Water District (SBVMWD) and 3) treatment of raw water from the North Fork Pipeline. On-site water supply, system hydraulics and facility planning are based on a conceptual plan prepared by RBF Consulting. The majority of Harmony exists at elevations above current pressure zones. At build-out it is anticipated that there will be five pressure zones as described in Table 5-1 and illustrated on Exhibit 5-1 "Water Pressure Zones".

TABLE 5.1 WATER PRESSURE ZONES AT BUILDOUT

PRESSURE ZONE	SERVICE ZONE		HWL ELEVATION*	PAD ELEVATION*
	LOW	HIGH		
1	1,820	1,980	2,100	2,070
2	1,980	2,145	2,260	2,230
3	2,145	2,305	2,420	2,390
4	2,305	2,470	2,585	2,555
5	2,470	2,630	2,745	2,715

* Elevations in feet above sea level.

Existing EVWD regional water facilities capable of providing service to Harmony are located approximately 10,000 feet westerly within Greenspot Road near the Santa Paula Street intersection. According to EVWD standards, Harmony will require 4.5 million gallons of storage, 4,900 gallons per minute pumping capacity and transmission water mains ranging in size from 8 inches to 24 inches. The domestic water system planned for Harmony is illustrated on Exhibit 5-2 "Master Water Plan." Facilities needed to provide flow and pressure in conformance with EVWD and fire department standards include:

- Five storage reservoirs
- Transfer pump station at each reservoir site
- Four pressure reducing stations
- Raw water treatment facility (optional)
- Water distribution network

Domestic water system development standards include the following:

1. All water lines shall be designed per EVWD requirements, installed underground in accordance with the requirements and specifications of the California Department of Public Health, and inspected per EVWD standards.
2. The location of facilities shall conform to EVWD and California Department of Public Health standards.
3. Water conservation measures will be incorporated into all development within the Specific Plan area in accordance with SBVMWD and EVWD water conservation plans. Such measures include installation of water saving devices and systems for distributing non-potable water for irrigation where possible.
4. Any design of off-site facilities shall be coordinated with the affected property owners and EVWD.
5. The design of all water facilities shall provide fire protection to the satisfaction of the City of Highland.
6. Interfering portions of the Redlands Aqueduct will be relocated in a manner and location agreeable to Bear Valley Mutual Water Company.
7. Interfering portions of the Bear Valley Highline will be relocated in a manner and location agreeable to Bear Valley Mutual Water Company.
8. Portions of the Tres Lagos well, waterline and reservoir may be removed, relocated or an alternate source of water will be made available in a manner and location agreeable to owners of the Tres Lagos Mutual Water Company.

5.2 SEWER

Sewer service to the Harmony Specific Plan will be provided by EVWD. EVWD presently provides sewer collection services to customers in their service area. There are no existing sewer collection facilities in the immediate vicinity of the Harmony Specific Plan. The closest existing sewer collection facility is located to the west in Greenspot Road approximately 10,000 feet from the Harmony Specific Plan. From this point sewage is carried in existing facilities westerly approximately 11 miles to the San Bernardino Regional Wastewater Treatment Plant operated by the City of San Bernardino. Harmony's wastewater generation is 1.15 mgd. The existing EVWD collection facilities are not adequately sized to carry the wastewater generated from Harmony. EVWD has completed a new "Wastewater Collection System Master Plan" dated 10/18/13. The Master Plan explores a number of options for providing sewer service to Harmony. One option involves construction of a wastewater treatment facility within the Harmony project. The Specific Plan adopts this option for purposes of defining land uses and infrastructure. Should EVWD ultimately elect a different option there is no meaningful change to the Specific Plan. Wastewater generation, treatment plant sizing, system hydraulics and facility planning are based on a conceptual study prepared by RBF Consulting. According to EVWD standards, Harmony will install collection sewer mains ranging in size from 8 inches to 15 inches. Exhibit 5-3 "Sewer Master Plan," illustrates the plan to provide sewer service for Harmony. Facilities needed to provide sewer service in conformance with EVWD standards include: sewage treatment plant, lift stations, force main and a collection network. Sewer system development standards include:

1. All sewer lines shall be designed per EVWD requirements, installed in accordance with the requirements and specifications of the California Department of Public Health
2. The location of facilities shall conform to EVWD and California Department of Public Health standards
3. A "Report of Waste Discharge" shall be submitted to and approved by the Regional Water Quality Control Board prior to recodation of the first tentative tract map (TTM) (except a TTM for financing purposes) for the Harmony Specific Plan
4. A Waste Discharge Permit and/or NPDES Permit shall be issued to EVWD by the appropriate authorities for the proposed sewage treatment plant prior to issuance of any grading permit for the Harmony Specific Plan

5.3 RECYCLED WATER

Recycled (non-potable) water will be supplied to the Harmony Specific Plan by EVWD should a wastewater treatment plant exist within the project limits. Currently there are no recycled water facilities within the EVWD service area. An on-site sewage treatment plant will produce recycled water for use within Harmony. Harmony's average day recycled water demand is estimated to be 1.18 MGD (1,322 AFY). Recycled water will be used to irrigate landscaping in parks, school play fields (if permissible), streets, recreation trails, common areas and open space areas. Harmony will provide distribution and storage for recycled water in all five previously identified pressure zones. Exhibit 5-4 "Recycled Water Master Plan," illustrates the recycled water service plan for Harmony. Facilities needed to provide flow and pressure in conformance with EVWD standards include: five storage reservoirs, transfer pump station at each site and four pressure reducing stations. Recycled water system development standards include:

1. All recycled water lines shall be designed per EVWD requirements, installed underground in accordance with the requirements and specifications of the California Department of Public Health, and inspected per EVWD standards
2. The location of facilities shall conform to EVWD and California Department of Public Health standards
3. Recycled water facilities shall be constructed per EVWD standards for supplying recycled water to eligible irrigated lands
4. Water conservation measures will be incorporated into all development within the Specific Plan area to include water saving devices and systems including the use of recycled water for irrigation where possible
5. Any design of off-site facilities shall be coordinated with the affected property owners and EVWD

5.4 DRAINAGE

Harmony Specific Plan proposes a comprehensive drainage system intended to collect, convey and deliver storm flows in accordance with City of Highland requirements. The primary goal of the storm water management system is to prevent flooding and protect property by providing safe, effective site drainage. Harmony contains 8 tributary areas, see Exhibit 5-5 "Tributary Areas", that are impacted by the Specific Plan ranging in size from 26 acres to 482 acres. Harmony generally receives storm water runoff from the foothills lying to the north and northeast. The runoff is conveyed through the site and ultimately reaches the Santa Ana River to the west or Mill Creek on the south.

The Harmony Specific Plan area has historically been used for agricultural purposes and most recently served as an earth borrow site for construction of the Seven Oaks Dam. Both these activities have altered natural drainage patterns and drainage characteristics for a significant portion of the project site. The two most northerly watersheds (A & B) entering Harmony (one known as Morton Canyon) are natural watersheds, remain unaltered and not included in the 8 watersheds mentioned above. Watershed "C" to the south originates just to the east of the Harmony boundary and discharges to the Santa Ana River. Watersheds "D", "E", "F" and "H" originate to the east or within Harmony, and exit into highly disturbed drainages that traverse agricultural lands before discharging into Mill Creek. Watershed "I" originates within Harmony then exits into a disturbed drainage within the above mentioned agricultural lands and also discharges to Mill Creek. Watershed "G" originates east of Harmony, a portion flows to a large existing desilting basin within Harmony and combines with the remainder of the watershed as it flows into Mill Creek. Watershed "J" originates east of Harmony and discharges into Mill Creek. A conceptual master plan has been prepared by RBF Consulting. Exhibit 5-6, "Drainage Master Plan" illustrates the drainage system planned to serve Harmony. The storm water management system generally consists of inlets, outlets, underground conduits and by-pass conduits. Drainage development standards include:

1. Drainage and flood control facilities and improvements shall be provided in accordance with City of Highland requirements and the Conceptual Drainage Plan
2. Storm drain facilities shall ensure the acceptance and disposal of 100-year storm runoff without damage to streets or adjacent property
3. Prior to approval of the first TTM (except TTM for financing purposes) a detailed hydrology study and hydraulic calculations shall be submitted to and approved by the City of Highland. The study and calculations shall define rates of storm water runoff for pre- and post development conditions, identify the size and location of proposed improvements and demonstrate compliance with the latest County of San Bernardino County MS4 permit
4. Prior to issuance of a grading permit containing lots which lie within Zone A (100yr flood plain) of the most current FIRM documents, the applicant shall provide evidence to the City of Highland that a Conditional Letter of Map Revision (CLOMR) has been received from FEMA stating that the completion of proposed improvements will remove the subject area from the flood plain
5. Prior to issuance of a building permit for residential, commercial, and other habitable structures for any area previously identified in Zone A of the FIRM documents, the applicant shall provide evidence that a Letter of Map Revision (LOMR) has been issued by FEMA for the subject area

5.5 WATER QUALITY

A Conceptual Water Quality Management Plan (CWQMP) has been prepared for the Harmony Specific Plan defining requirements and options for treatment of surface runoff in a manner to comply with requirements of the City of Highland. To mitigate potential impacts, this CWQMP prescribes a variety of facilities to provide incremental removal of urban pollutants. The applicant will comply with requirements of the National Pollutant Discharge Management Elimination System (NPDES) permit. The applicant will provide Best Management Practices (BMPs) to control discharges of pollutants into receiving waters. Plans for such improvements shall be approved by City of Highland.

The project will incorporate permanent post-construction LID implementation and site design BMPs, as well as treatment control BMPs to treat pollutants of concern. The selection, design, and implementation of BMPs will be based on the procedures described in the San Bernardino County Stormwater Program's WQMP Technical Guidance. The BMP types that will be considered for the project will be evaluated as prioritized in the WQMP Technical Guidance and where feasible, including LID implementation and site design, treatment control BMPs, source control and pollution prevention. A summary of the BMPs that may be considered for the project as it is conceptually designed are listed below.

LID Implementation and Site Design BMPs

- Hydrologic Source Control
- Infiltration
- Harvest and Use
- Biotreatment

Treatment Control BMPs

- Sand Filter (inert)
- Sand Filter (specialized media)
- Cartridge Media Filter
- Hydrodynamic Separator
- Catch Basin Insert

5.6 GRADING

Grading proposed for the Harmony Specific Plan is consistent with the City of Highland's existing Hillside Grading Ordinance. Because of the unique and distinctive land uses proposed for the specific plan, a conceptual grading plan has been included which shall be used as a guide for the final grading design.

The following design standards are intended to provide guidelines and requirements for the conceptual grading approach. More detailed grading plans will be required as part of the approval of any Tentative and Final subdivision maps (except a TTM for financing purposes). In general, considerations while preparing a concept of the grading for Harmony are as follows: 1) the site generally slopes upward from the west to the east starting at 7% -10% until reaching a hinge point where the slope rapidly steepens, 2) grading for development is focused in the flatter terrain, 3) steeper terrain is preserved as natural open space or for agricultural purposes and 4) critical sensitive environmental habitat is protected. Exhibit 5-7 "Grading Concept," illustrates the conceptual grading plan for Harmony.

Grading work shall be balanced on-site, and within adjacent development phases, if possible. If a development proposal does not include an entire Planning Area, then an overall conceptual grading plan for the entire planning area shall be provided.

The conceptual grading plan shall be used as a guide but not limit the design parameters of the final design and be submitted to the Planning Division and Engineering Department for review.

The conceptual grading plans for each Planning Area shall be referred to as the detailed grading plans are developed for each Planning Area.

The conceptual grading plans for each Planning Area shall include preliminary pad and roadway elevations. Grading plans submitted for review should include a plan for the mass grading and movement of large quantities of dirt from one area of the development to suitable sites to achieve a balance when possible. Rough grading plans should provide sufficient information to define the desired line and grade for each Planning Area.

Grading Plan development standards include:

1. A grading permit shall be obtained from the City of Highland.
2. All public streets shall have a minimum gradient of 1.0 percent.
3. Swales surrounding structures shall be in accordance with the California Building Code.
4. Prior to initial grading activities, a detailed geotechnical study shall be prepared to analyze on-site soil conditions and slope stability.
5. Slopes steeper than 2:1 and exceeding ten feet (10') in vertical height may be allowed provided they are recommended to be safe in a Slope Stability Report prepared by a soils engineer or an engineering geologist and approved by the City of Highland.
6. In order to achieve flexibility and creative design solutions, plans for landscaping and irrigation plans will be provided as determined by the City Engineer.
7. Once landscaping and irrigation is needed, maintenance will be determined by the applicant or applicant's agent.
8. Drainage structures such as brow ditches, terrace drains, swales, and miscellaneous drainage devices will be determined as needed by the project engineer for compliance with the California Building Code and City of Highland requirements.
9. In order to achieve an earthwork balance within any development phase, grading may encroach into an area of future development. Encroachment into these areas may involve the borrowing or temporary stockpiling of dirt to balance areas in the order of the project phasing. If such is the case, grading plans shall be prepared for this purpose and grading will be performed as directed by the soils engineer. The overall Conceptual Grading Plan for the project will be used as a guide for the overall project as well as any conceptual grading plans for an individual planning area. Any off-site grading will be as directed by the soils engineer and these Grading Plan development standards.
10. Graded land that is undeveloped shall be maintained weed free, and planted with material selected by the soils engineer, treated with soil binder, or other approved methods of soil stabilization, to prevent dust and dirt erosion. Planting with interim landscaping shall comply with NPDES Best Management Practices for wind and water erosion control

5.7 COMMUNITY FACILITIES

5.7.1 Schools

Redlands Unified School District (RUSD) is the school district serving the K-12 school needs of the Harmony Specific Plan. Harmony Specific Plan is located within the current Mentone Elementary School and Cram Elementary School attendance boundaries. Planning area 19A, 8 acres, is reserved for development of a new elementary school site to meet the needs of Harmony. Planning Area 19B, 5 acres, is proposed as a City park that will be used jointly by the school for playing fields. It is anticipated that most of the elementary- school-aged children living in the community will attend this new elementary school.

5.7.2 Police

The developers of Harmony Specific Plan will pay the City of Highland adopted impact fee for police services pursuant to the conditions of approval of any tentative tract map for development, subject to the provisions of the Development Agreement.

5.7.3 Fire

The developers of Harmony Specific Plan will pay the City of Highland adopted impact fee for fire protection facilities and equipment which will be used to fund the land acquisition and development costs for the new fire station. The Harmony Specific Plan provides a 1.5-acre site for a new fire station located south of Newport Road. Developers will work with the City on planning this site, subject to the provisions of the Development Agreement.

5.7.4 Library

The developers of Harmony Specific Plan will pay the City of Highland adopted development impact fees for libraries pursuant to the conditions of approval of any tentative tract map for development.

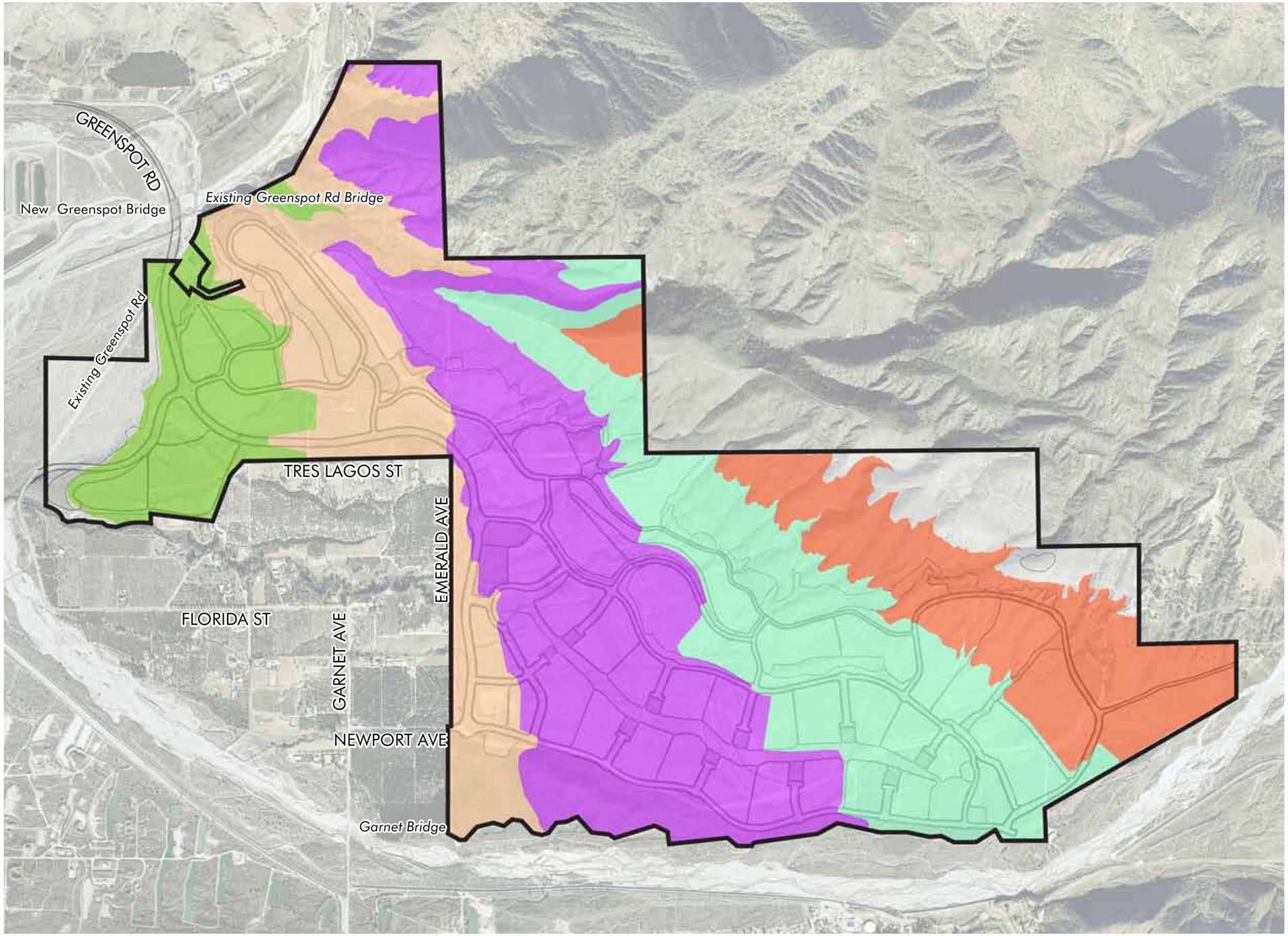
5.7.5 Solid Waste

Burrtec Waste Industries Inc. and Cal Disposal Co., Inc. provides recycling and waste collection and disposal services to the City of Highland. These services can be provided to Harmony through extension of existing franchise agreements.

5.7.6 Parks

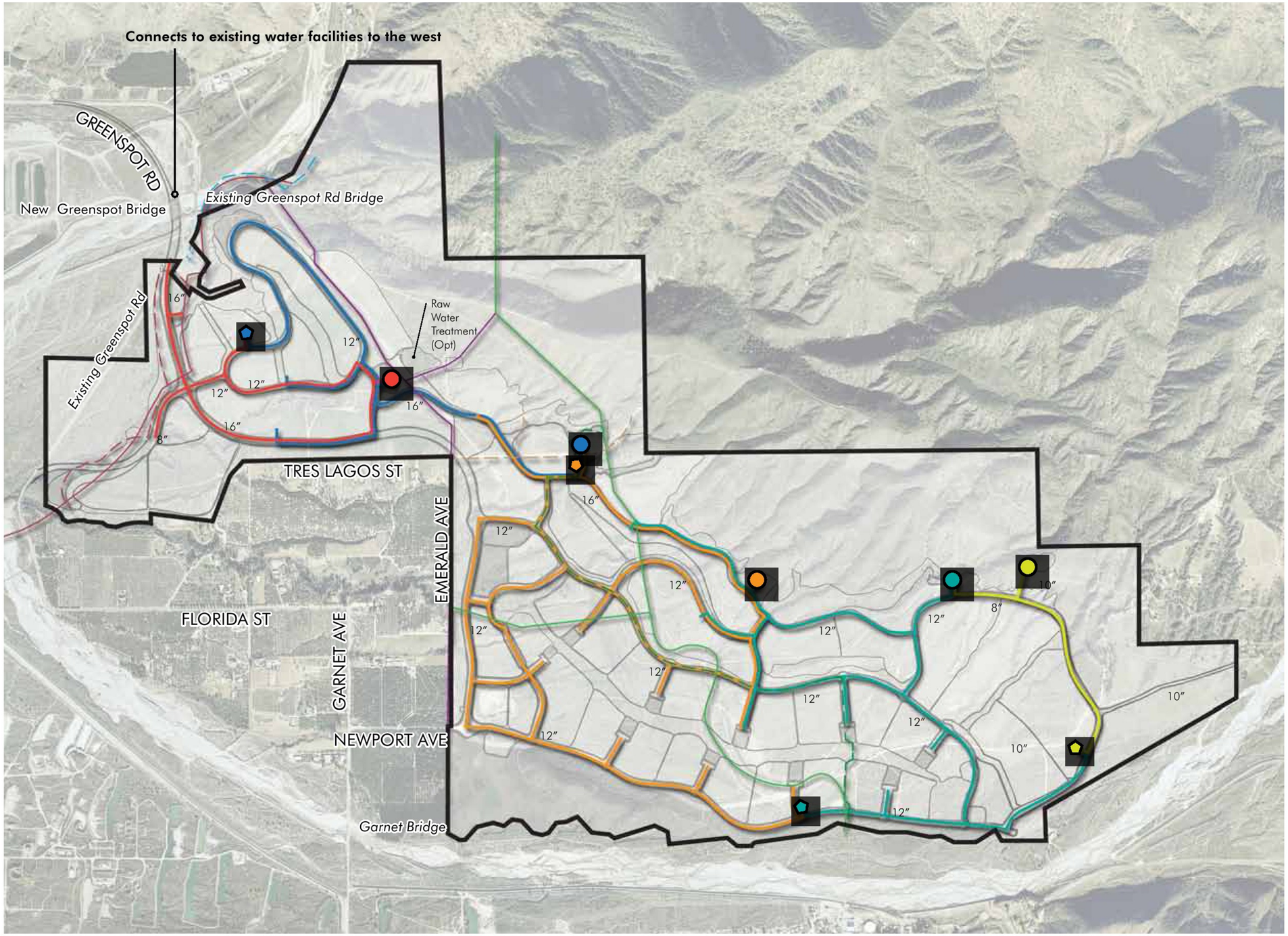
Harmony designates 833 acres for recreation and open space. This includes 110 acres of parks. 4.3 acres for a private recreation facility, 112 acres of community greenway, 535 acres of natural open space, and 72 acres of manufactured open space. See Section 4.3, Community Elements, Section 9.7, Park Systems, and Section 9.8, Open Space and Trails, for further details. The park plan for Harmony will include a combination of dedicated parkland and improvements to meet park requirements in accordance with Section 16.40.200 of the Highland Municipal Code.

EXHIBIT 5-1 WATER PRESSURE ZONES



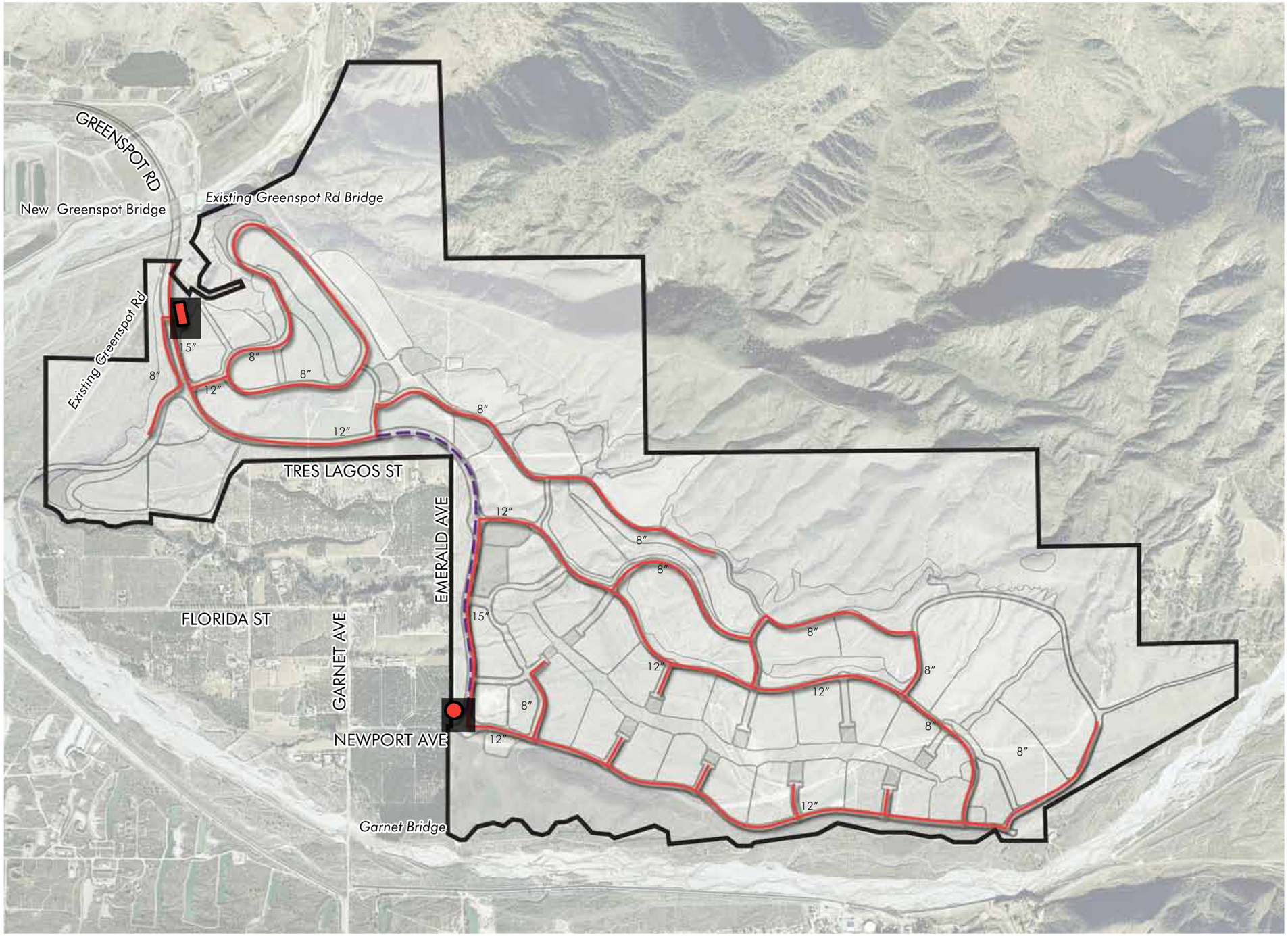
LEGEND

- 1820 - 1980 Service Zone
- 1980 - 2145 Service Zone
- 2145 - 2305 Service Zone
- 2305 - 2470 Service Zone
- 2470 - 2630 Service Zone



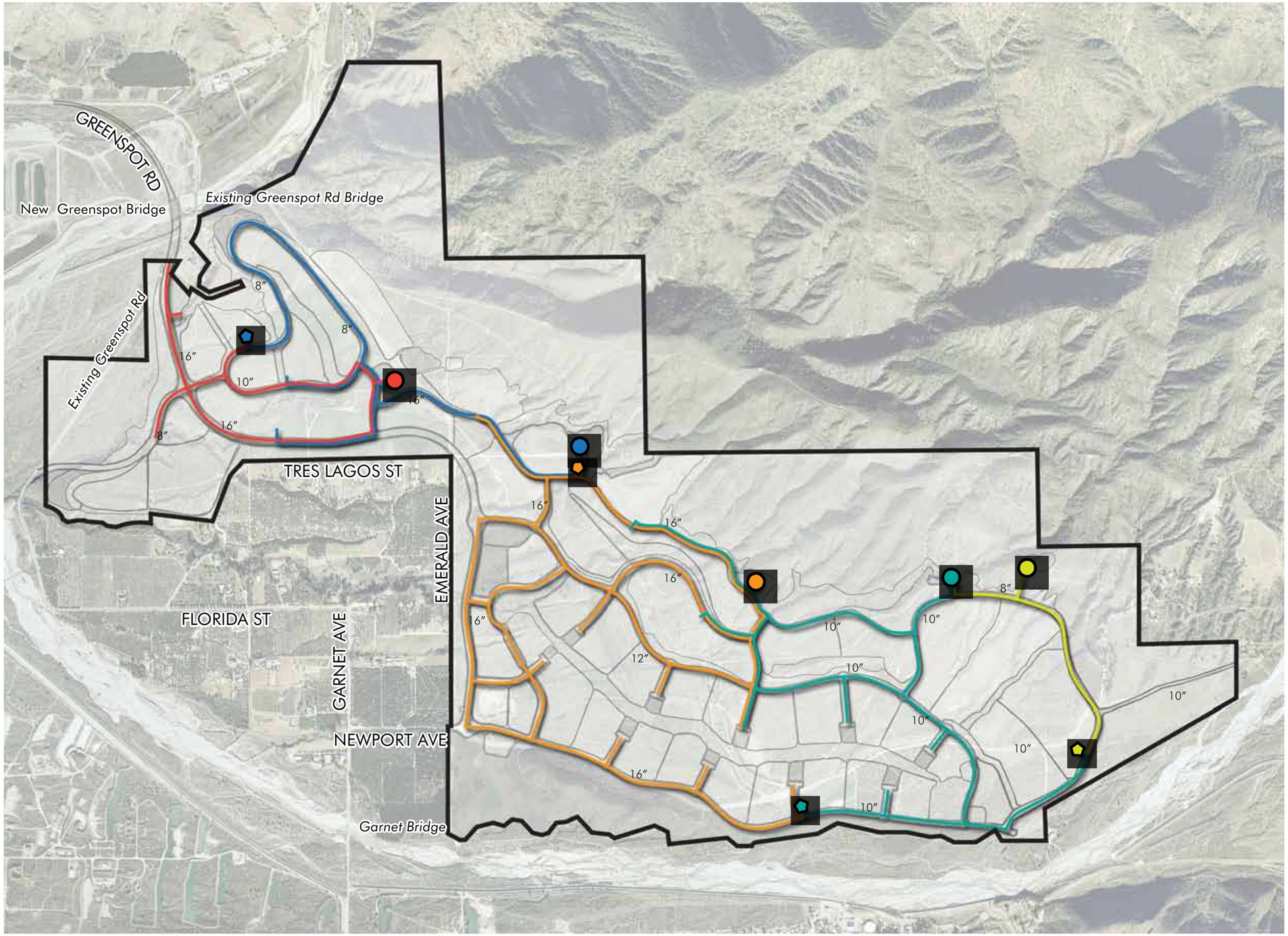
LEGEND

- Service 1820 - 1980
  - Reservoir
- Service 1980 - 2145
  - Reservoir
  - PRS
- Service 2145 - 2305
  - Reservoir
  - PRS
- Service 2305 - 2470
  - Reservoir
  - PRS
- Service 2470 - 2630
  - Reservoir
  - PRS
- SBVMWD (existing)
- Bear Valley Highline (existing)
- Bear Valley Highline (relocated)
- Tres Lagos (existing)
- Redlands Aqueduct (existing)
- Redlands Aqueduct (relocated)
- Morton Canyon Connector (existing)



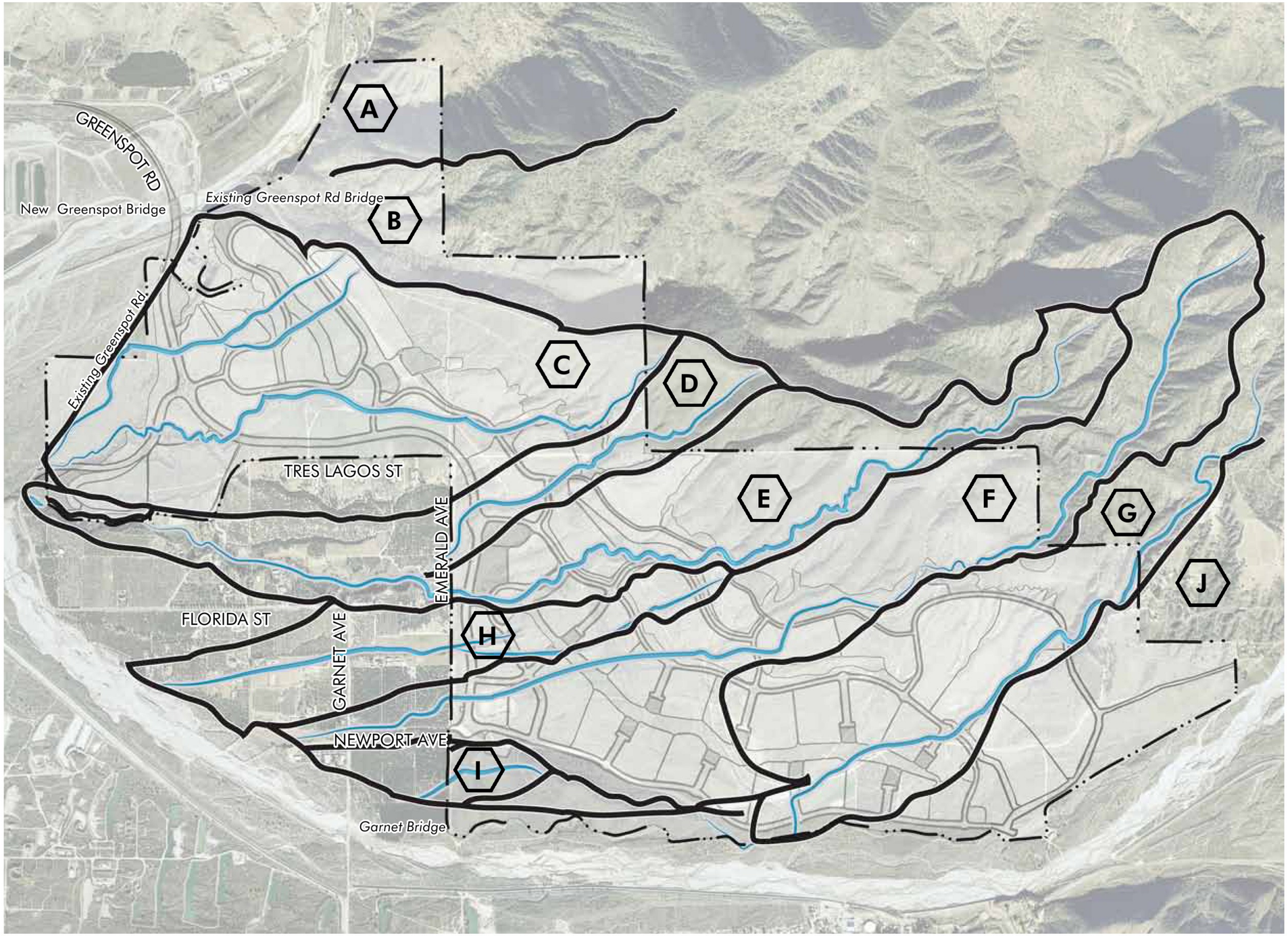
LEGEND

- Sewer Collector
- Sewer Force Main
- Sewer Treatment Facility
- Sewer Lift Station



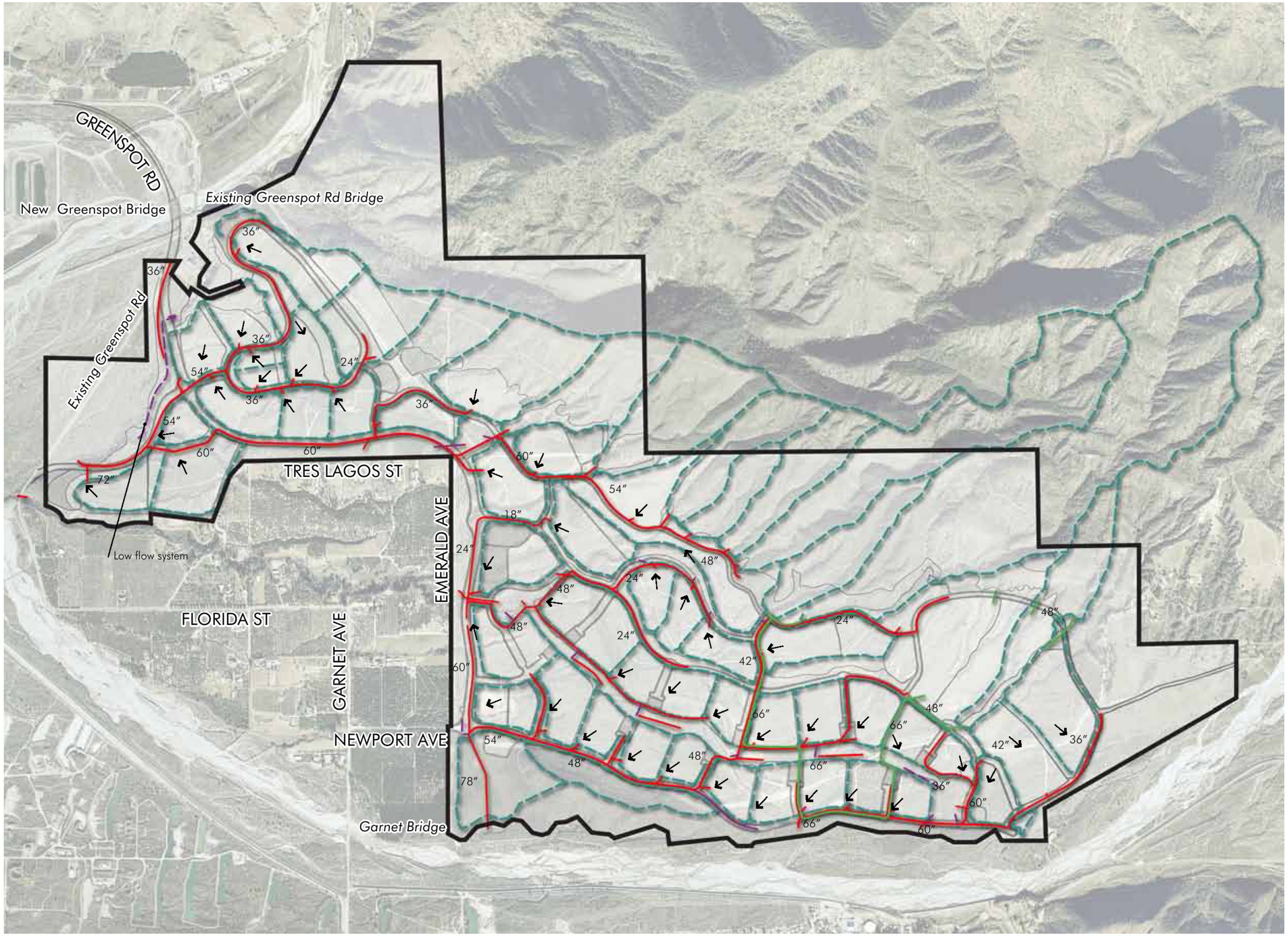
LEGEND

- Service 1820 - 1980
  - Reservoir
- Service 1980 - 2145
  - Reservoir
  - PRS
- Service 2145 - 2305
  - Reservoir
  - PRS
- Service 2305 - 2470
  - Reservoir
  - PRS
- Service 2470 - 2630
  - Reservoir
  - PRS



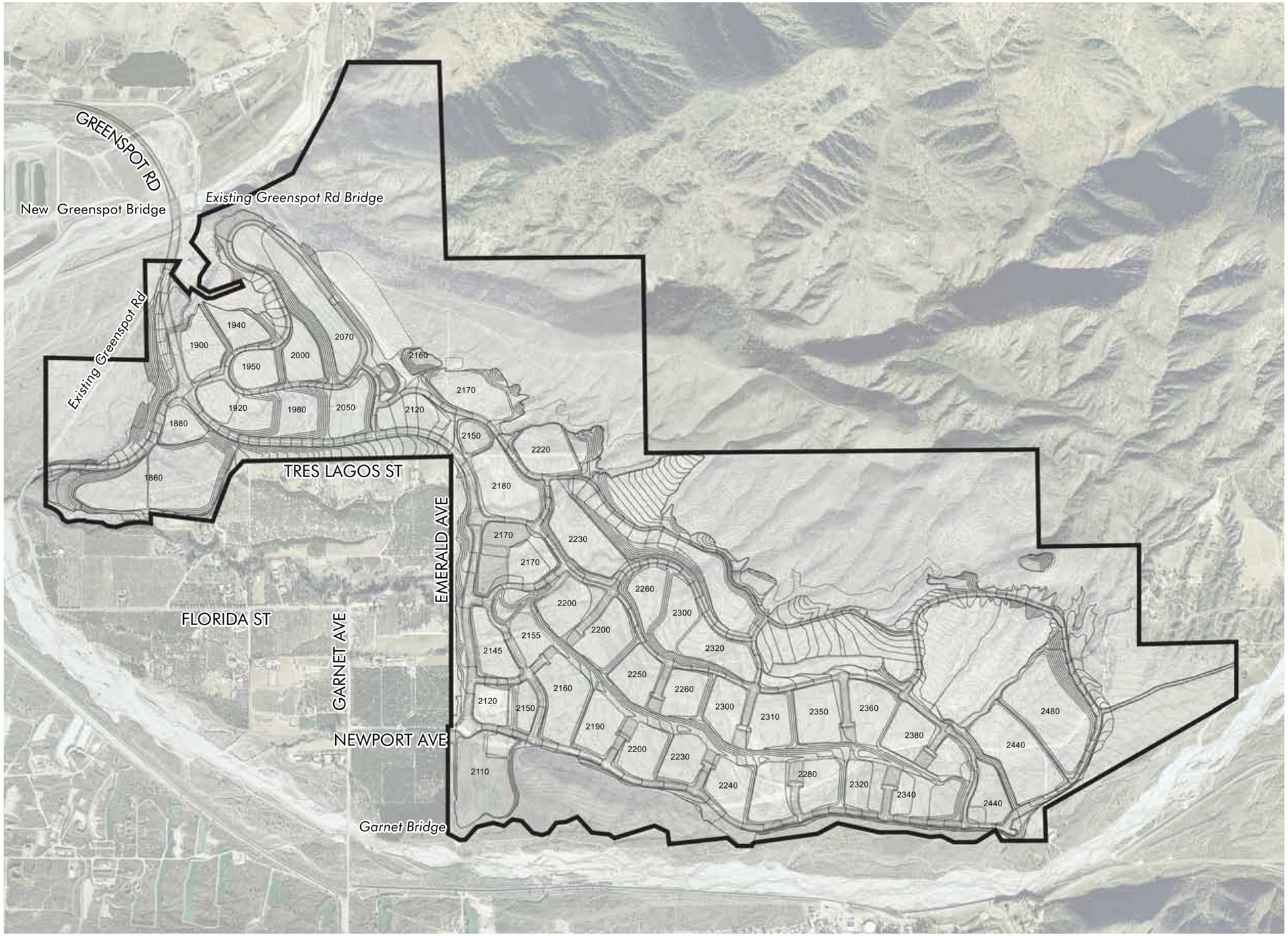
LEGEND

Tributary Area



LEGEND

- Storm Drain
- Storm Drain (By-Pass)
- Direction of Flow
- Low Flow System
- Drainage Boundary



LEGEND

#	Preliminary Pad Elevations

Note: *Final pad and street elevations will be determined during tentative map process,*

CIRCULATION

Chapter 6

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6.1 CIRCULATION CONCEPT

The circulation plan for the Harmony Specific Plan addresses both on and off-site circulation requirements. The circulation plan also reinforces the goal of creating a pedestrian friendly environment. Provision is made for the safe and efficient movement of vehicular traffic through the community, as well as a safe environment for pedestrian movement and bicycle traffic. Reducing reliance on the automobile as a primary means of travel throughout the Specific Plan is a fundamental objective of the circulation plan.

Regional access to the Specific Plan area is provided by the 210 freeway, the 10 freeway, and State Route 38.

The primary existing transportation corridor serving Harmony is Greenspot Road, which provides access to the west and northwest areas of the project. Newport Avenue provides secondary access to Harmony from the southwest and southeast. The Specific Plan area is served internally by a network of major highways, secondary highways, and collector roads, all of which have been modified from the typical sections provided in the City of Highland's General Plan. Typical sections are identified in the Specific Plan, along with several alternatives that may be used as site plans are prepared in the future. When feasible, these roadways have been designed as green streets, where swales handle water runoff. The layout of the backbone circulation system provides direct and convenient access to the community, creates view opportunities throughout Harmony, and encourages drivers to drive responsibly.

Sidewalks connecting residential neighborhoods with parks and community facilities are planned within the public rights-of-way of roadways within the Specific Plan area. An off-street multi-use trail connects residential areas to open space areas within the community and to off-site regional trails and recreational amenities. The network of sidewalks and multi-use trails planned for Harmony provides bicycle and pedestrian connectivity to all areas within the community and between Harmony and surrounding parks, recreational trails, open space, and activity centers.

"A good plan is like a road map: it shows the final destination and usually the best way to get there."

—H. Stanley Judd, writer

6.2 MASTER CIRCULATION PLAN

Greenspot Road, designated a Major Highway in the City of Highland's General Plan, provides access to Harmony's northwest area and Newport Avenue provides access to the project's southwest and southeast areas from the City of Redlands and unincorporated San Bernardino County, respectively. Any improvements to existing roads will be identified in the traffic study. Exhibit 6-1, "Street Sections Key Map" is a guide to typical locations where the illustrated cross-sections occur. Exhibit 6-2, "Street Typologies" illustrates the typical dimensions of Harmony's street classifications; based on final grading, some sections may incorporate curbs and gutters as appropriate. The alignment of the internal circulation system planned for the Specific Plan area is approximated. Final alignments will be established as part of the City of Highland's approval of tentative maps. Harmony will comply with the City of Highland's sight distance criteria during final design.

6.2.1 Modified Major Highway (A)

Harmony Specific Plan designates the northernmost portion of Greenspot Road located within the Specific Plan boundaries as Modified Major Highway A with a total ROW of 104'. Greenspot Road will carry regional traffic to and from the Specific Plan area and will provide access to the Specific Plan area along the project's western boundary. The typical Modified Major Highway A section includes two 8' shoulders (one on each side) and two travel lanes in each direction (inside lanes are 14' and outside lanes are 12') separated by a 12' raised median. One side of the street includes a 10' Class I Bikeway/Pedestrian Path separated from the street by an 8' vegetated swale and/or landscaped parkway and 2' graded area. There is also a 2' graded area between the bikeway and ROW line and 2' graded area on the other side of the street adjacent to the ROW line. Exhibit 6-2, "Street Typologies" includes a typical Modified Major Highway cross-section.

6.2.2 Modified Major Highway (B)

The southwestern portion of Greenspot Road that is within the Specific Plan boundaries has been designated as Modified Major Highway B. This designation has a total ROW of 104' including two 14' travel lanes in both directions and a 12' raised median (reduced from 18' in the alternative section). On one side the graded area is increased from 2' to 3' and on the other side the vegetated swale and/or landscaped parkway is increased to 19 ' (from 14' on the alternative section). The alternative still features a 10' Class I Bikeway/Pedestrian Path with 2' graded areas on both sides. Exhibit 6-2, "Street Typologies" includes a typical Modified Special Highway B cross-section.

An alternative for Modified Major Highway (B) has been developed and is also included in Exhibit 6-2, "Street Typologies". In the alternative section, the total ROW remains consistent at 104', but features an 8' shoulder and 14' travel lane in each direction separated by a 18' median with a meandering swale with space for trees. The downhill slope side of the street includes a 10' Class I Bikeway/Pedestrian Path separated from the curb by a 2' graded area; the other side includes a 10' Class I Bikeway/Pedestrian Path and 2' graded area separated from the street by an 14' vegetated swale and/or landscaped parkway and additional 2' graded area.

6.2.3 Modified Special Highway (C)

While Harmony Specific Plan currently does not designate any roadways in the Specific Plan area as Modified Special Highway C, the Plan includes this designation to provide flexibility for accommodating any future changes to the circulation system based on final site planning and design. Modified Special Highway C has a total ROW of 98' which includes an 8' shoulder and 14' travel lane in each direction separated by a 24' planting with a meandering swale. On one side of the street is an 8' vegetated swale and/or landscaped parkway and 2' graded area. The other side of the street features a 10' Class I Bikeway/Pedestrian Path separated from the street by a 6' vegetated swale and/or landscaped parkway and 2' graded area; there is another 2' graded area on the outside of the Class I Bikeway/Pedestrian Path. Exhibit 6-2, "Street Typologies" includes a typical Modified Special Highway C cross-section.

6.2.4 Collector (D)

The section of the Harmony road network that provides southwestern access to and from the Specific Plan area has been designated as Collector D. Collector D has a total ROW of 60' which includes an 8' shoulder and a 12' travel lane in one direction and two 12' travel lanes in the other direction. Both sides of the street include a 4' dirt shoulder. Exhibit 6-2, "Street Typologies" includes a typical Collector D cross-section.

6.2.5 Collector (E) County Standard

Collector E includes a 66' ROW with a 14' travel lane in each direction and an 8' shoulder, 5.5' parkway, 5' sidewalk, and 0.5' graded area on both sides of the street. Exhibit 6-2, "Street Typologies" includes a typical Collector E County Standard cross-section.

6.2.6 Modified Collector (F-M)

The Harmony Specific Plan includes five Modified Collector cross-sections, referred to as Modified Collector sections F through M. Exhibit 6-2, "Street Typologies" includes a typical Modified Collector F-M cross-sections.

Modified Collector F

Modified Collector F applies to Harmony roadways in the northwestern portion of the Specific Plan area. Modified Collector F has a total ROW of 66' which includes one 12' travel lane in each direction and an 8' shoulder on both sides. One side includes a 10' Class I Bikeway/Pedestrian Path separated from the street by a 10' vegetated swale and/or landscaped parkway and 2' graded area; the opposite side only includes a 2' graded area.

Modified Collector G

Modified Collector G includes roadways in the southern portion of the Specific Plan area. Modified Collector G has a total ROW of 80' which includes one 14' travel lane in one direction and two travel lanes in the other direction (12' and 14'). One side of the street (adjacent to the community park) is an 8' parking lane and 6' parkway; on the other side is a 10' Class I Bikeway/Pedestrian Path, and 2' graded area, separated from the street by a 8' vegetated swale and/or landscaped parkway and an additional 2' of graded area.

Two alternatives have been developed for Modified Collector G; both alternatives maintain an 80' total ROW. Alternative 1 has one 14' travel lane in each direction separated by a 12' raised median. On one side of the street (adjacent to the community park) is an 8' parking lane and 2' graded area; on the other side is an 8' shoulder, a 10' Class I Bikeway/Pedestrian Path, and 2' graded area, separated from the street by a 8' vegetated swale and/or landscaped parkway and an additional 2' of graded area. Alternative 2 features three travel lanes: one 14' travel lane in one direction and two travel lanes in the other direction (12' and 14'). Adjacent to the single lane of travel is an 8' parking lane and 6' landscape parkway. On the other side of the street is 12' vegetated swale and/or landscaped parkway and 10' Class I Bikeway/Pedestrian Path buffered by a 2' graded area on both sides. The difference between Modified Collector G and its alternatives is the direction of the slope.

Modified Collector H

Modified Collector H includes the central and eastern portion of the Harmony road network. Modified Collector H has a total ROW of 66' which includes one 14' travel lane in each direction separated by a 12' painted median. On one side of the street there is a 6' landscape parkway and on the other side of the street there is a 6' vegetated swale and/or landscaped parkway and a 10' Class I Bikeway/Pedestrian Path with 2' graded areas on both sides.

Two alternatives have been developed for Modified Collector H; both alternatives maintain a 66' total ROW. Alternative one includes one 17' travel lane in each direction. On one side is a 10' vegetated swale and/or landscaped parkway; on the other side is a 10' Class I Bikeway/Pedestrian Path and 2' graded area separated from the street by a 10' swale. Alternative 2 features one 14' travel lane in each direction separated by a 12' painted median. On one side of the street there is a 6' landscape parkway and on the other side of the street there is a 6' vegetated swale and/or landscaped parkway and a 10' Class I Bikeway/Pedestrian Path with 2' graded areas on both sides. The difference between Modified Collector H and Alternative 2 is the direction of the slope.

Modified Collector I

Modified Collector I has a total ROW of 66' which includes an 8' shoulder and 12' travel lane in both directions. One side includes a 6' parkway; the other side includes a 10' sidewalk with 2' graded area on both sides, separated from the street by a 6' parkway.

Modified Collector J

Modified Collector J has a total ROW of 104' which includes an 8' shoulder and 14' travel lane in each direction separated by a 21' raised median. On one side there is a 10' Class I Bikeway/Pedestrian Path and 2' graded area separated from the street by an 8' vegetated swale and/or landscaped parkway and additional 2' graded area. The other side includes a 5' sidewalk and a 2' graded area separated from the street by a 10' vegetated swale and/or landscaped parkway.

Modified Collector K

Modified Collector K has a total ROW of 80' which includes an 8' shoulder and 14' travel lane in each direction separated by a 12' raised median. Both sides of the street have a 6.5' parkway, 5' sidewalk, and 0.5' of graded.

Modified Collector L

Modified Collector L has a total ROW of 60' which includes an 8' shoulder and 10' travel lane in each direction. Both sides of the street have a 6.5' parkway. 5' sidewalk, and 0.5' graded area.

Modified Collector M (Typical and Alternative)

The typical Modified Collector M section has a ROW of 88' and includes one 14' travel lane in each direction separated by a 15' raised median and an 8' shoulder, 9' parkway, 5' sidewalk, and 0.5' graded area on both sides.

An alternative section for Modified Collect M has been developed to accommodate angled parking in the median. The alternative features one 14' travel lane in each direction and a 6.5' sidewalk and 5.5' planting area on both sides. On both sides of the street, between the travel lanes and a 10' raised median, Modified Collector M features a 13' area designed for pull-in angled parking where the front of the vehicle is oriented towards the median; angled parking on the interior of the section creates a dynamic streetscene while serving the needs of potential future neighborhood commercial planning areas.

In order to best respond to the final site design and land use pattern of the Village Core, either alternatives may be applied in the project area without the need for a Specific Plan Amendment. Final alignments and street section application will be established as part of the City of Highland's approval of tentative maps.

6.2.7 Local Collector (N)

Local Collector streets in Harmony have a total ROW of 40' which includes one 14' travel lane in each direction, a 10' vegetated swale and/or landscaped parkway on one side of the street, and a 2' graded area on the other. Exhibit 6-2, "Street Typologies" includes a typical Local Collector cross-section.

6.2.8 Local Streets

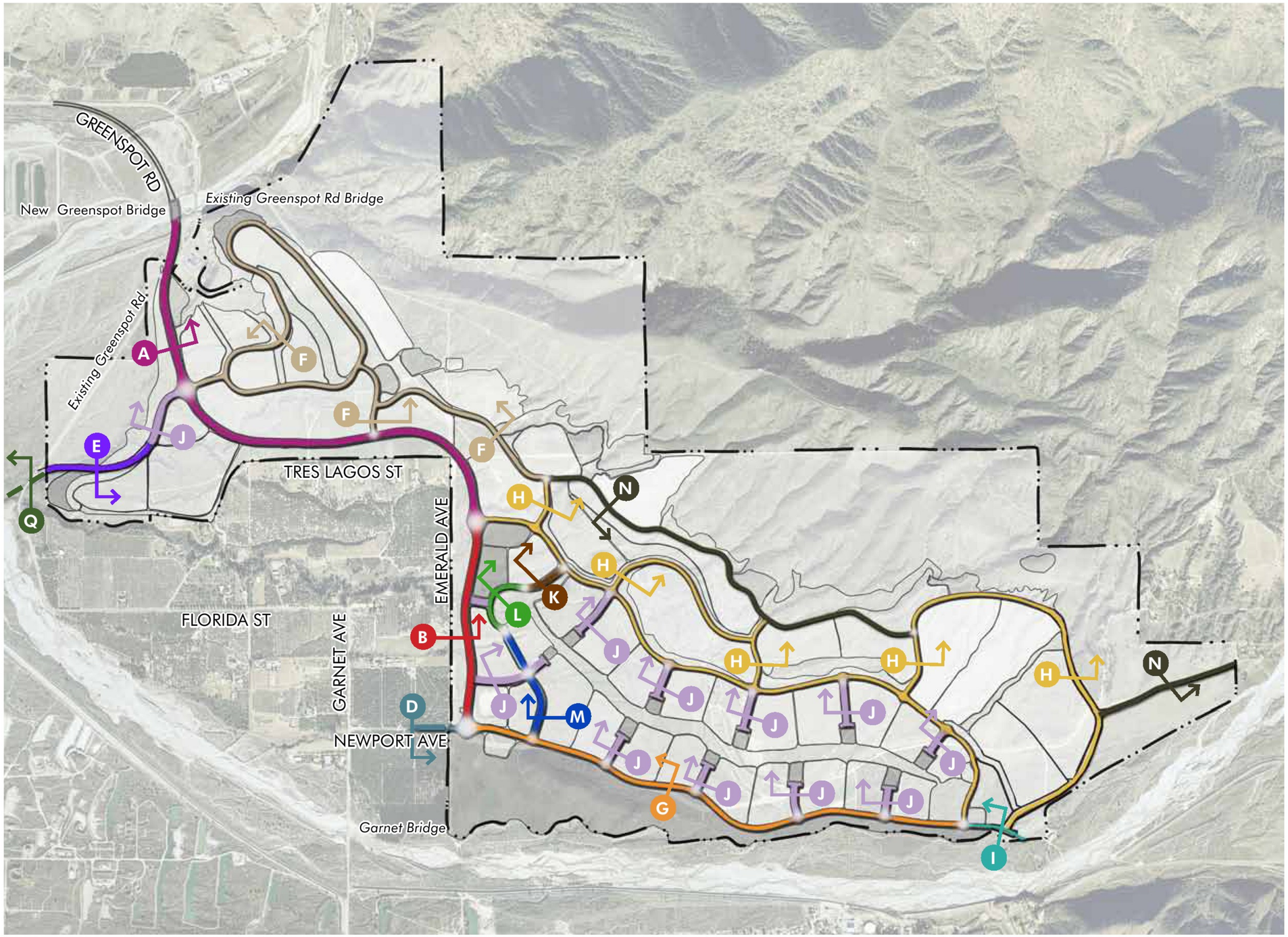
Public Local streets in Harmony have a total ROW of 60', which includes one 18' travel lane in each direction and a 6.5' planting area, 5' sidewalk, and 6" graded area on both sides. Private Local streets have a similar configuration, except the travel lanes are 14' in each direction and the planting area is 6', resulting in a total ROW of 50'. All cul-de-sacs and knuckles shall be designed in accordance with the City of Highland Standards.

6.2.9 County Collector Standard Q (off-site)

Off-site, Greenspot Road will have a total ROW of 66' with a 14' travel lane, 8' shoulder, 11' parkway, and curb and gutter on both sides of the street. Exhibit 6-2, "Street Typologies" includes a cross-section of Greenspot Road, off-site.

6.2.10 Driveways

Up to four single family detached houses can be served by one 16' wide driveway if the end of the driveway is 150' or less from the street from which the driveway is accessed. If a driveway is over 150' long, it must be a minimum of 20' wide, both sides must be red-curbed and posted with "No Parking Fire Lane", and it must have a turnaround at the end. If a driveway is 400' or longer, a fire hydrant is needed at the termination of the driveway and at the entrance to the driveway on the street from which the driveway is accessed.

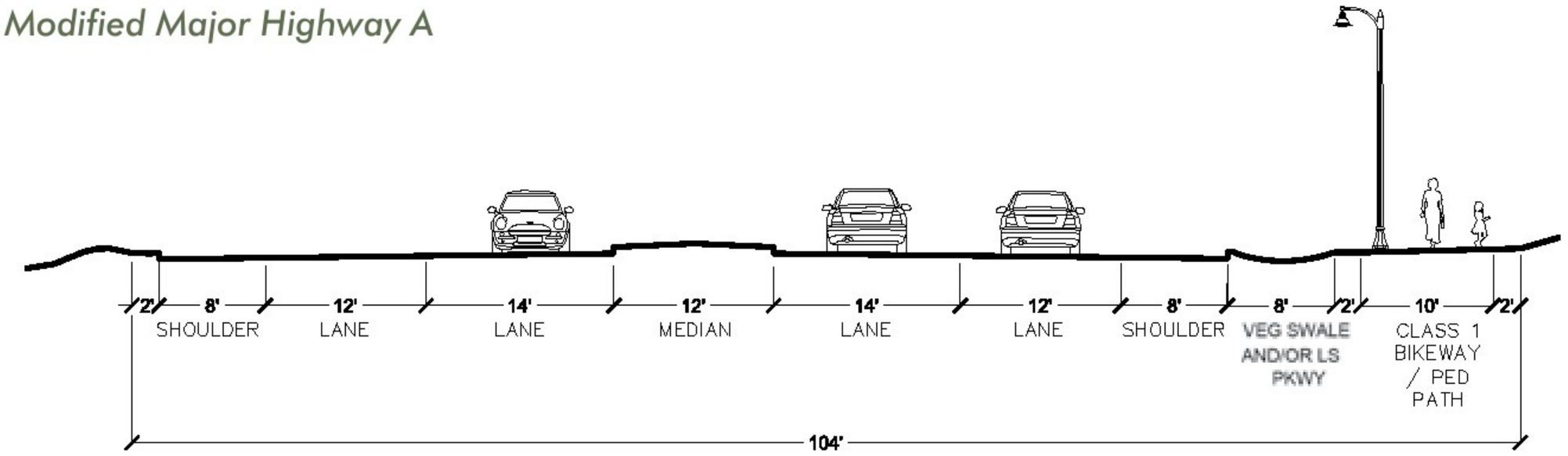


LEGEND

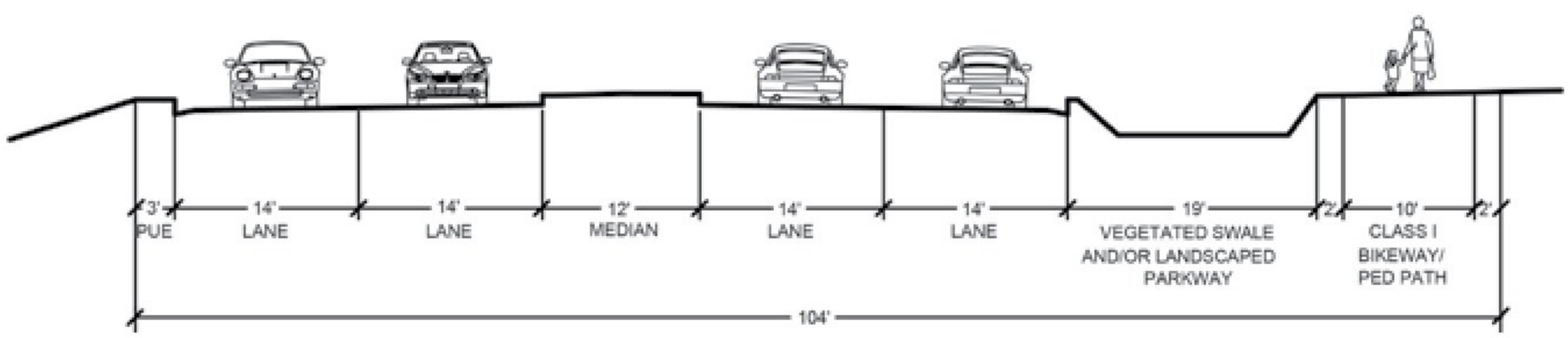
- Modified Major Highway A
- Modified Major Highway B
- Collector D
- Collector E County Standard
- Modified Collector F
- Modified Collector G
- Modified Collector H
- Modified Collector I
- Modified Collector J
- Modified Collector K
- Modified Collector L
- Modified Collector M (Typical or Alternative)
- Local Collector N
- County Collector Standard Q

Note: *"Modified Special Highway C" is not shown on this exhibit.*

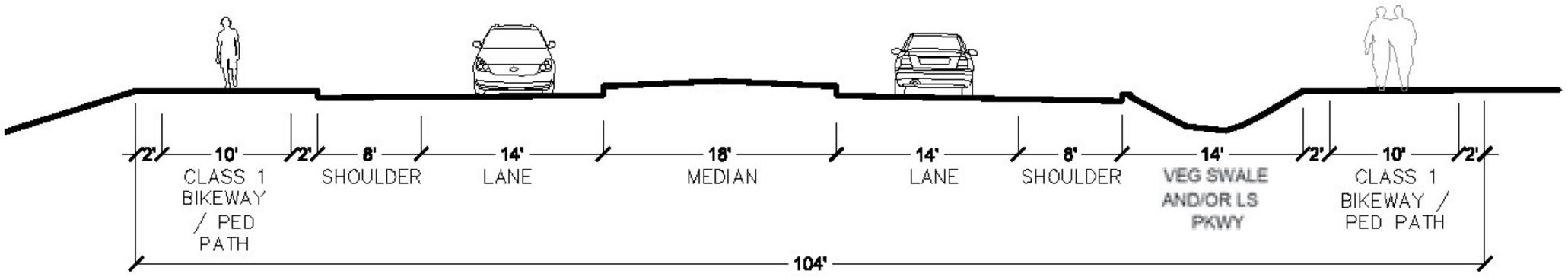
Modified Major Highway A



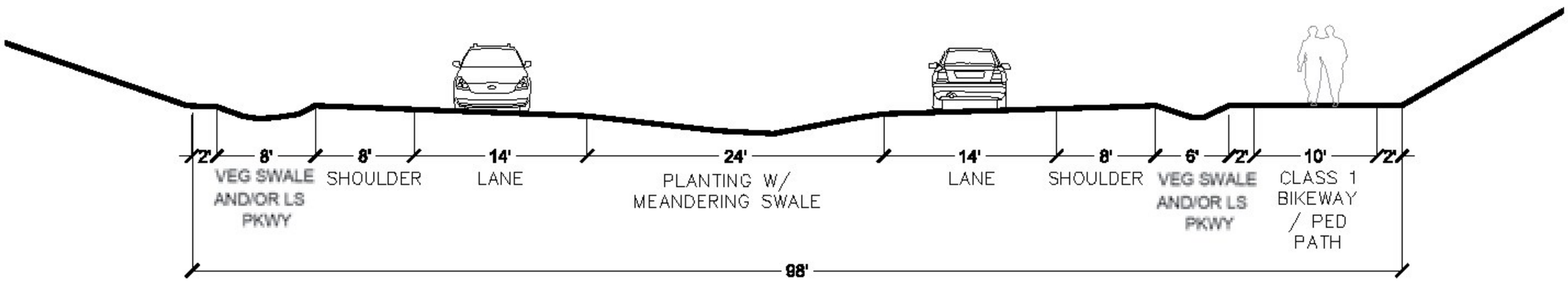
Modified Major Highway B



Modified Major Highway B (Alternative)



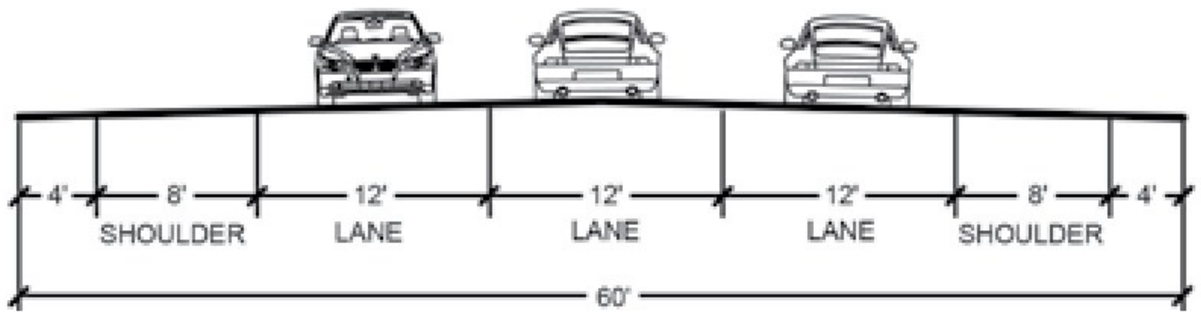
Modified Special Highway C



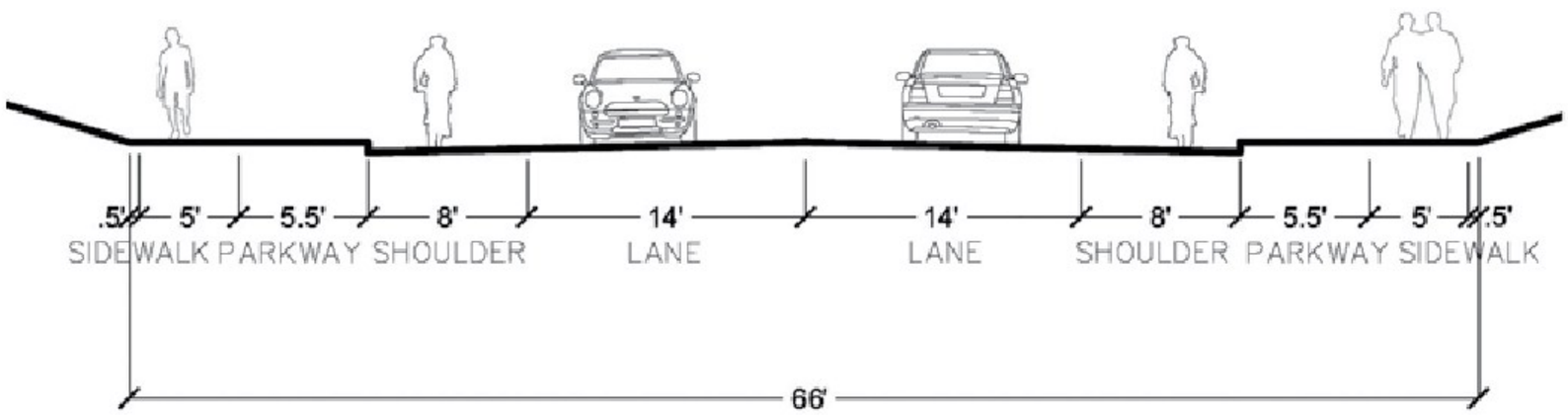
Where vertical curbs are not shown, all AC Pavement edge conditions will be contained within a 0" concrete curb.

EXHIBIT 6-2 STREET TYPOLOGIES

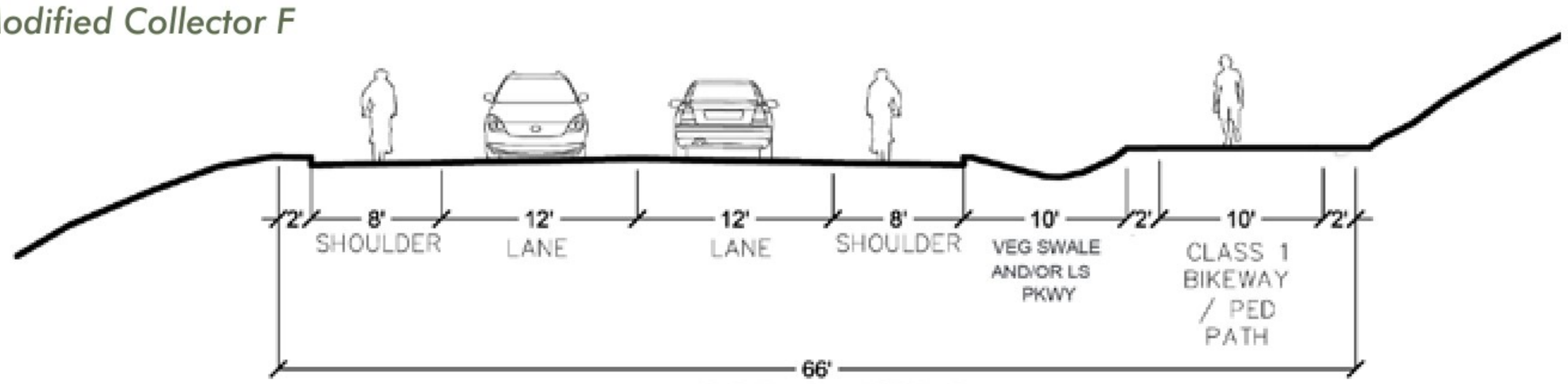
Collector D



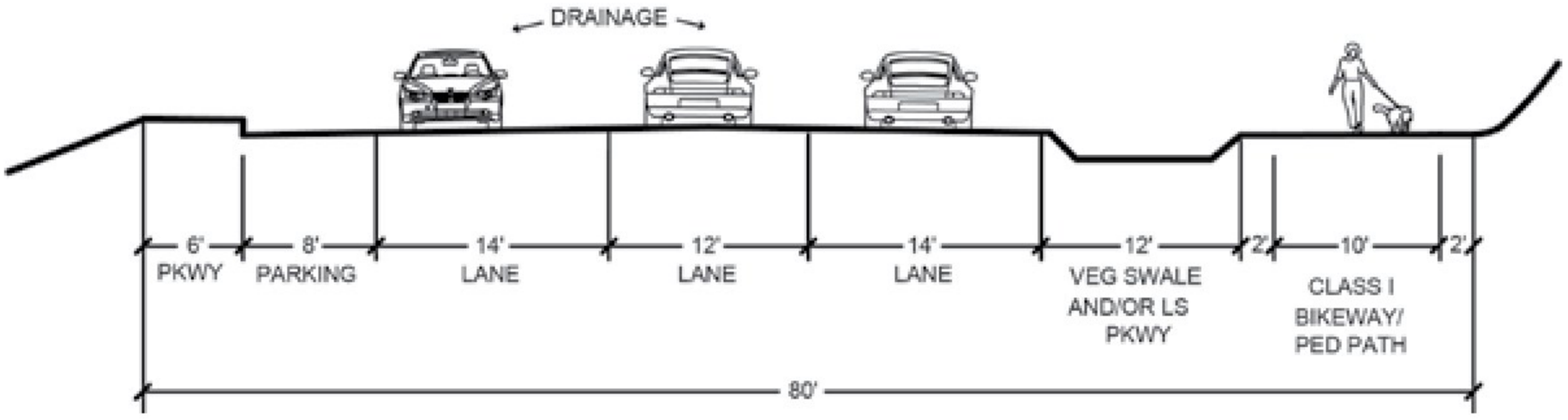
Collector E County Standard



Modified Collector F

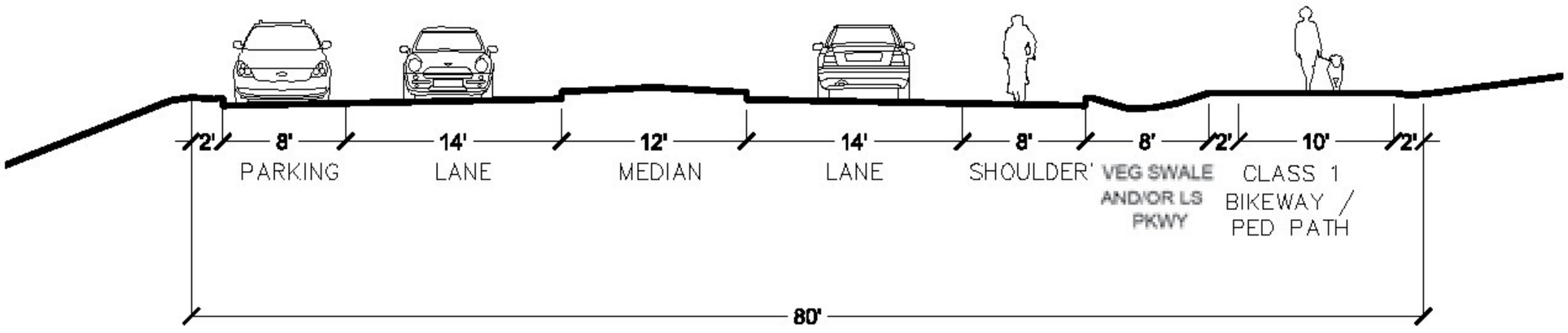


Modified Collector G

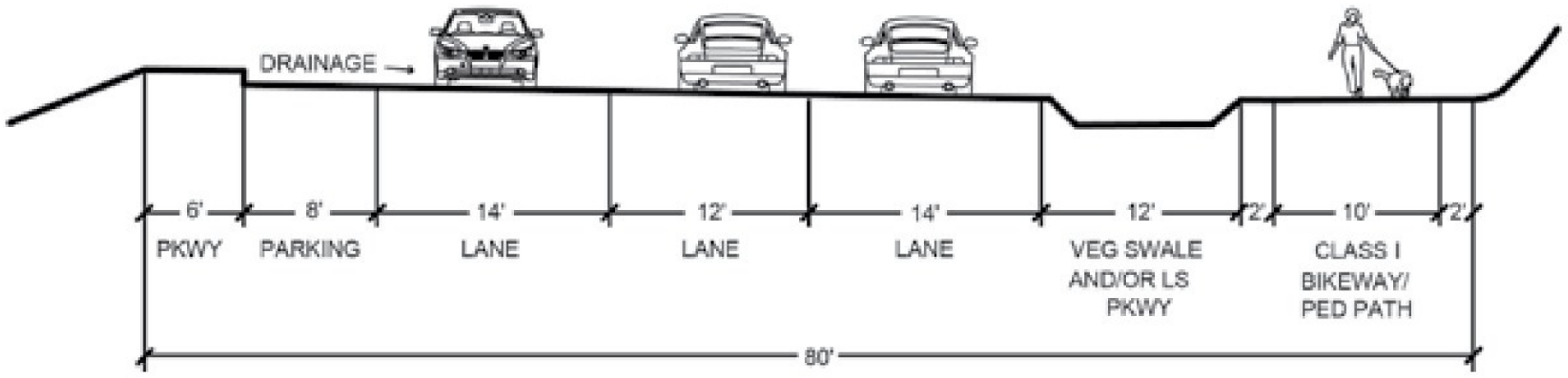


Where vertical curbs are not shown, all AC Pavement edge conditions will be contained within a 0" concrete curb.

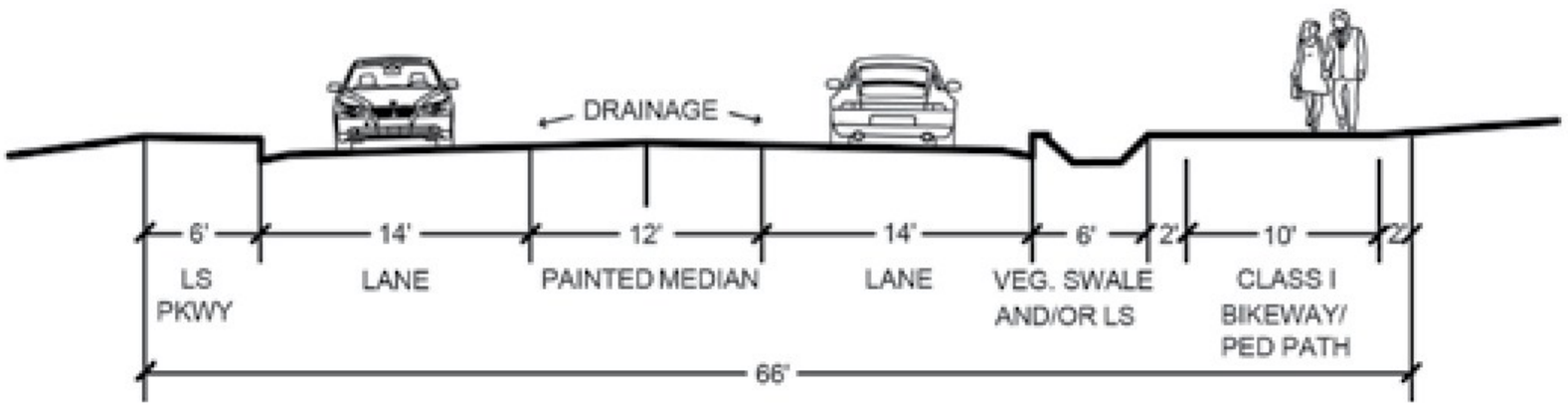
Modified Collector G (Alternative 1)



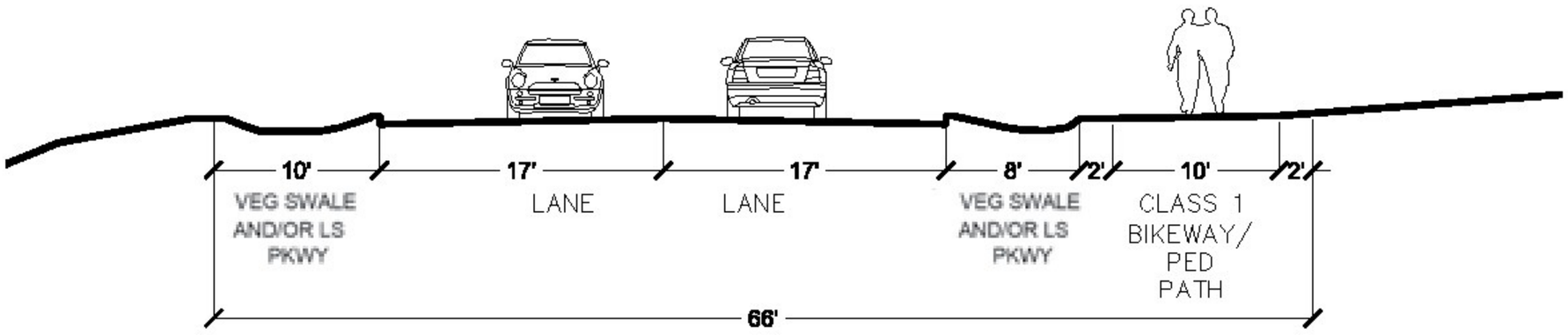
Modified Collector G (Alternative 2)



Modified Collector H

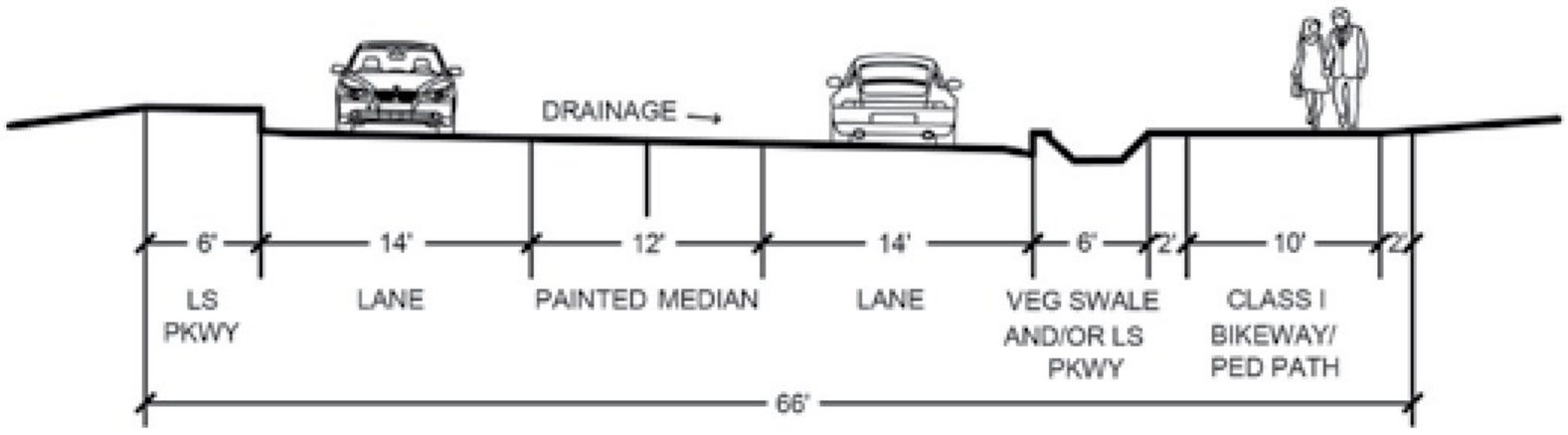


Modified Collector H (Alternative 1)

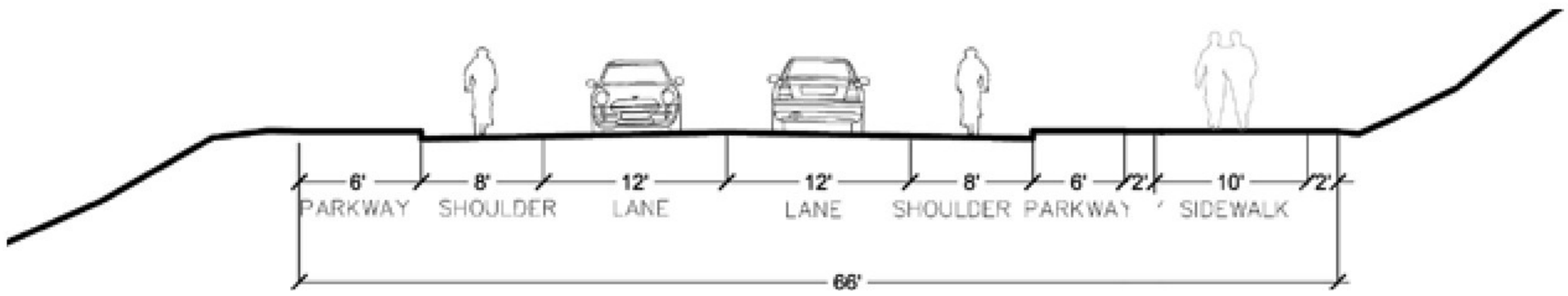


Where vertical curbs are not shown, all AC Pavement edge conditions will be contained within a 0" concrete curb.

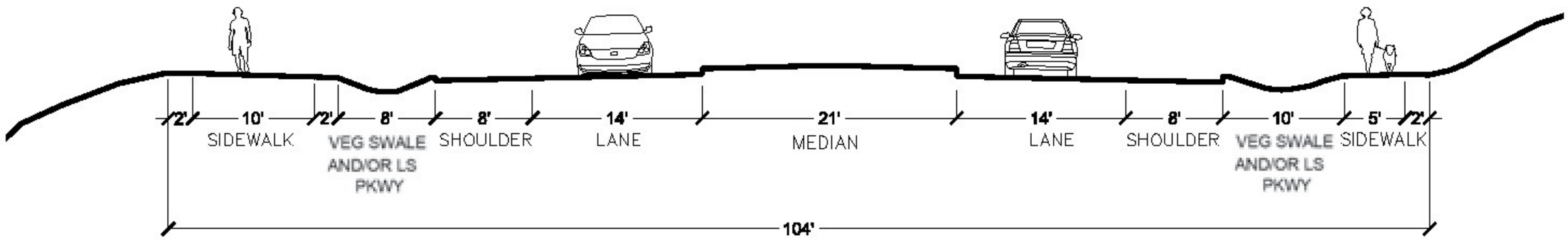
Modified Collector H (Alternative 2)



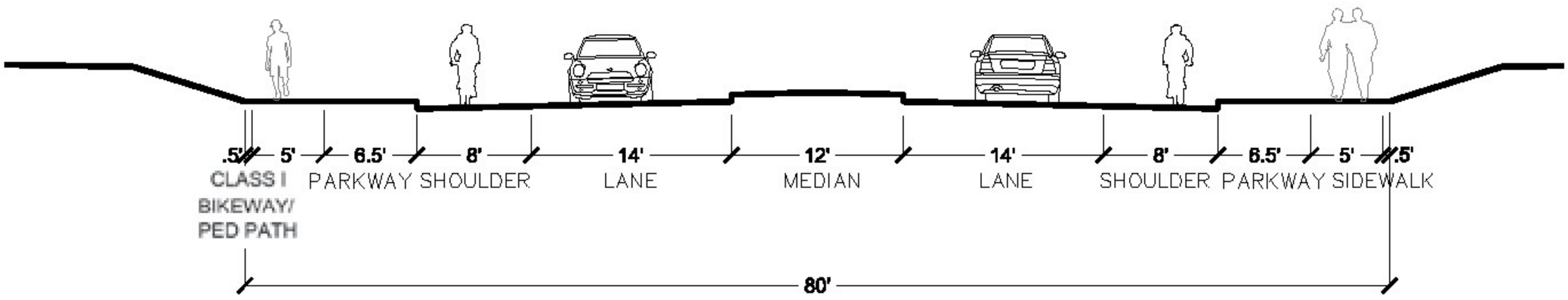
Modified Collector I



Modified Collector J

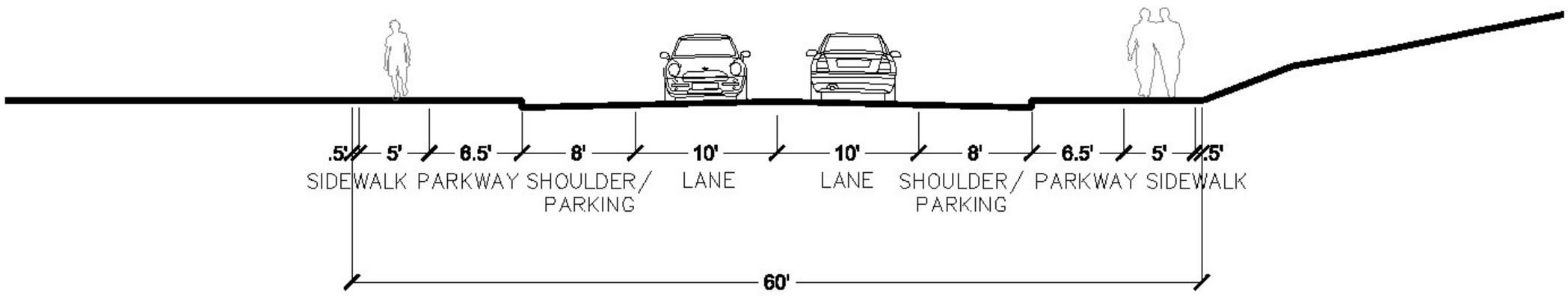


Modified Collector K

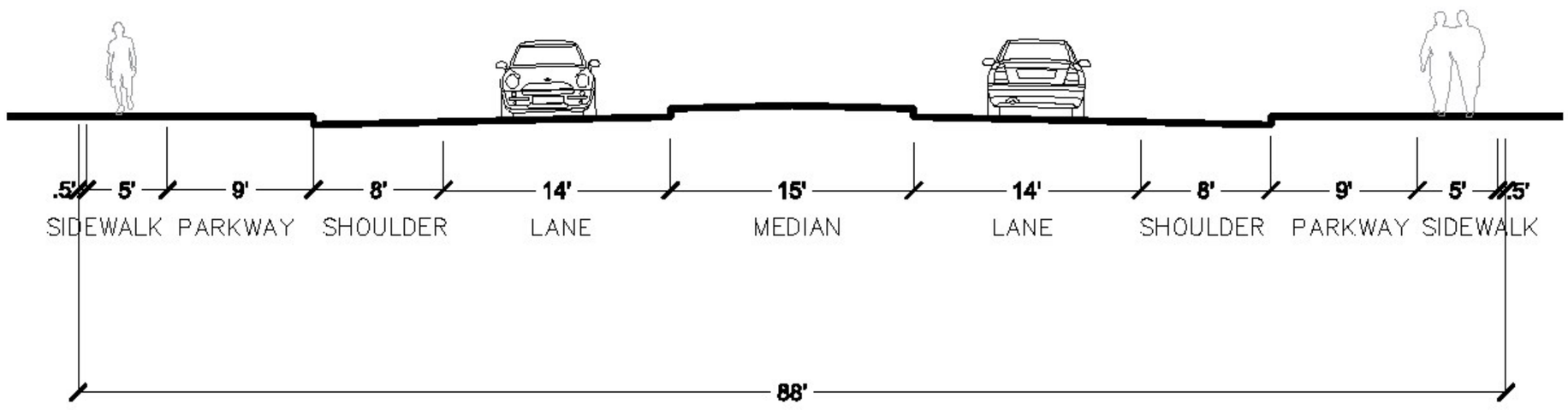


Where vertical curbs are not shown, all AC Pavement edge conditions will be contained within a 0" concrete curb.

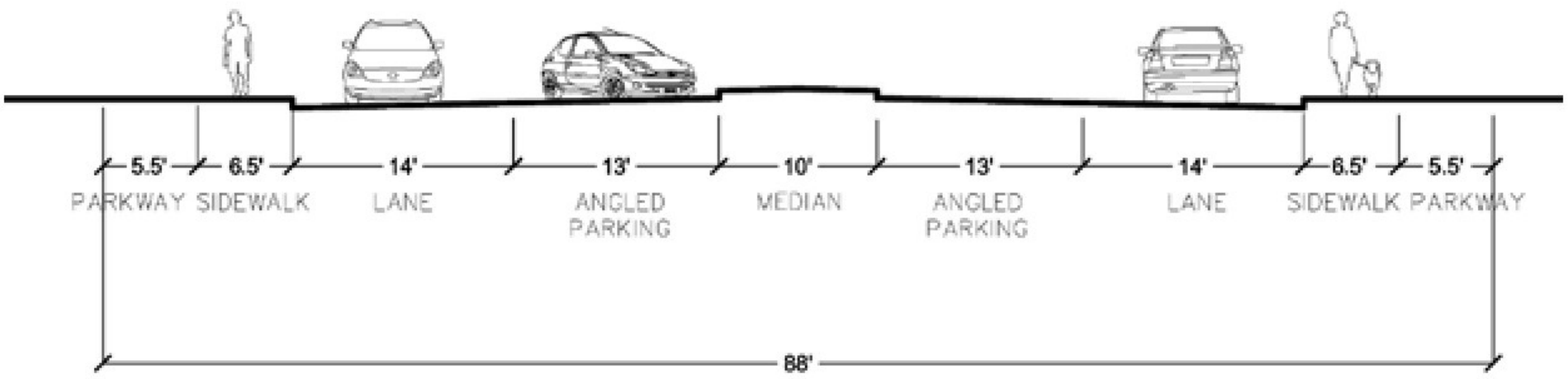
Modified Collector L



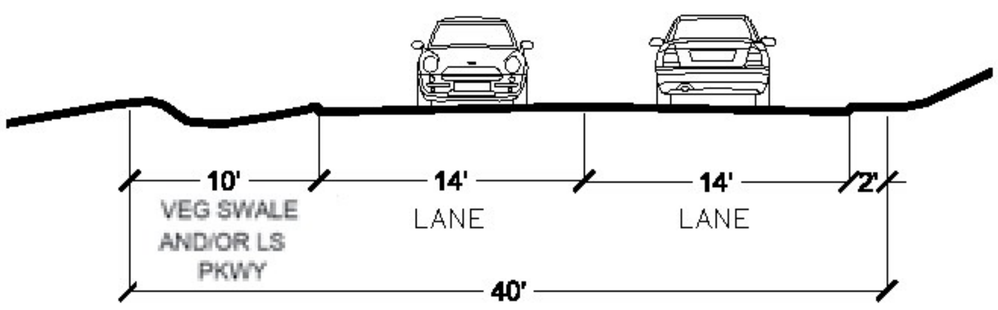
Modified Collector M



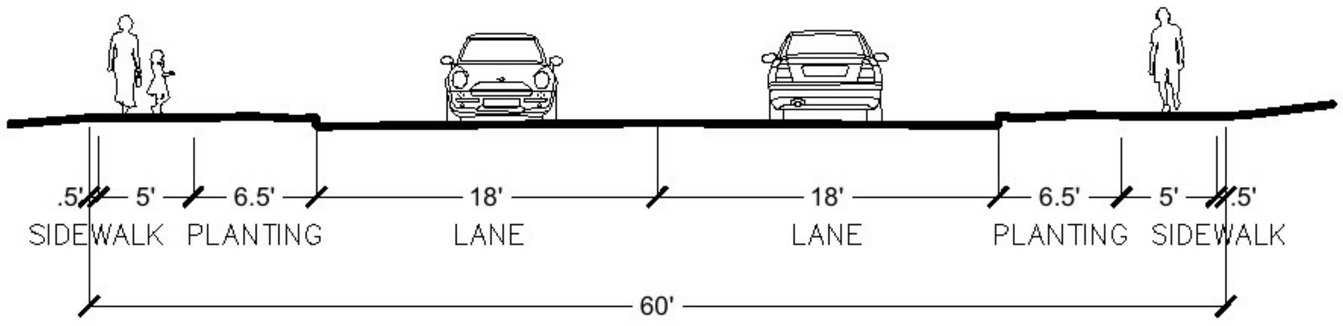
Modified Collector M (Alternative)



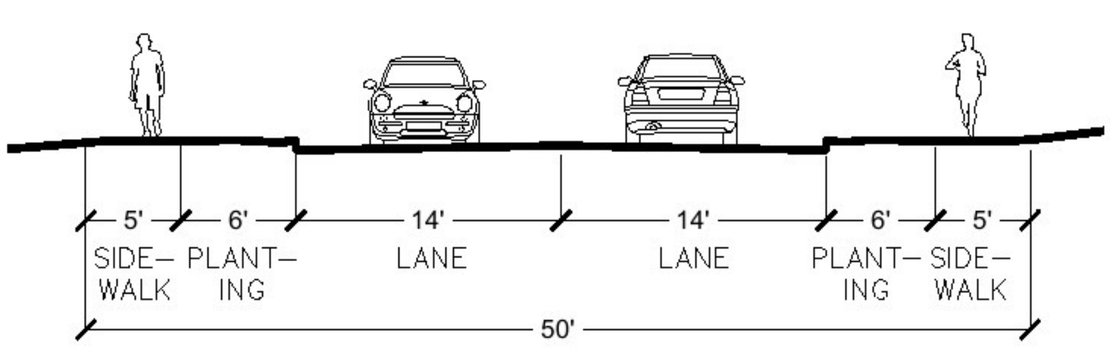
Local Collector N



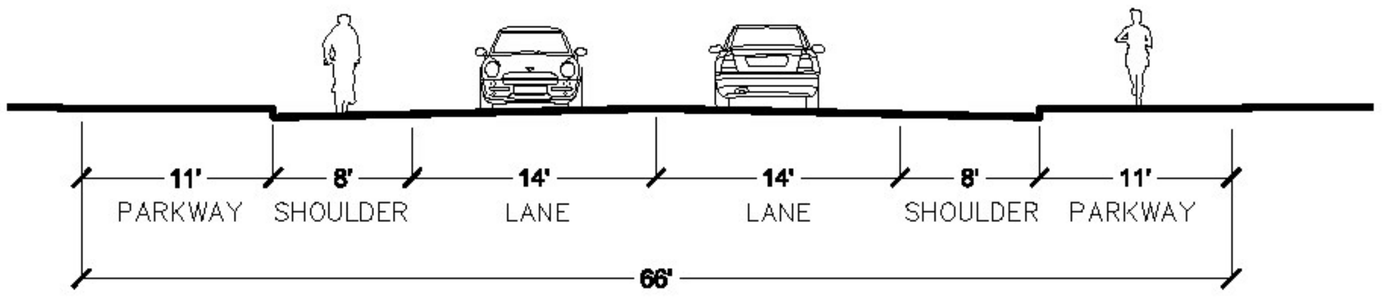
Local Street - Public



Local Street - Private



County Collector Standard Q (off-site)



6.2.11 Streetscape

The streetscape concept for Harmony is designed to create an enjoyable, safe walking environment for pedestrians and to promote slower traffic speeds. This can be achieved through landscaping adjacent to streets within the Specific Plan area which combine the use of iconic trees, shrubs and ground cover adjacent to sidewalks to create a more intimate streetscape. See Chapter 9, Landscape Design Guidelines, Parks, and Amenities for more details related to Harmony's streetscape plan.

6.2 SIDEWALK PATHS AND TRAILS

On- and off-street pedestrian and bicycle circulation will be available throughout Harmony by means of interconnected sidewalk paths and trails. These elements work together to seamlessly link residential neighborhoods to parks, neighborhood commercial, open space and community facilities. A comprehensive system of off-road trails connects to and complements the Class I Bikeway/Pedestrian Path network provided within the road right-of-way. In some cases, ten foot Class I Bikeway/ Pedestrian Paths are separated from vehicular travel lanes by a vegetated swale and/or landscaped parkway. These paths are wide enough to accommodate both pedestrians and the casual bicyclist. Harmony's trails are located off-street within the project's community greenway system, parks, and natural open space areas, and are designed to provide recreational and transportation opportunities for bicyclists and hikers. Certain trails will also be designated for equestrian use and will provide a connection from the Santa Ana River Trail system to the northern trail system that links to the National Forest. Trails shall offer a wide range of experiences, from narrower single-use trails in the natural areas to paved multiuse trails in urban areas.

Trails shall connect to existing and planned trail systems where possible, and shall include staging areas, signage, and resting areas. Trails that are in the City of Highland shall be designed and constructed to be consistent with the City of Highland General Plan Conservation and Open Space Element policies and the Multi-Use Trail Master Plan, as well as the Community Trails Committee (CTC) Trail Guidelines. Trails that connect to the San Bernardino National Forest shall be consistent with the San Bernardino National Forest Land and Resource Management Plan and coordinated with San Bernardino National Forest Service. Trail dimensions will vary based on location, context, and the trail portion's primary purpose. Final trail dimensions will be determined during tentative tract map approval. Exhibit 4-3, "Trails and Public Transportation" illustrates the pedestrian and bicycle connectivity system.

6.3.1 Accessible Trails

Recreational opportunities throughout Harmony and connections to existing trails in the natural open space should be accessible. Where feasible, trails shall be designed and constructed to provide for universal access. Accessible trails must be a minimum of 5 feet wide and have maximum grades of 8.33 percent. Grades over 4.99 percent require handrails. Due to the steep natural grades of the site, it may not be feasible for many of the north–south trails to be accessible, especially for trails in the foothill and mountain areas north of the community.

6.3.2 Trail Types

The City of Highland General Plan defines two levels of trail use: (1) Low Use and Natural Area; and (2) Urban. For Harmony, two classifications of urban trails and one classification of natural area trails have been identified and are described below and in Table 6.1:

- **Class I Bikeway/Pedestrian Path (Urban):** Multiuse trails typically following a right-of-way alignment (but separated from the roadway by a vegetated swale); provide recreational opportunities for pedestrian, bicycle, and equestrian users.
- **Multipurpose Trail (Urban):** Multiuse trails typically located in the community greenway, the foothills, or natural open space/mountain areas.
- **Hiking, Trekking, and Equestrian Trail (Natural Area):** More challenging multiuse trails typically located in foothills and natural open space/mountain areas.

TABLE 6.1 TRAIL STANDARDS

TYPE	SURFACE	WIDTH	TARGET GRADE
Class I Bikeway/ Pedestrian Path	Concrete	5′– 10′	0–8.33%
Multipurpose Trail	Firm, stable natural or natural-appearing surface [1]	8′–12′	0–8.33%
Hiking, Trekking, and Equestrian Trail	Natural material or base rock, natural grade	5′+	0–12%

1. Manufactured trail beds will be made with decomposed granite amended with a soil binder.

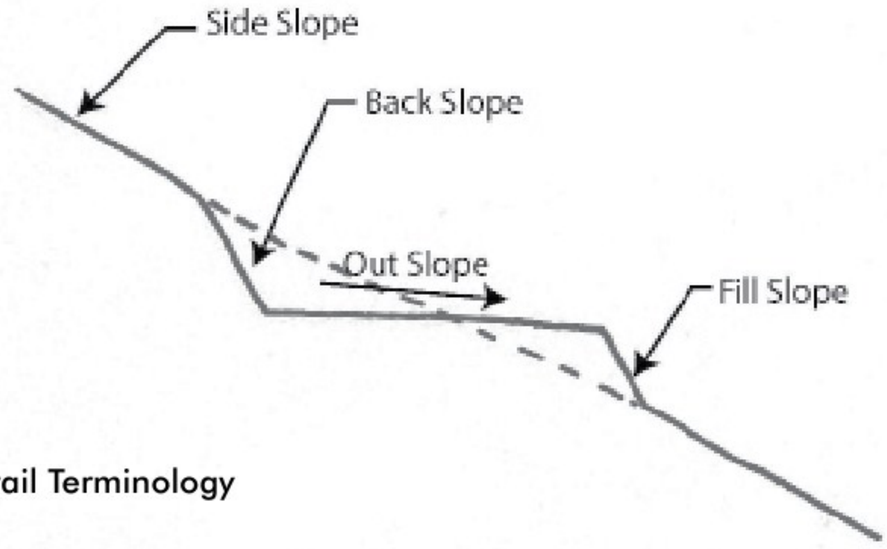
Natural Open Space area of the property following existing trail alignments that were established over time by former owners and users of the site.

This section provides guidelines for siting, designing and constructing trails with natural materials. These guidelines are based on the United States Forest Service Trails Management Handbook (2008), Trail Design Guidelines for Portland's Park System (May, 2009), and the County of Los Angeles Trails Manual (2011).

A. *Setting and Alignment*

Trail alignments shall be sited and designed so as to retain natural appearances and value of open space, to minimize impacts to natural drainages and existing vegetation, and to offer a range of enjoyable experiences. Techniques for achieving these goals are to:

- Avoid steep grades, sensitive habitat, and unstable or otherwise hazardous areas.



Trail Terminology

- Follow contours.
- Minimize trail width.
- Frame views and traverse different habitat types.

B. Trail Grade

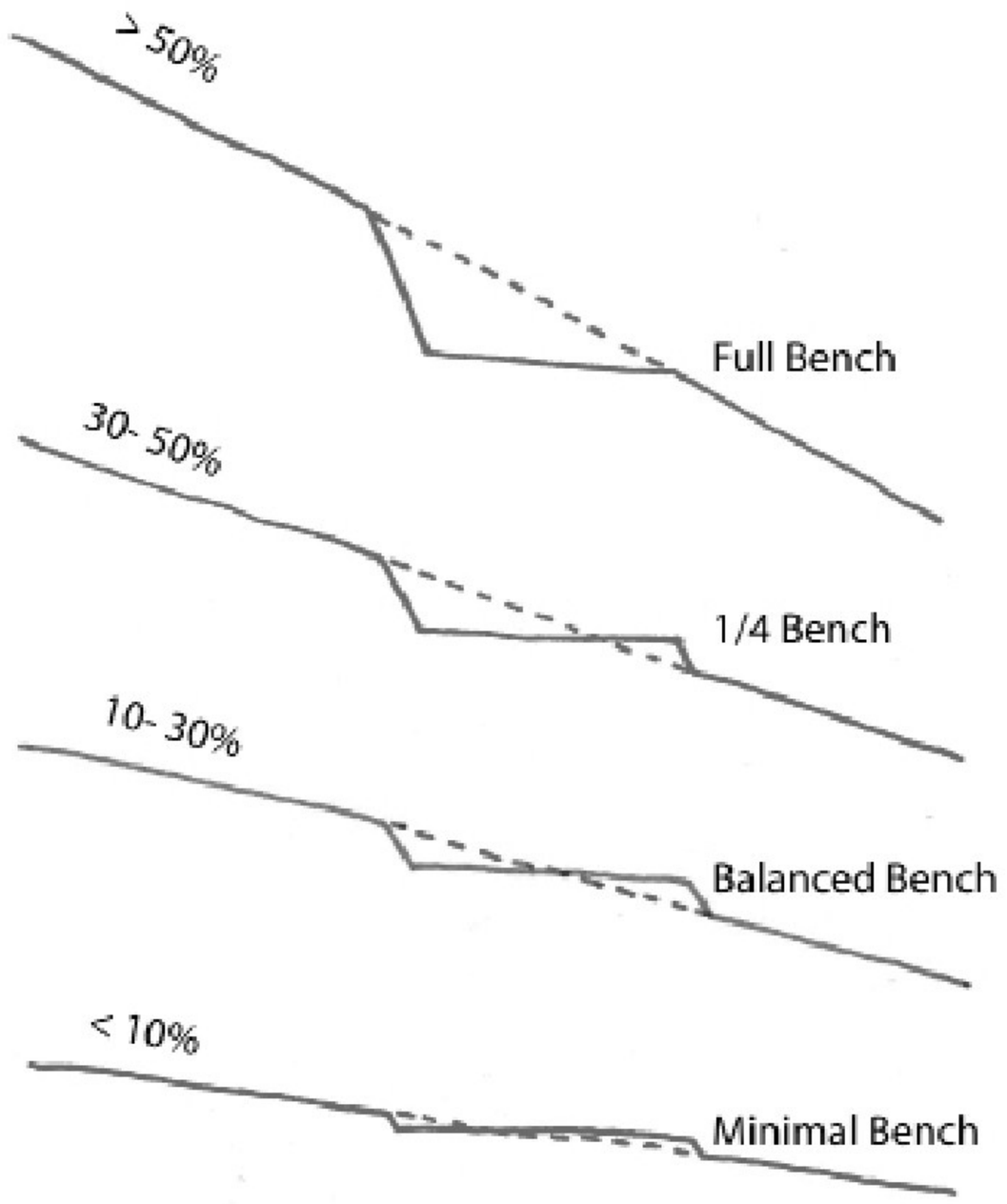
- Trails should not exceed a 20 percent slope.
- Switchbacks should be used when trail grades are steeper than 12.5 percent for an extended length. Switchbacks should be long and gradual rather than short and steep.
- On trail grades greater than 5 percent, shallow ditches, water bars, crests and dips should be used as necessary to divert water from trails.
- Trail grade should be less than half the slope of the sideslope.

C. Trail Bed

- Natural materials, such as native soil and rock should be used to blend with the natural surroundings and minimize impacts to habitat and water quality.
- Trail cuts should be contoured to blend with natural side slopes.
- Backslope cuts should be determined based upon slope material. In sandy soil, backslopes should be 3 or 4:1 (horizontal:vertical). In loose, gravelly soils backslopes may be slightly steeper at 1.5 or 2:1.
- Trail benching should be determined with consideration to sideslope. The steeper the sideslope, the greater the bench and smaller the fill slope. On sideslopes of 10 to 30 percent, cut and fill should be balanced. On sideslopes of 30 to 50 percent, a quarter bench should be created.
- Outslope should be 2 percent for accessible trails, unless surface is crowned, and a minimum of 3 percent for all other hiking and trekking trails.
- Some steep slopes may require concrete swales for drainage and concrete chevrons in the trail bed to divert water from trail to engineered drainage facilities.

D. Drainage Crossings

- Trails should cross drainages at-grade where gradient permits. Rock armored drainage crossings should be constructed at drainage crossings.
- When bridging is necessary, free-span bridges should be used where possible. Where this is not feasible due to site conditions, bridge footings should be located above the actual flow line of the drainage. Jurisdictional wetland delineations shall be conducted prior to bridge construction, and permits shall be obtained as necessary.



Benching Diagram

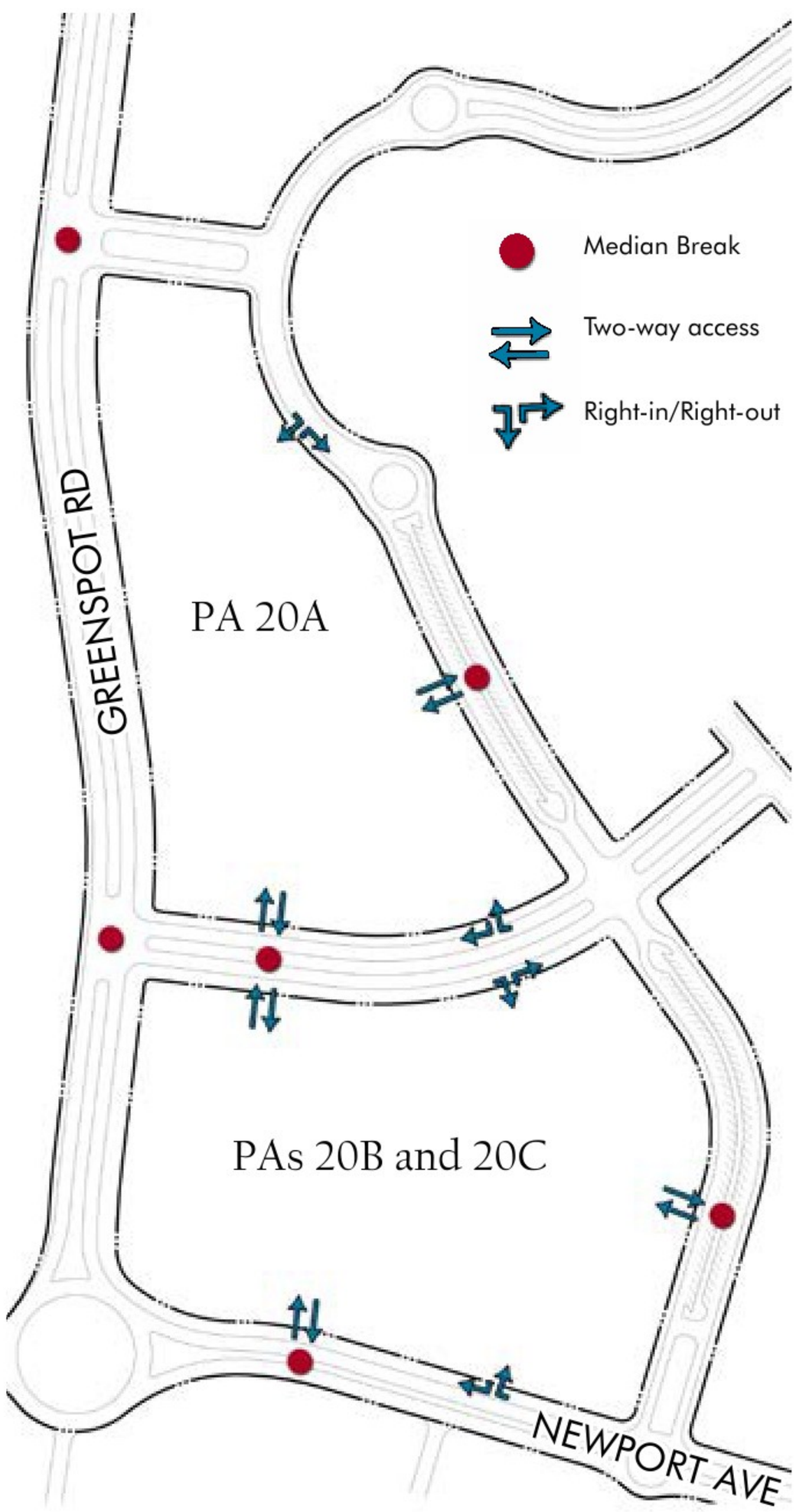
6.4 CONCEPTUAL NEIGHBORHOOD COMMERCIAL ACCESS

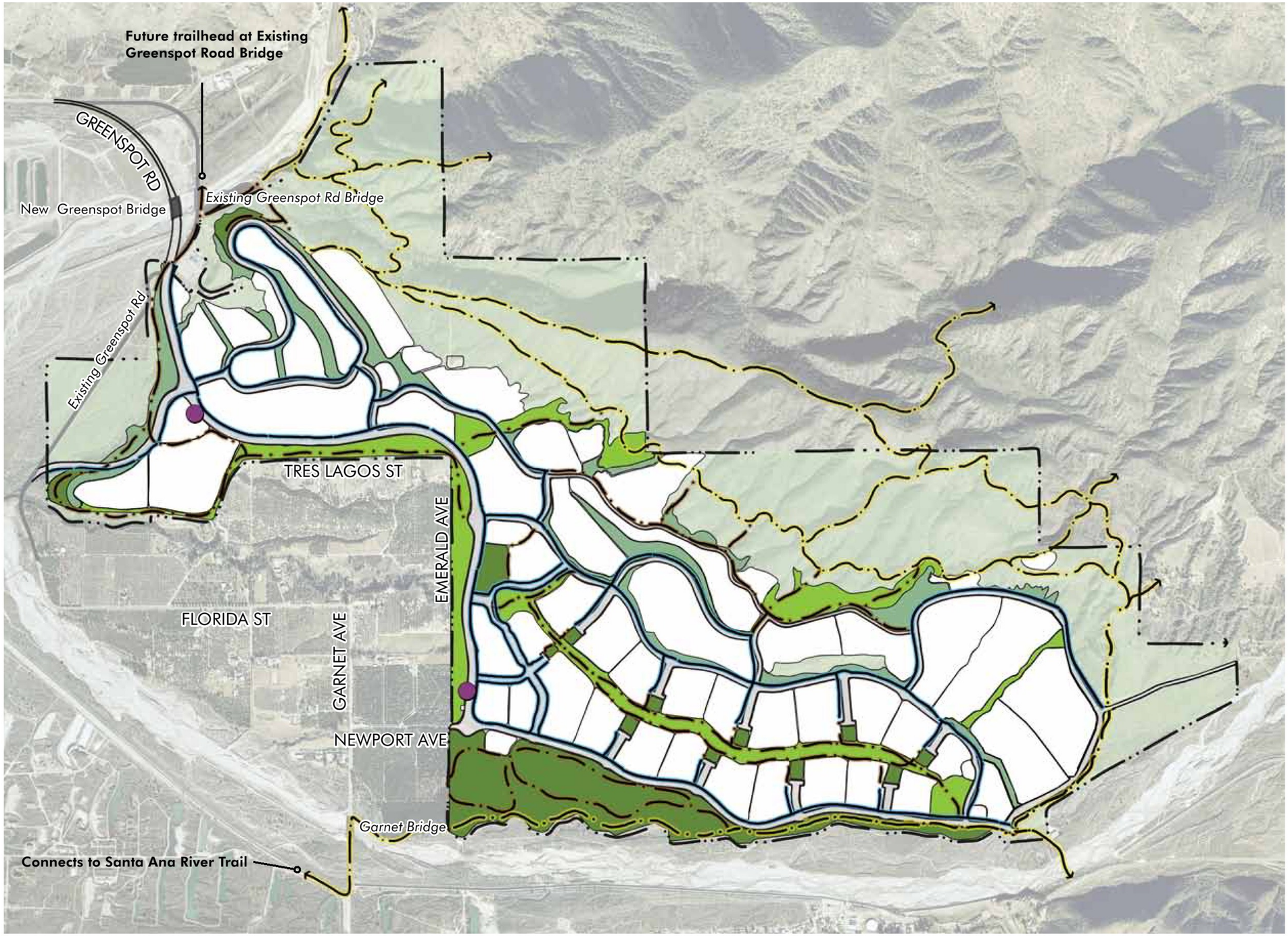
To order to be most successful, neighborhood commercial centers must have efficient access and be clearly visible from the street. In Harmony, Planning Area 20B, a 5.7 acre site in the southwest of the community, is designated for neighborhood commercial uses. Additionally, planning areas 20A (9.0 acres) and 20C (4.9 acres), both adjacent to 20B, are designated for Median Density Residential with a Neighborhood Commercial overlay. Conceptual access points to these planning areas, including median breaks, have been identified to illustrate how access could be provided; see the illustration on this page for an example of where the median breaks and access points (including right-in, right-out only) could be located. These access points and median breaks are provided for conceptual purposes only; final access and median break design shall be determined during tentative tract map approval.

6.5 PUBLIC TRANSIT

Bus service within Harmony will be provided by Omnitrans. The initial bus route will enter the project at Greenspot Road in the project area's northwest corner and exit the project at Newport Avenue. Two bus stops have generally been identified in coordination with the transit agency. The first stop will be located along Greenspot Road, near the project's northwest entrance. The second will also be located along Greenspot Road, near the Community Park (PA 44) and Neighborhood Commercial node (PA 20B). The bus stops will be curb-adjacent and may be designed as pull out stops. The timing of bus service will be determined by Omnitrans based on demand within Harmony. As the project develops overtime, bus service may be expanded within the community. Exhibit 6-3, "Trails and Public Transportation" illustrates potential bus stop locations in Harmony as well as the pedestrian and bicycle connectivity system within the Specific Plan area.

Conceptual Neighborhood Commercial Access Points





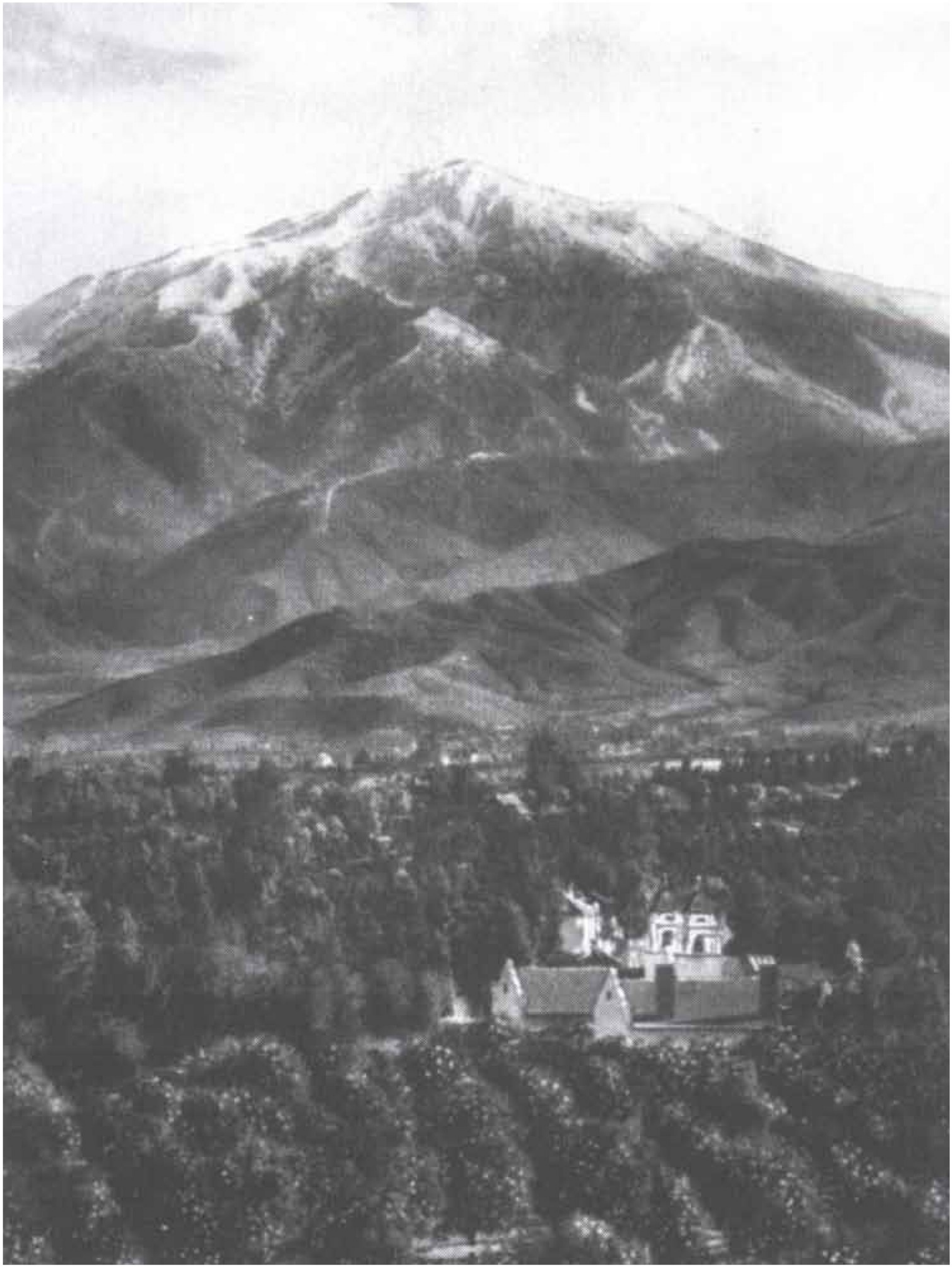
LEGEND

- Sidewalk Path *(5–10' wide and located on one side of the roadway)*
- Multipurpose Trail
- Hiking, Trekking, and Equestrian Trail
- Potential Omnitrans Bus Stop
- Community Park
- Community Greenway
- Manufactured Open Space
- Natural Open Space

Note: *Trails within Natural Open Space areas are primarily existing trails on the property, with connections to existing trails in the National Forest.*

RESIDENTIAL DESIGN GUIDELINES

Chapter 7



7.1 INTRODUCTION

The location of Harmony provides a key opportunity to connect the rich heritage of Highland's past with its future, providing a strong framework for compatibility between new and existing development, and enabling the City of Highland to realize its overall General Plan vision.

The Harmony design guidelines have been prepared to ensure that this vision is achieved and implemented throughout the project site. This is achieved by providing planning, architectural, and landscape design criteria for the land uses and facilities within Harmony which will promote a quality development and an aesthetically pleasing living environment, while promoting environmental stewardship.

In addition, the Harmony design guidelines ensure implementation of the Specific Plan goals and objectives for development. Such goals include:

1. Incorporate sustainable features into all aspects of the community
2. Create a strong community identity for Harmony
3. Plan for a circulation system serving motorists, bicyclists, and pedestrians
4. Create traditional residential neighborhoods
5. Provide for a range of housing to meet the needs of a variety of economic segments
6. Develop a land use plan responding to environmental conditions of the area
7. Create a livable environment

HOW TO USE THESE GUIDELINES:

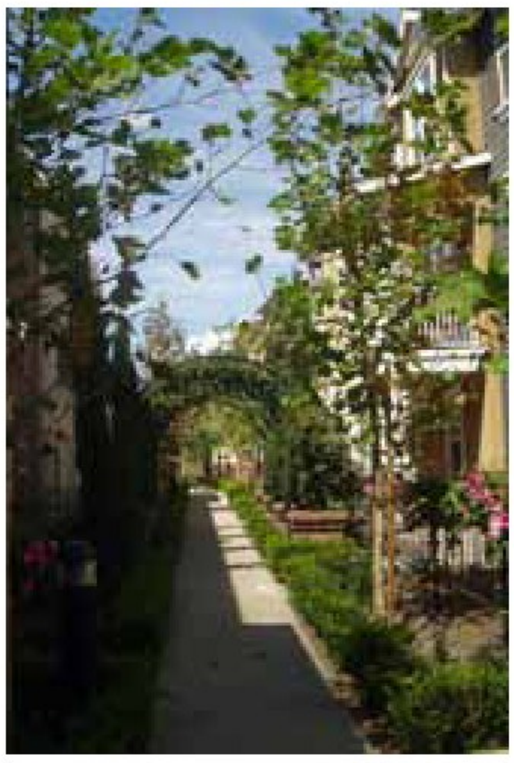
Sketches and graphic representations contained herein are for conceptual purposes only and are to be used as general visual aids in understanding the basic intent of the guidelines. They are not meant to depict any actual lot or building design. In an effort to encourage creativity and innovation, the guidelines express "intent" rather than "absolute," thereby allowing certain flexibility in fulfilling the intended design goals and objectives.

The design concept integrates the environmental features of the site into the overall fabric of the neighborhoods. These environmental features, the topography, drainage courses, view opportunities, and the river, define the development enclaves, and become important unifying elements for the Harmony community.

Key elements of Harmony design include:

- A pedestrian-friendly circulation system
- A strong sense of neighborhood
- Traditional architectural character
- Provision of active and passive recreational activity areas that promote casual social interaction among neighbors
- A variety of housing opportunities to suit differing lifestyles
- A strong visual and physical connection with open space amenities

The overall guidelines focus on the integration of these elements into the Harmony community.



"When I'm working on a problem, I never think about beauty. I think only how to solve the problem. But when I have finished, if the solution is not beautiful, I know it is wrong."

—R. Buckminster Fuller, architect

7.2 COMMUNITY RECREATION AND COMMON FACILITIES

Harmony has been developed around the central idea of providing a variety of resident-friendly elements that will build a healthy and vibrant community dynamic. These elements include common recreational facilities such as pools, spas, a clubhouse, or other facilities as appropriate to the scale and activity of each neighborhood such as tot lots, pocket parks, or barbecue nodes. These amenities are designed as destinations within Harmony. Common facilities act as key character elements in these neighborhoods and provide connections within and between residential neighborhoods. The following elements must be considered when designing for such facilities:

The Parkhouse should act as the "center" of the community and should exhibit a high level of quality of design and attention to detail on all visible sides.

Community connectors such as improved open space, paseos, and trails should be landscaped in a manner that is consistent with the overall character of the community, and connect with The Parkhouse.

All architectural elements within the community center and common facility (community connectors), such as street furnishings, benches, lighting standards, and trash and recycling receptacles should be consistent with the selected overall character of the community.

The Parkhouse/Community Center shall include the following amenities:

- Pool
- Spa
- Sun deck
- Tot lot

The common facilities shall include the following amenities:

- Jogging/ walking paths/trails
- Natural open space
- Pocket parks
- Neighborhood parks
- Community park(s)
- Seating nodes

7.3 NEIGHBORHOOD PLANNING DESIGN GUIDELINES

7.3.1 Site Planning Concept

The goal of the Harmony Specific Plan is to provide a community plan that integrates a variety of housing types into one neighborhood fabric. The benefit is two-fold: such integration not only creates a quality pedestrian environment by providing diversity and rhythm to the neighborhoods, but it also enables a broad market of buyers to purchase homes within the community.

Neighborhood residential components have several key attributes that add to the diversity within a community.

- Single-family detached neighborhoods may provide an incredibly diverse spectrum of home types, from conventionally-loaded homes to court-loaded enclave homes. The ability to mix-and-match these home types throughout a neighborhood allows for small, diverse pockets of single-family detached residential design
- Single-family attached neighborhoods often resemble small villages, with the buildings generally oriented around public spaces such as open areas and recreational amenities. Buildings often form linear edges or green courts, creating opportunities for pedestrian connectivity
- Multifamily attached neighborhoods often form the urban core of a community. Much like in single-family attached neighborhoods, these buildings are generally oriented around public spaces, such as open areas and recreational amenities

HOW TO USE THESE GUIDELINES:

The following guidelines have been written to guide builders and architects in creating architecture which is consistent with the envisioned community. While many examples are provided, they do not serve as an exhaustive list of design solutions. Instead, sketches and graphic representations are intended to serve as visual aids in understanding the fundamental vision for the community, while providing room for individual interpretation and creativity, so long as the homes meet the overall community goals.

However, regardless of the housing type, it is not only important to consider the connectivity of that housing type within the neighborhood, but equally important to consider how the neighborhood as a whole fits into the overall fabric of the community at large. Typical conditions internal to the neighborhoods, as well must be considered, but the integration of the design and development of special conditions (including visible corners and perimeter edges) must be balanced as well. This lays the foundation for creating quality site design throughout the community.

Whichever the condition, all neighborhoods should be designed to include diverse, yet complementary homes, creating attractive streetscenes for the neighborhoods of Harmony.

7.3.2 Site Plan Design

A. View Considerations

Careful building placement and street orientation can help protect privacy, views, and visual quality for new home residents throughout Harmony. Where feasible, lotting and building placement shall consider views of the mountains, as well as creating vistas to the Mill Creek and the valleys.

B. Gated Neighborhoods

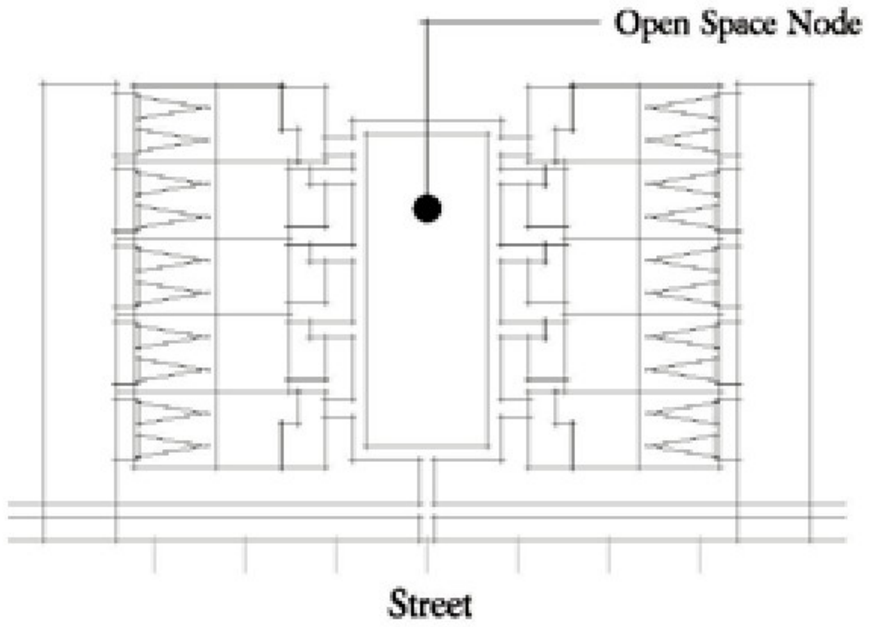
Gated neighborhoods, if any, are not required to have a street connection to an adjoining parcel unless necessary for secondary access, drainage, utility connections, and/or emergency egress.

C. *Parcel Connections to Streetscape, Paseos and Open Space*

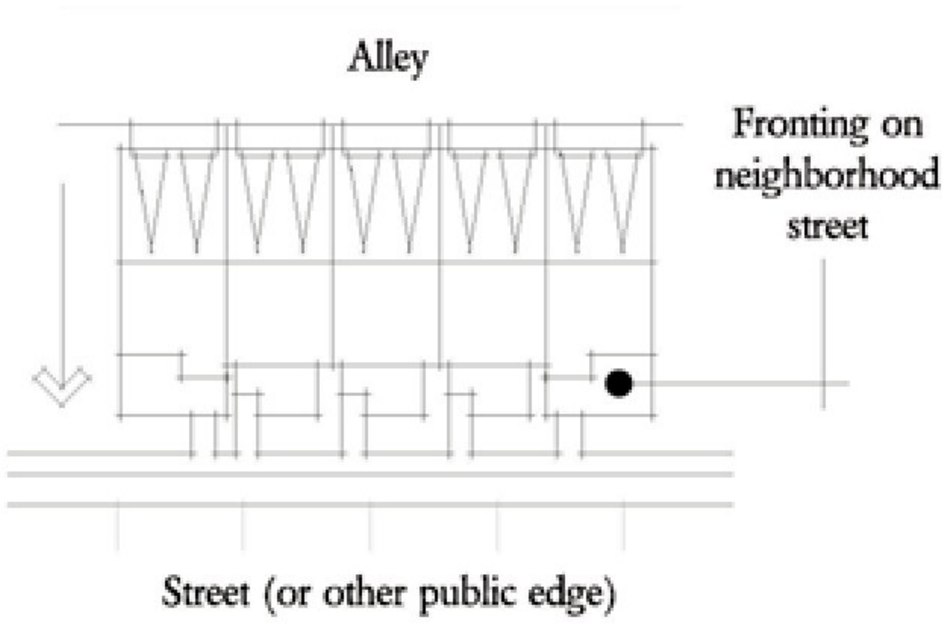
Within Harmony, pedestrian pathways providing strong connectivity among the residential neighborhoods to various amenities are encouraged. These pathways can be located in paseos (greenbelt areas that are separate from the vehicular circulation system), or located adjacent to the community's roadways. Together these pathways afford a strong pedestrian orientation to Harmony, providing the opportunity for alternative modes of travel.

D. *Building Orientation for Multifamily Dwellings*

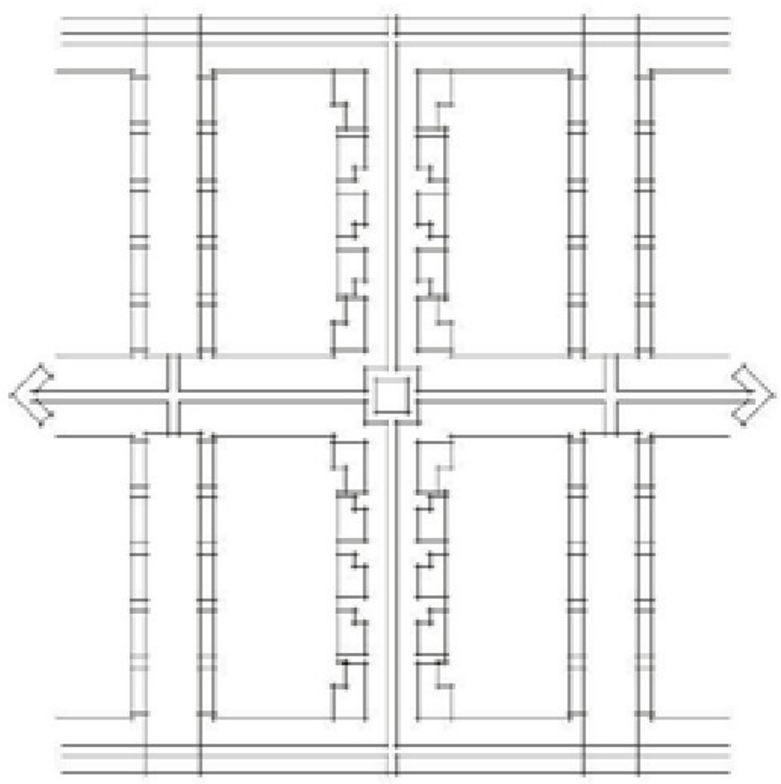
Building orientation for multifamily dwellings is an important element in site design. Because of the nature of the housing type, most attached dwelling floor plans offer little (if any) private yard space. Therefore, the public areas become increasingly important as they provide the necessary outdoor space for recreation.



Where feasible, buildings should be oriented in a manner which creates open space pockets and opportunities for recreational nodes.



Front entries, where possible, should face public edges, whether open space pockets, paseos, or streets.



Interconnecting walkways between buildings are encouraged.

7.3.3 Plotting Guidelines

Chapter 10, Development Regulations, provides the plotting standards for product plotting conditions. These guidelines should be referred to as a supplemental resource to the Plotting Standards component.

A. *Floor Plan Variation*

Single-Family Detached Dwellings

Single-family dwellings should be plotted in a manner which provides variety in scale and architectural massing within a block. Variety not only provides visual interest to the neighborhood design, but it also provides each home with an identity. To achieve variety at Harmony, several elements should be considered in the design of neighborhoods. Homes should offer a variety in plan forms, roof designs, materials, colors, garage orientations, outdoor living, and architectural-appropriate detailing and style.

1. Each builder shall produce a minimum of three plans for each single-family housing type (different plans are defined as those with significant variation in floor plan, garage access, and massing);
2. Each of the floor plans must have a minimum of three different exterior elevations; and
3. For single-family detached homes, no more than two dwelling units with the same floor plan shall be plotted adjacent to one another, and the floor plans shall be reversed with different elevations and color schemes to avoid a repetitious street scene.

Multifamily Dwellings

Attached dwellings neighborhoods should offer a mix of floor plans and building types. Building type is defined as a composition of floor plans with a building massing that is distinguishable from other buildings within the neighborhood. This includes, but is not limited to, buildings with stacked flats, townhomes of varying sizes and orientations, and a mixture of these unit types.

4. A minimum of two building types are required for each neighborhood, and
5. Unit plans may be repeated between building types.

B. *Privacy*

Privacy is an important consideration in residential site planning, especially when buildings are plotted with minimal side yards. Innovative site planning and design techniques should be used to preserve privacy while promoting social opportunities. In particular, windows of homes should be located to minimize visual intrusion on neighbors' bedroom windows. Thoughtful and innovative site design techniques, including landscaping, should be incorporated where appropriate to provide privacy to residents.

7.3.4 Visible Edges

Neighborhood identity is closely tied to its interaction with community streets, open space networks and edge conditions. To maintain the integral quality of Harmony, the thematic community streetscapes and open space edges along the perimeter of each development parcel shall be developed with care.

To activate the community streetscape and maintain a dynamic and aesthetic edge on open space corridors, the following edge conditions are required on visible parcel edges.

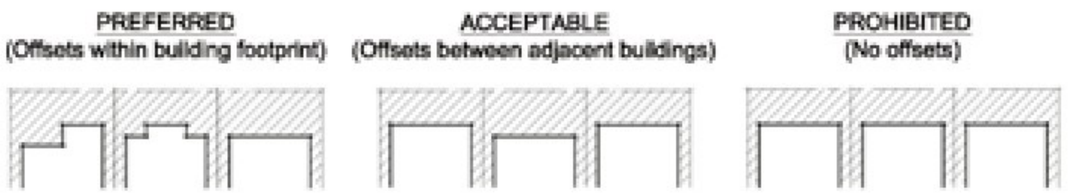
In cases where a non-front elevation of a building or home faces a visible perimeter edge, the elevation shall incorporate the elements listed below.

A. *Varying Rear Setbacks*

Rear elevations adjacent to visible perimeter edges should provide some undulation in the building placement and massing. This can be achieved through massing breaks or staggered setbacks between multiple homes:

1. Staggered wall planes on an individual house with a minimum 2' offset, or
2. Staggered rear setbacks on adjacent homes with a minimum 2' offset

Rear elevations may have no setback offsets when effectively complemented by sufficient landscaping.



Rear Articulation

B. Variation of Roof Planes

When appropriate to the architectural style of the home, a variety of roof forms is encouraged, including gable, cross-gable, hip and clipped hip elements, or shed roofs.

Architectural Enhancements

Rear or side elevations visible from perimeter edge conditions and single-family detached homes on corners shall be detailed to provide visual interest. Elevations of multifamily buildings visible from perimeter edge conditions should be designed similarly to the other elevations of the building.

Select at least two of the following:

1. Offset wall planes (Minimum offset: 2')
2. Articulation
3. Roof plane breaks
4. One-story elements
5. Shutters on second-story windows
6. Introduction of accent building materials consistent with the front elevation
7. Other similar features that provide enhancement to the visible side or rear elevations.

7.3.5 Refuse and Recyclable Material Storage Areas (Multifamily only)

1. A trash/recycling enclosure is required on-site. The receptacles and enclosure shall be of sufficient size to accommodate trash generated by the uses served.
2. All outdoor storage of trash, garbage, refuse, and other items or materials intended for discarding or recycling collection shall have a roof or cover and be screened from public view on at least three sides by a solid decorative wall not less than five feet in height, or alternatively, such material or design approved by the Planning Commission. The fourth side shall contain a solid metal gate maintained in working order and remaining closed except when in use.
3. The location of storage areas shall be conveniently accessible for trash removal by standard refuse disposal vehicles
4. Storage areas that can be overlooked from above should incorporate roof structures to screen the contents of the enclosure from view. Such roof structures should be designed to allow the doors of the refuse container to fully open

7.3.6 Loading and Service Access

1. Service, loading, storage, and maintenance areas shall be screened from public view whenever reasonably possible.
2. No loading will be permitted from any public street adjacent to the site.
3. Service areas must be located and designed so that service vehicles have clear and convenient access and do not prohibit adjacent vehicular or pedestrian circulation or vehicular parking.

7.4 ARCHITECTURAL DESIGN GUIDELINES SINGLE-FAMILY DETACHED

7.4.1 Introduction

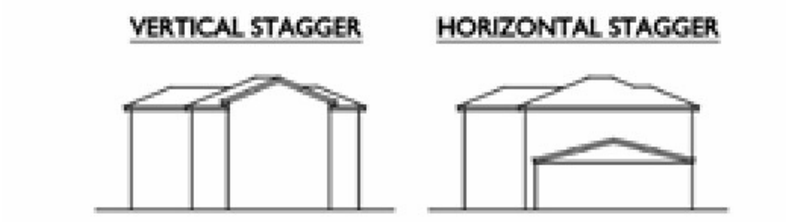
The intent of the following architectural design guidelines is to facilitate the creation of a high-quality, pedestrian-inviting community. This can be achieved by creating diverse neighborhoods, with a cohesive sense of place. Not only do the guidelines ensure a high level of quality in function and visual appearance, but they also encourage architectural character that creates variety and compatibility, thus enhancing the community's overall value.

7.4.2 Building Form and Massing

To provide rhythm and balance to the architecture of a dwelling, simple bold elements should be integrated into the design of each home. Several architectural elements are encouraged to meet this goal:

A. *Vertical and/or Horizontal Stagger*

Oftentimes a streetscene with numerous flat unarticulated walls creates an uninviting street presence. In effort to avoid this, the integration of an elevation style with vertical and/or horizontal stagger will limit the bulk of the building elevations. This is achieved by providing shadow and depth. Where consistent with the architectural style of the residence, the building design should feature vertical and/or horizontal stagger.



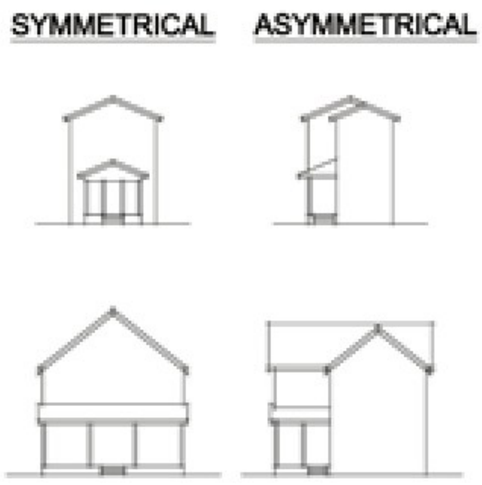
Staggering wall planes limits the bulk of elevations

B. *One, Two, and Three-Story Forms*

Some architectural styles lend themselves to tapered or stepped massing. This limits the bulk of the building. Where appropriate with the architectural style of the residence, combinations of one, two and three-story forms should be used to create variety in setback and building form.

C. *Building Symmetry*

The creation of variety along the streetscene is an important element for Harmony. Where appropriate to the architectural styles selected for the neighborhood, a variety of both symmetrical and asymmetrical plan forms are encouraged.



Where appropriate, a variety of both symmetrical and asymmetrical plan forms are encouraged.

HOW TO USE THESE GUIDELINES:

The following guidelines have been written to guide builders and architects in creating architecture which is consistent with the envisioned community. While many examples are provided, these are not hard-fast solutions. Instead, sketches and graphic representations are intended to serve as visual aids in understanding the fundamental vision for the community, while providing room for individual interpretation and creativity, so long as the homes meet the overall community goals.

D. Elevation Style

Stylistic diversity can be provided through the mix of elevation styles. Architectural elements, such as building form, entry, roof, details, materials, and color should be consistent with each home's architectural style, per the style sheets provided in the appendices.

7.4.3 Roof Design

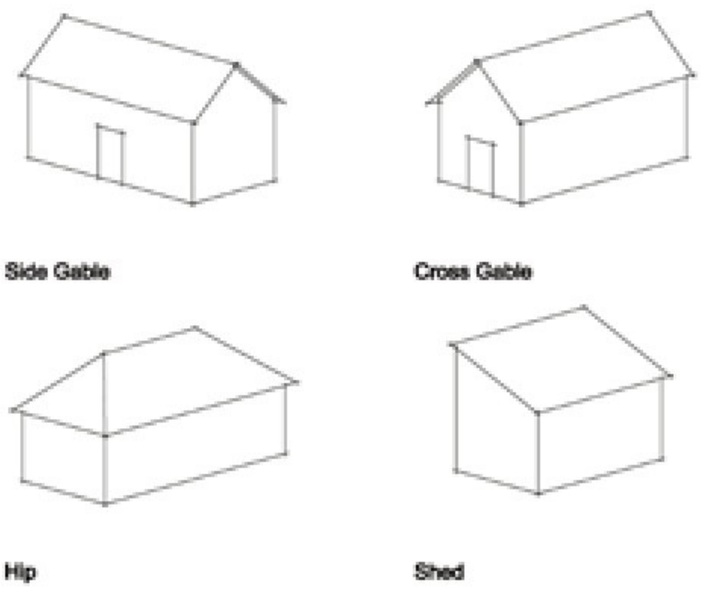
Homes within Harmony should incorporate elements that reduce visual height such as variety in roof forms, direction of slopes, and variety in ridgelines and height. These elements provide diversity and interest to the building form and neighborhood as a whole.

A. Roof Form

A variety in roof forms should be used throughout the design of homes for Harmony. Such roof forms include:

- Gable (front and side)
- Cross gable
- Shed
- Hip

Where consistent with the architectural style of the home, the arrangement of different roof forms (including the introduction of porch roofs, dormers, bays, cross gables, and hips) are encouraged.



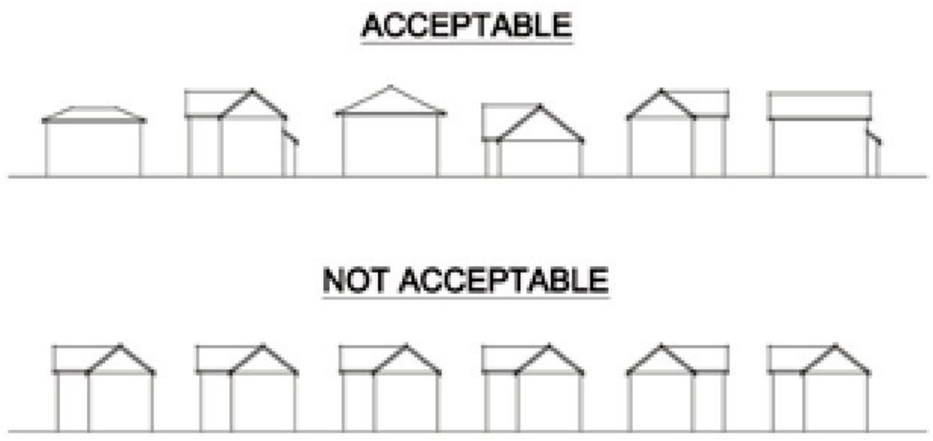
Variety in roof form is encouraged.

B. Roof Pitch

Roof pitch should vary with respect to the architectural style of the dwelling. While 3.5:12 – 6:12 are generally typical roof slopes, the introduction of other slopes is encouraged and should be consistent with the architectural style.

C. Ridgelines

The height and direction of ridgelines should be consistent with the architectural style of the home. Where appropriate, repetitious rooflines should be avoided. Instead, creating a variety of roof orientation and forms along a streetscene are encouraged.



Creating a variety of roof orientations and forms is encouraged.

D. Elevation Style

While a variety of roof design, treatment, and overhangs is encouraged, roof treatments should be consistent with the architectural style of the home.

7.4.4 Outdoor Living Space

The homes within Harmony should be designed to complement the natural and programmed open spaces throughout the community, thus creating an inviting pedestrian environment.

A. *Covered Porches*

Porches are outdoor covered spaces usually located at the front entry of the residence. They not only help to provide a pedestrian scale element to the building massing, but also allow an area for residents to enjoy the outdoor climate while conversing with neighbors.

Integral to the Design

Where porches are provided, they should be designed as an integral element of the building with details, eaves, supports, and railings in keeping with the architectural style and other elements of the building's design.

Covered Elements

Porches shall be fully covered in one of the following ways:

- Roof element matching the residence
- Trellis structure
- Second-story balcony or overhang

Columns

Columns used in conjunction with porches should convey a sense of strength and support.

Minimum Size

Covered porches shall be a minimum of 5' deep (posts or columns can be included in this minimum area).

Wrap Porches

On corner lots or lots adjacent to open areas, porches that wrap the corner of the building are encouraged.

B. *Balconies*

A balcony is a projecting platform on the exterior wall of a building that is usually enclosed by a railing or balustrade. Balconies provide visual relief to the building mass and add human scale. Balconies are either cantilevered outward from the exterior wall or supported from below by columns or brackets, depending on the architectural style of the building.

Integral to the Design

Where balconies are provided, they should be designed as an integral element of the building with details, eaves, supports, and railings in keeping with the architectural style.

Location

Balconies may be covered or open. They can be either recessed into the mass of the building or designed as a projecting element and can be located on any side of the dwelling.

Minimum Size

In order to be usable, balconies should be a minimum of three feet six inches (3'- 6") in depth.

Decorative Balconies

The use of architectural enhancements such as decorative balconies is encouraged where appropriate to the architectural style of the building.

Columns

Columns used in conjunction with balconies should convey a sense of strength and support.

C. *Courtyards*

A courtyard is a ground level outdoor space, partially or fully enclosed on all four sides by the building or courtyard walls. The design of a courtyard is integral to the floor plan as it provides a transition from the public street to the private entrance of the home.

Integral to the Design

Where courtyards are provided, they should be designed as an integral element of the building; courtyard walls should be finished to match the house.

Location

Courtyards may be located on the front, side, or rear of the dwelling, or can be internal to the floor plan.

D. Loggia

Loggia is a covered outdoor space, generally defined by colonnades or similar elements. Unlike a porch which generally serves as a focal point to the main entry of the home, loggias are used to provide covered outdoor space for multiple access points—similar to a terrace or lanai.

Integral to the Design

The design and location of the loggia should be integral to the design of the home. All materials and details of the loggia should match the architectural style of the residence.

Location

Loggia can be designed on the first or second floor, and in the front or the rear of the home.

Columns:

Columns used in conjunction with loggia should convey a sense of strength and support.

7.4.5 Architectural Detailing

In keeping with creating a quality development, architectural detailing is a key element for home design in Harmony. The quality and appropriate use of detail elements is important and should be genuine to the architectural style of the dwelling. Architectural detail elements may include:

Railing

Wood or synthetic wood product, wrought iron, or tubular steel railing;

Brackets and Fascia

Wood, synthetic wood product, or stucco outlookers, brackets, fascia, dentils, and corbels;

Trim, Headers, and Sills

Wood, synthetic wood product, foam, or stucco trim surrounds, headers, and sills;

Decorative Ceramic or Clay

Decorative ceramic or clay tiles and pipe vents, where appropriate to style;

Grille Work

Decorative wrought iron grille work;

Gable-end Detailing

Decorative wood, synthetic wood, or foam gable-end detailing;

Shutters

Wood or synthetic manufactured shutters – Bermuda shutters, plank shutters, louvered shutters; and

Style Specific Elements

Other architectural style specific details.

A. Windows

Generally, the location of windows is determined by the practical considerations of room layout, views, and privacy. Because windows play an important role in the exterior architectural character of the home, special emphasis should be given to the way in which windows are used for design effect.

Window Style

The style and shape of windows should be consistent with the architectural style of the dwelling. Where appropriate to style and window form, use of multi-paned windows is encouraged.

Headers and Sills

The design of header, sill and trim elements must be consistent with the architectural style of the residence.

7.4.6 Functional Elements

A. Mechanical Equipment and Meters

Homes should be designed with a focus on the architecture of the living and entry areas. To achieve this, special care should be taken so that mechanical treatment does not detract from the architecture.

1. Mechanical equipment such as air conditioners, heaters, evaporative coolers, radio antennas, and other such devices may not be mounted on any roof without Association approval.
2. Ground mounted air conditioning units visible to public view must be screened by walls or landscaping at least six inches (6") higher than the unit and located away from pedestrian paths and project amenities, except when used in courts and lanes with limited or no screening.
3. Natural gas and electrical meters should be screened to be integral with the architecture of the home.

B. *Exterior Lighting*

The level of on-site lighting, as well as lighting fixtures, shall comply with any and all applicable requirements of HMC 16.40.160, Lighting. Energy conservation shall be emphasized when specifying any lighting system.

The style, color, and finish of exterior lighting fixtures shall be consistent with the architectural style of the residence. The angle and intensity of lighting should be strategically planned for mobility and safety at night and should not be used in excess of its purpose.

C. *Accessory Structures*

To ensure cohesive design, casitas, guest houses, detached garages and other similar accessory structures should be compatible in design, materials, and color with the primary residence. Such structures should also visually relate to the main residence through the use of courtyards, garden walls, or other landscape elements.

7.5 ARCHITECTURAL DESIGN GUIDELINES–MULTIFAMILY ATTACHED

7.5.1 Introduction

The design of multifamily buildings is key in that they must meet higher residential densities while still conveying a sense of human scale. Such buildings tend to have larger building masses, but must relate to the neighborhood in a manner that communicates the familiar language of domestic architecture. Building typology and chosen architectural style should reflect the building's location within the community.

All multifamily buildings, regardless of architectural style or building typology, should exemplify quality design. Building elements such as building form and massing, roof design, materials and color, garage design, detail elements, and functional elements should be consistent with the appropriate architectural styles and should complement those of surrounding buildings and land uses.

For style-specific applications of these elements, refer to the Architectural Style Sheets provided in Appendix A.

7.5.2 Building Form and Massing

A. *Building Form and Scale*

The form of a multifamily building should be consistent with an appropriate architectural style, and provide relationships between buildings through architectural compatibility. Due to their nature as larger buildings, multifamily building design must be mindful of the relationship to, and impact on, adjacent neighbors. Each neighborhood should include a collection of varied but complementary forms which creates a streetscene that is clear to navigate physically and visually. Buildings should relate to each other both horizontally and vertically.

Maintaining human scale is an important element in multifamily building design. This can be achieved through breaking up building shapes into multiple forms.

HOW TO USE THESE GUIDELINES:

The following guidelines have been written to guide builders and architects in creating architecture which is consistent with the envisioned community. Sketches and graphic representations contained herein are intended to serve as visual aids in understanding the basic vision for the community, while providing room for individual interpretation and creativity so long as the homes meet the overall community goals.

B. Building Height

Buildings should incorporate elements that reduce visual height, such as:

1. Stepping down of building height at prominent corners.
2. Large open balconies at building corners to provide negative space.
3. Reduced massing along pedestrian-oriented edges should be used to relate buildings to the pedestrian environment.

C. Elevation Style

The choice of architectural expression must be primarily derived from the building typology (such as linear townhomes, and stacked flats). Architectural style should be honest and appropriate for the building typology. Architectural styles not compatible with building type or are not historical accurate to the building type should not be used.

7.5.3 Garage Design

1. Provide required covered parking spaces in garages or carports for each unit. See Chapter 10 Development Regulations for parking requirements.
2. Tandem garages may be used to accommodate covered parking requirements.

7.5.4 Architectural Detailing

Buildings should activate the street, utilizing elements such as canopies and awnings, stoops, plazas, and enhanced entries with porches, trellises or courtyards, where appropriate to building typology and architectural style, as transitional spaces between the "private" and "public" realms.

7.5.5 Functional Elements

A. Exterior Stairs

Exterior stairs, when used, should be designed as an integral part of the architecture.

1. Stair guardrail design should be consistent with the architectural style of the building.

B. Mechanical Equipment and Meters

Mechanical equipment and meters should be visually concealed and designed to not detract from the architecture of a building. When possible, mechanical equipment for adjacent units should be arranged into groupings.

1. Mechanical equipment (air conditioning/heating units, etc.) should not be mounted on, or attached to, any sloped roof.
2. When mounted on flat roofs, mechanical equipment should be completely screened by parapet walls at least as tall as the equipment screened.
3. Ground mounted air conditioning units must be screened by walls or landscaping at least six-inches (6") higher than the unit(s) and located away from pedestrian paths and project amenities, except when used in courts and lanes with limited or no screening.
4. Natural gas meters should be grouped and screened behind walls.
5. Electrical meters should be ganged and located behind doors.
6. Screen walls and electrical enclosures should be designed integral to the project's architecture.
7. All fire risers and fire related plumbing shall be installed in a fire riser cabinet or meter cabinet. Visible fire plumbing is prohibited.

C. Exterior Lighting

The level of on-site lighting as well as lighting fixtures, shall comply with any and all applicable requirements of HMC 16.40.160 Lighting. Energy conservation shall be emphasized when specifying any lighting system.

The style of exterior lighting fixtures shall be consistent with the architectural style of the building. The angle and intensity of lighting should be strategically planned for mobility and safety at night and should not be used in excess of its purpose.

D. Accessory Structures

Detached garages, carports, and other similar accessory structures should be compatible in design, materials, and color with the primary building. Such structures should be visually related to the main building through the use of courtyards, garden walls, or other landscape elements.

7.6 LIGHTING

The intent of this section is to balance the goals of maintaining a small-village, rural atmosphere with the need to provide safe illumination. Outdoor residential lighting shall be designed to balance the needs for safety and security with energy efficiency and nighttime ambience. An Overall Specific Plan Lighting Plan shall be reviewed by Staff and approved by the Planning Commission prior to the issuance of the first building permit in a planning area.

7.6.1 General Requirements

Outdoor residential lighting in Harmony shall meet the following requirements:

1. Energy conservation shall be emphasized when specifying any outdoor lighting system and all systems shall meet the requirements of Title 24, Part 6 Section 150.0(k)9.
2. Lighting sources shall be shielded, diffused, or be indirect in order to minimize glare to pedestrians, motorists and adjacent open space.
3. Lighting shall only be installed adjacent to buildings, walkways, driveways, or activity areas (swimming pools, spas, outdoor dining areas, equestrian barns, and other similar uses) and focal landscape areas located in close proximity to a residence or activity area.

7.6.2 Residential Buildings Exterior Wall Mounted Lights

Exterior wall-mounted residential lighting shall meet the following requirements:

1. The style of exterior lighting fixtures shall be consistent with the architectural style of the building.
2. Building-mounted lights shall be installed below the eave line and no higher than 14 feet unless used to illuminate a second story entry eave, balcony, or outside stairway or door where in such case it shall be no higher than 8 feet above the floor elevation of the second story.
3. The amount of light projected onto any surface shall not exceed 5 foot-candles.

7.6.3 Pole or Bollard Lighting

The distance separating lights on poles shall be a minimum of 35 feet except that:

1. Decorative lights located at the main driveway entrance to a residence may be located on opposite sides of the edge of the driveway surface.
2. Low-level pedestrian walkway lights less than 18 inches high and not more than 5 foot-candles in intensity (except low-wattage light sources that do not require an electrical permit) are permitted.

Pole mounted fixtures shall be limited to 8 feet in height above finished grade.

7.6.4 Security Lighting

Security lighting is permitted but not required.

1. If security lighting is provided, it shall not be required to be located above the exterior of each front and rear door as required in HMC 16.40.160B.5.
2. All security lighting systems shall meet the requirements of Title 24, Part 6 Section 150.0(k)9.

7.6.5 Residential Parking Areas

For residential parking areas, the project applicant shall submit a lighting and photometric plan for that phase for review and approval by the City of Highland Planning Division in conjunction with the submittal of a site plan.

3. The lighting plan shall include the amount, location, height, and intensity of parking-area lighting limited to the minimum necessary for public safety in order to reduce potential for light and glare and incidental spillover into adjacent properties.
3. The lighting plan shall also include a description and details of the proposed lighting fixtures.
4. The plan shall be reviewed and approved by the Police Department.
5. Residential parking lots with eight or more vehicles shall meet the requirements in Section 8.6.

NEIGHBORHOOD COMMERCIAL DESIGN GUIDELINES

Chapter 8

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8.1 GUIDELINES FOR NEIGHBORHOOD COMMERCIAL AREAS

8.1.1 Introduction

The Neighborhood Commercial Design Guidelines within the Harmony Specific Plan assist in the guidance of commercial development in Harmony. This section guides the site planning, structure, and design of neighborhood commercial buildings so that they can best accommodate their desired use. Architectural details are then used to enhance the building, particularly on elevations that are highly visible from the public streets, giving it a more aesthetically pleasing façade, and tying it into the overall theme of Harmony. Landscaping should then be used to highlight the positive features of a building and its site, while screening views of the negative features.

8.1.2 Design Objectives

The design objective of this section is to concentrate architectural detailing towards areas of a building that are highly susceptible to public viewing, while concurrently promoting a shared environment through the use of courtyards and open space areas.

The intent of these design objectives is not to reduce the total amount of architectural detail and landscaping used, but to orient such enhancements in areas that result in more increased visual benefit for public view.

8.1.3 Site Design

The following concepts are intended to facilitate architectural quality and compatibility between a variety of buildings and uses within the commercial site, as well as with surrounding uses within Harmony.

A. *Building Orientation*

1. Both the main vehicular and pedestrian entries to the neighborhood commercial area from the street shall be enhanced with textured pavement, landscaping and accent trees, and appropriate lighting.
2. Pedestrian connections between neighborhood commercial buildings shall be convenient, direct, and well-lit for the user.
3. Building entries for vehicular and pedestrian use shall be clearly demarcated and easily accessible, and shall be designed to minimize pedestrian and vehicular conflicts.

B. *Visible Edges*

1. Highly visible neighborhood commercial building edges should be designed to provide a pleasant aesthetic, complementing the style of surrounding buildings.

C. *Mechanical and Functional Equipment*

1. Outdoor storage shall not exceed the height of surrounding walls.
2. Ground mounted equipment, such as transformers and heating units, if otherwise visible to the public, should be screened with walls and/or landscaping.
3. No utility appurtenances shall be allowed directly within a pedestrian area.

8.1.4 General Guidelines for Buildings

Neighborhood commercial facilities shall be designed and constructed to be of a high quality, with form, massing, and style that complements that of its surroundings. Horizontal and vertical articulation shall be used to visually reduce the massing of the structure.

Building form should exhibit a discernible base, body, roof line, and entry, with the colors and materials chosen supporting these key elements.

Major architectural elements, such as building mass, roof type, height, entrances, openings, arcades, and other similar features should complement the architectural style and proportion of the building.

A. *Massing and Articulation*

1. Building articulation shall be used to break up a single, dominant building form.
2. The building entrance shall be clearly distinguishable and easily seen as a major focal point on the building.
3. Expansive, un-articulated surfaces shall be avoided when visible from a public street. The use of varying textures is encouraged.
4. Building height should be reduced through vertical massing breaks that complement the style of the building.
5. Returns must terminate at a logical point and must be finished and treated on all exposed sides.
6. Articulation elements, such as insets and pop-outs, and horizontal and vertical elements will be used to give visual interest to buildings.
7. Massing elements and building projections shall relate to the proportions of the building.
8. Where used, tower elements shall relate to the massing of the building and architectural style proposed. Tower elements include architectural components that are higher than the adjacent building's parapet or roof.
9. Roof forms shall be simple and complement the architectural style and internal organization and function of buildings.
10. Buildings should include at least one minor and one major focal point, utilizing changes in building forms, materials, or colors. Focal points may double as primary entry articulation.
11. The materials and colors used shall reflect those used in accompanying buildings, and be of an equally high quality.

B. *Building Entries*

1. Entries shall be designed as an integral part of the building form.
2. Primary building entries shall be easily identifiable and emphasized through building massing, architectural elements, and material use.

C. *Pedestrian Access*

1. Pedestrian walkways, elevators, escalators, ramps, and stairways shall be well-lit for safety.
2. To ensure the safety of employees, measures such as surveillance of arrivals and departures and parking areas monitored from an office/front desk may be included. Installation of any such security system shall be submitted to Highland Police Department for review and approval as required.

D. *Architectural Detailing*

1. Careful detailing, such as expansion joints, reveals, cornices, eaves, parapets, and window treatment, shall be used to provide an attractive elevation to all façades visible from public streets.
2. A variety of colors and materials shall be used throughout the building's elevations.

E. *Material and Color Use*

1. Materials and colors should be used logically, with darker colors and/or "heavier" materials used on the base, "supporting" lighter colors and materials above it.
2. Subtle accent colors that complement the building's color palette may be used to identify special areas or entries.
3. Materials shall wrap architectural elements in their entirety. Changes in materials along a building elevation should occur at inside corners or other logical point of separation.
4. Materials used shall be durable and long lasting.

F. *Mechanical and Functional Equipment*

1. Mechanical equipment visible from the public streets or pedestrian paths of travel shall be located as to be screened by the building's architecture.
2. All new and existing public utility distribution lines of 34.5 KV or less within the boundaries of the development footprint shall be placed underground. This provision does not apply to open space or undeveloped areas of the Specific Plan.

8.2 LANDSCAPING

The landscaping component of this section describes the minimum landscape requirements that shall be followed in the design of all public and private improvements within the neighborhood commercial areas of the Harmony Specific Plan. Landscaping shall be used to promote the aesthetic character and value of Harmony and shall:

- Define, unify and enhance the public space;
- Embellish and enhance private areas; and
- Screen views of parking, loading, service areas and utilities.

8.2.1 General Landscape Standards

In addition to the City of Highland's standard landscape plans and specifications, HMC Section 16.40.309 Water efficient landscape requirements, State regulations, and the standards provided in Chapter 9 - Landscape Design Guidelines of this specific plan, the following shall apply:

1. Any areas not designed for paving or building shall be landscaped and maintained.
2. Landscaping along neighborhood commercial street edges shall be consistent with, and complement, the landscaping of surrounding uses along that street.
3. Neighborhood commercial landscape shall make use of street trees having a minimum size of 24" box spaced at regular maximum intervals of 40' o.c., and with an informal clustered massing of trees with a minimum size of 15 gallons for accent in areas where applicable.
4. The perimeter landscape of neighborhood commercial areas shall reflect the character of Harmony and strengthen its community landscape theme, and at the same time, employ water conservation techniques to provide a sensible and complete landscape solution for the center.
5. Automatic irrigation infrastructure shall be permanently provided in all landscaped areas, except for those designed as basins for water quality purposes. Moisture-sensing and water-monitoring devices shall be used, in compliance with drought and water conservations standards adopted by Highland.
6. The use of drought tolerant plants, mulch, installation of drip irrigation systems, minimizing of impervious areas, and the designing of landscaped areas as shallow swales to retain irrigation water is encouraged, where feasible, to reduce water use.
7. Site features, such as bicycle racks, recycling bins, planters, and benches, should be designed as an integral part of the project.
8. A landscape and irrigation plan shall be submitted to the Highland for review and approval prior to issuance of building permits.

8.2.2 Street Frontage Landscape Standards

Landscaped areas along street frontages shall be appropriate to the scale, orientation, and the neighboring area. The design should be consistent with the architectural style of the adjacent development.

1. Setback areas shall be designed to create a visual statement utilizing both hard and soft features, such as unique plant materials, plan arrangements, earth forms and paving.
2. Plants shall be spaced appropriately to their mature size, to avoid the need for excessive pruning, reducing green waste.
3. The landscape under story is of equal importance to the tree canopy and shall be used to lend interest to the pedestrian and driving experience.
4. Low water demand groundcovers shall be provided for a minimum of thirty (30) percent of the setback areas.
5. A maximum of fifteen (15) percent of the setback area may be groundcover.
6. Adequate lighting and signage shall be incorporated to enhance the facility's ability to function.

8.2.3 Parking Lots

The following standards shall be applied to neighborhood commercial parking lot landscaping:

1. Neighborhood commercial parking areas should not block pedestrian access between buildings and the public street. These areas should be designed to allow for pedestrian through-connectivity, through the use of walkways with enhanced paving, trellis structures, and/or landscape treatments.
2. Trees located within parking lots shall be located within planters, with a spacing as determined by the City.
3. Planters shall have a minimum inside width of 5', and be bounded by a concrete curb, unless intended to be used as landscaped swales for NPDES water quality protection purposes.
4. An end cap planter, with a minimum inside width of 5', should be provided at each end of all rows within the parking lot. Planters shall have a minimum length equal to the longest adjacent parking space, inclusive of curb.
5. Tree canopies in planters may not be lower than 7' above the ground at maturity.
6. Additional landscaping in parking lot planters should not obstruct the ability for police or security to properly view the area.
7. A minimum 12-inch wide concrete "step out" shall be required within all landscape planters adjacent to all parking stalls. The "step out" shall be in addition to the width of the concrete curbing.
8. Landscape island every eight spaces.

8.2.4 Acceptable Plant Materials

The planting concept for the commercial portion of Harmony Specific Plan should be consistent with the concept for the rest of the community when feasible. See Chapter 9, Landscape Design Guidelines, Parks, and Amenities for an approved plant palette for the community.

8.3 SIGNAGE

Commercial sign guidelines for Harmony provide for corporate and business identity and individuality while maintaining a high level of quality and complementing signage located throughout the community.

Signs will be reviewed during the Highland design review process for their consistency with these guidelines, and the Harmony Specific Plan as a whole.

8.3.1 General Sign Program Guidelines

Commercial signage directly attributable to the neighborhood commercial portion of the community shall be regulated by a master sign program, and submitted to Highland for review in conjunction with building construction and approval. Submittals shall include drawings and details sufficient for review by Highland, including:

1. Elevation(s) of the buildings for which signs are being requested, showing location, size, and layout of wall signs. Elevations shall be drawn to scale indicating dimensions, attachment devices, and construction details.
2. Site plan of the site for which signs are being requested showing building and perimeter with location of proposed and existing ground-mounted monuments and pylons and elevations showing proposed design and dimensions of signs.
3. Section through letter and/or sign panel showing the dimensioned projection of the letter face and/or sign panel. The method of illumination shall also be identified.

8.3.2 General Design Requirements

1. All signs should be designed to be appropriate with the scale and proportion for the buildings on which they are placed and the areas in which they are located.
2. All signs shall be designed to be aesthetically pleasing, and visually complement the style of the building on which they are located or identifying, as well as the community as a whole.
3. All permanent signs shall be used for the purpose of identification and direction only and only include the business name and/or logo. Labels or advertising is not permitted on permanent neighborhood commercial signage.
4. Permanent ground-level signs are limited to the neighborhood commercial center or project identification monument and pylon signs, tenant identification monument signs, business directory signs, directional signs, and on-site regulatory signs. All ground-level; permanent signs are permitted under the approved Master Sign Program.
5. Sign colors shall be chosen for legibility and shall complement the style of the neighborhood commercial use and community as a whole. Substantial contrast should be provided between the color and material of the background and the letters or symbols for ease of reading in both day and night conditions. The sign panel background should be free of distracting details and decoration.
6. Lettering should be designed and applied to avoid shadow distortions.
7. Sign materials shall be durable and of a high quality. Metal signs may be made of aluminum, brass, bronze, copper, or stainless steel and may be painted.
8. Owners and/or tenants shall be responsible for the proper maintenance of their signs. Property owners shall routinely inspect signage within the neighborhood commercial site to ensure an attractive appearance at all times.
9. Street address signs shall be displayed for each building, as required by the City of Highland and the local fire authority.

8.3.3 Temporary Signs

1. Temporary signs include all non-illuminated signs that identify, or provide basic information about, future facilities, for sale/for lease opportunities and construction activities, or for special events. No other temporary signs are permitted.
2. Temporary signs, including panels, placards, or banners, are prohibited on the exteriors of commercial buildings, roofs, walls, or fences. Small temporary directional signs may be permitted for special events. Small temporary "space available" stickers may be permitted on building entry doors.
3. Temporary signs are not permitted at intersection corners or within ten feet of the street curb in the commercial area.
4. Each commercial tenant is responsible for the removal of all banners, and other temporary signs by the end of the last day of the event.
5. Signs providing sales, leasing, and construction information are allowed and shall follow the guidelines from the Master Sign Program.
6. All tenants shall submit and receive approval from the City of Highland and landlord for all temporary signs.

8.4 BUS SHELTERS

The visual appearance and design of bus stops and the allocation of bus stop amenities that enhance pedestrian comfort and safety play a significant role in the decision to use mass transit. Amenities may be provided to improve the attractiveness of mass transit as a means of transportation to and from the commercial areas, thereby reducing parking needs.

The design of bus stops shall be coordinated with Omnitrans, or their applicable design standards, if provided. Shelters shall be designed with the following factors taken into consideration:

1. The durability and strength of materials.
2. The resistance of chosen materials and paint treatments to weather conditions, graffiti, cutting, fire, and other forms of vandalism.
3. Consideration of potential greenhouse effect during hot weather.
4. The balance of external lighting within the commercial area with that within the bus shelter.
5. Design which complements that of the commercial area.
6. Wheelchair accessibility within the shelter.
7. Inclusion of trash and recycling receptacles and newspaper boxes within the design.
8. Communications conduits for future use.

8.5 WALLS AND FENCES

Walls and fences within neighborhood commercial areas shall be consistent with those elsewhere in Harmony, as regulated in the Walls and Fences component of Chapter 9, Landscape Design Guidelines, Parks, and Amenities.

Walls and fences construction shall complement building design with in the neighborhood commercial areas, and be constructed of community-appropriate materials, colors, and texture

1. Within the required front or street side building setback area, walls or fences shall not exceed four feet in height.
2. In the required rear or interior side building setback area, except as provided below, walls and fences shall not exceed six feet in height.
3. Screening walls from more sensitive land uses and for sound attenuation will be determined at the time of development and will be based on the required sound attenuation or need for visual screening.

8.6 LIGHTING

The commercial area lighting component addresses the illumination of neighborhood commercial areas for the purposes of safety, security, and nighttime ambience, including lighting for parking areas, pedestrian walkways, architectural and landscape features, loading areas, and any additional exterior areas. An Overall Specific Plan Lighting Plan shall be reviewed by Staff and approved by the Planning Commission prior to the issuance of the first building permit in a p lanning area.

1. A comprehensive lighting plan shall be prepared and approved in conjunction with the site plans submitted for approval to the Planning Commission. In addition, all plans shall be reviewed and approved by the Police Department.
2. Exterior lighting within a parking lot, service area, or other intentionally lit area should be located and designed to minimize direct glare outside of the specific area.
3. Lighting sources shall be shielded, diffused, or indirect in order to avoid glare to pedestrians and motorists. Lighting fixtures should be selected

and located to confine the area of illumination to within the boundaries of the commercial area.

4. Pedestrian paths should be lighted by pole, directed up lighting, or bollard-type fixtures that are in scale with the pedestrian, typically no more than 16‘ for pole lights or 3‘ in height for bollards.
5. All lighting fixtures shall be designed to resist vandalism.
6. A balance of lighting for building users and lighting of architectural features should be emphasized to provide user-friendly interior and exterior schemes with the main consideration being the aesthetic effect of the lighting design.
7. Night lighting and security lighting shall be sensitively designed to ensure that no off-site glare is directed to neighboring uses and that the overall intensity of the site lighting is not excessive. The use of excessive nighttime security lighting is discouraged, with other security measures being considered, instead.
8. Skyward-directed lights designed to attract attention, such as searchlights or moving lights, are prohibited.
9. Street lights should be located between street trees to provide light that is uninterrupted by tree canopies.
10. Freestanding lighting styles shall be post, column, or double column types.
11. Building signs illuminated above or below by spotlights are permitted.

LANDSCAPE DESIGN GUIDELINES, PARKS, AND AMENITIES

Chapter 9

9.1 COMMUNITY-WIDE DESIGN GUIDELINES

The overall character of Harmony is directly linked to its central community design philosophy. Elements of community design, such as architectural character, landscaping, and vehicular and pedestrian flow will combine to contribute to the community's overall image and identity.

The primary goal of the Landscape section of this Specific Plan is to create a community that motivates, educates and inspires residents and visitors alike and furthers their sense of connection to each other and their natural surroundings. Harmony should be a place that encourages people to explore not only the physical nature of the community, but its social fabric as well, and that challenges residents to interact and invest in their neighborhoods for the betterment of the entire community. To meet these goals, this chapter is based on three themes of connection:

Connecting the community to its natural surroundings

The community has well-thought-out and sensitive design when transitioning back to nature at interior and exterior community edges, such as community greenways and foothills. Native plantings are emphasized in community greenways, fuel modification zones, and natural open space areas and incorporated throughout the community. Conservation of resources, including water, soil, energy, and sensitivity to the environment drive the selection of plants.

Connecting the community to the agriculture landscape

The landscape celebrates the region's agricultural heritage. Agricultural plantings contribute to the identify of neighborhoods and build community. Harmony will embrace agriculture through a prominent location where small-scale agricultural production will occur. In addition, selective entries and slope areas will incorporate agricultural plantings where feasible.

Connecting people to the landscape through education and recreation

The community landscape design promotes a healthy outdoor lifestyle, one that considers both physical and spiritual health in the way that it is designed, and a sense of intrigue and surprise as the residents explore the public spaces that provide opportunities for social interaction, active play, and passive meditation.

To create a community that considers all of these factors, the organization of the following community elements must be recognized for their significance and are further described in this chapter:

- Irrigation Practices and Design
- Landscape Districts
- Tiered Landscape Program
- Streetscape Design
- Community and Neighborhood Entries and Monumentation
- Residential Landscape Design
- Open Space and Trails
- Park System
- View Preservation and Enhancement
- Agricultural Landscape Concepts
- Lighting, Walls, and Site Furnishing
- Fire Protection Plan
- Master Plant Palette

"The smallest patch of green to arrest the monotony of asphalt and concrete is as important to the value of real estate as streets, sewers and convenient shopping."

- James Felt, chairman, NYC Planning Commission, New York Times (June 28, 1960)

HOW TO USE THESE GUIDELINES:

The following design guidelines establish a hierarchy of the landscape design principles for Harmony and its surrounding roadways. All landscape plans, streetscape plans, and graphic designs with regard to community identity, neighborhood identity, or entry monumentation shall conform to the guidelines as set forth herein, and will be subject to review and approval by the City of Highland.

Careful attention is given to creating an appropriate and appealing landscape design to complement and enhance the overall character of Harmony.

9.1.1 General Design Guidelines

The guidelines in this section create and quantify the central design philosophy in a manner that applies to the entire community and provides design guidance relating to the project's overall character. They are intended to create a strong, cohesive community identity through the use and repetition of consistent design concepts, practices, and details.

- Landscape design shall emphasize the planting of long-lived plant species that are native to the region or well adapted to the climatic and soil conditions of the area, and shall de-emphasize the use of lawn.
- The landscape design should help create and reinforce the distinct character of various features within the natural and man-made environments.
- The landscape treatment of all areas shall emphasize the planting of shade trees in both formal and informal groupings throughout the community, and the use of noninvasive drought-tolerant plant materials where possible.
- Planting design (species, quantity, size, and spacing) within the fuel modification zones shall adhere to the fire protection guidelines. Planting outside of the fuel modification zones should consider these guidelines.
- Landscape plans for any development shall consider service lines, traffic safety sight line requirements, and structures on adjacent properties to avoid conflicts as trees and shrubs mature.
- Street trees and trees planted near walkways or street curbs shall be selected and installed to prevent damage to sidewalks, curbs, gutters, and other improvements.
- The use of turf grass is encouraged in active use and residential areas only. Groundcovers and drought-tolerant grasses that require less water are encouraged in nonactive areas.
- Non-landscaped ground surface shall be covered with a 3-inch layer of mulch to improve water-holding capabilities of soil through reduced evaporation and compaction.

Landscape Maintenance District (LMD) areas shall be defined by a concrete mow curb when adjacent to private property.

Turf areas shall be sized and shaped to optimize irrigation efficiency. Turf type and location shall be selected in the same manner as other plantings. Turf shall not be treated as a fill-in matter but rather as a planned element of the landscape. All turf areas shall be on separate irrigation zones.

All landscaping shall adhere to the City of Highland Water Efficient Landscape requirements to ensure water and maintenance efficiency, which promotes the use of low water use plants, runoff retention, and reduction of flooding through planting.

9.1.2 Irrigation Practices and Design

Irrigation for both public and private landscapes shall be designed to be water efficient and water wise. All irrigation systems shall be designed to properly water plant materials given the site's climate and soil conditions. The following is a list of some of the guiding principals for an appropriate irrigation system design:

- All public areas and rights-of-ways shall have automatic irrigation systems and shall be compatible with recycled (non-potable) water systems.
- Utilize a weather-based master irrigation controller system that employs current satellite weather data and a rain shut-off devise to ensure that the irrigation schedule is based upon actual "real time" plant needs. This allows for a greater level of control within the irrigation system and minimizes potential water waste.
- Where appropriate, utilization of point-irrigation (drip) systems is encouraged to allocate more efficient delivery of water to root systems and minimize runoff.
- The use of overhead spray heads is discouraged in small, nonturf applications. The use of point irrigation or a subsurface irrigation dripline root zone irrigation system negates overspray and reduces water waste.
- Spray systems shall have low volume (gpm) matched-precipitation heads.
- Using recycled (non-potable) water in large, public open spaces is highly encouraged.
- All major trees groupings are to have an additional support irrigation system providing water to each individual tree utilizing a flush grade bubbler system on a separate valve in order to more efficiently manage water demand.

9.1.3 Tiered Landscape Program

Landscaping for Harmony shall follow a tiered planting concept as shown in General Tiered Planting Requirements Table (see Table 9-1). This concept shall be a consistent theme throughout the community from perimeter streetscape design to residential front yards. Using different scales, forms, colors, and/or textures of plant materials tiered—or layered—planting visually increases the depth of planters and promotes interest and diversity. The application of tiered planting is required to enhance the visual character of the project by softening the appearance of walls and fencing along major community roadways. The tiered concept shall also be applied at the neighborhood level (along collector and local streets) and in front of individual residential units or multifamily housing projects. A selection of acceptable planting materials is found in the Master Plant Palette at the end of this chapter.

TABLE 9.1
GENERAL TIERED LANDSCAPING REQUIREMENTS

LAYER	DESCRIPTION	SIZE
Layer A	Low spreading groundcover (including turf or turf substitute) [1]	Under 12″ height
Layer B	Low mounding shrub/ groundcover (informal mass planting) [1]	12″-30″ height
Layer C	Low hedge (formal - linear)	12″-30″ height
Layer D	Medium shrub (informal mass or hedge)	24″-48″ height
Layer E	Large shrub (informal mass or hedge)	42″-60″ height
Layer F	Vertical (growth habit columns rather than horizontal)	42″-72″ height
Accent	Strategically located specimens	Varies

1. Groundcover material shall be permeable and be able to retain moisture in the root zone, as well as reduce dust and weeds.

9.2 LANDSCAPE DISTRICTS

The Harmony Specific Plan area has been divided into three landscape districts, each possessing a distinctive landscape character that contributes to the overall agricultural theming of the community while building neighborhood identity. The landscape district delineations shown below are provided for reference only. District boundaries, central theme selection, and each landscape district plant palette shall be refined and finalized during the tentative tract map approval process. Each landscape district is defined by a fruiting tree as well as a native tree that possesses complimentary features. Although fruiting trees are the namesake and signature for each district, they are planted only in select locations where their maintenance is ensured and where they can make a significant contribution to District identity. The native compliment, street trees, and other plants that compose each District palette build upon the intended character of the District while allowing for a more sustainable landscape. Planting selection in the Districts are not limited to these District plant palettes, but provide a suggested theme. The Master Plant Palette should be drawn from when selecting additional plants. The districts are described on the following pages and illustrated in Exhibit 9-1, “Landscape Districts.” Exhibit 9-2, “Conceptual Landscape Illustrative” shows distinct tree plantings for each district, as well conceptual landscape design for parks, the community greenway, open space, trails, and sidewalks.

9.2.1 Citrus District

Signature Agricultural Tree: Orange tree

Native Compliment: California bay

Street Trees: Strawberry tree, Holly Oak

Annual Celebration: Orange Blossom Festival, Winter

The Citrus District also provides for a seamless transition from the existing agricultural landscape adjacent to Harmony. The vibrant district is full of plants that put on a colorful show. Layers of glossy green foliage provide a rich backdrop for brightly colored flowers. The Citrus District is dressed to impress. See Table 9.2A for a list of a district plant palette.

TABLE 9.2A LANDSCAPE DISTRICT PLANT PALETTE (CITRUS)

BOTANICAL NAME (CANOPY SPREAD NOTED FOR TREES ONLY)	COMMON NAME	STREET TREE
DISTRICT PALETTE 1: Citrus		
Arbutus unedo	Strawberry Tree	•
Arbutus unedo compacta	Dwarf Strawberry Tree	
Baileya multiradiata	Desert Marigold	
Buxus sp.	Boxwood	
Cistus sp.	Rock Rose	
Citrus orange 'Valencia'	Orange	•
Feijoa sellowiana	Pineapple Guava	
Helianthemum nummularium 'Wisley Pink'	Sun Rose	
Lantana montevidensis	Trailing Lantana	
Lavendula dentata	Lavender	
Punica granatum 'nana'	Dwarf Pomegranite	
Quercus ilex	Holly Oak	•
Rhaphiolepis indica	India Hawthorne	
Thymus serpyllum	Creeping Thyme	
Xylosma congestum	Shiny Xylosma	
Umbellularia californica	California Bay	

9.2.2 Walnut District

Signature Agricultural Plants: English Walnut, vines

Native Compliment: Coast live oak

Street Trees: Chinese Pistache, Desert Catalpa, Holly Oak

Annual Celebration: Grape Crush Festival, Fall

The Walnut District includes the northern neighborhoods on the east side of the project, which generally have steeper grades and are at higher elevations. Elegant walnut trees line the main roads and punctuate the residential and public landscapes. Vineyards are also planted along the steep contours of the generous residential landscapes, providing a picturesque contrast to the walnut trees and preserve views of the mountains to the north and the valley to the south.

The wild beauty and charm of forest hillsides is reflected in the Walnut District. Mysterious treasures of Blackberry dance playfully with bushy Elderberry, Wild Rose, and Wild Lilac. Forest plants give way to Reedgrass, and waves of Sedge. See Table 9.2B for a list of a district plant palette.

TABLE 9.2B LANDSCAPE DISTRICT PLANT PALETTE (WALNUT)

BOTANICAL NAME (CANOPY SPREAD NOTED FOR TREES ONLY)	COMMON NAME	STREET TREE
DISTRICT PALETTE 2: Walnut		
Calamagrostis x acutiflora 'Karl Foerster'	Reed Grass	
Carex praegracilis	California Field Sedge	
Ceanothus sp.	Wild Lilac	
Chilopsis linearis 15-40'	Desert Catalpa	•
Fragaria californica and F. chiloensis	Wood Strawberry	
Juglans regia 60'	English Walnut	•
Juglans californica	California Walnut	
Quercus agrifolia 40-70'	Coast Live Oak	•
Rhamnus californica	Coffeeberry	
Rhus ovata	Suagrbush	
Rosa californica	California Wild Rose	
Rubus ursinus	California Blackberry	
Sambucus nigra	Elderberry	

9.2.3 Apple District

Signature Agricultural Tree: Apple

Native Compliment: California Sycamore

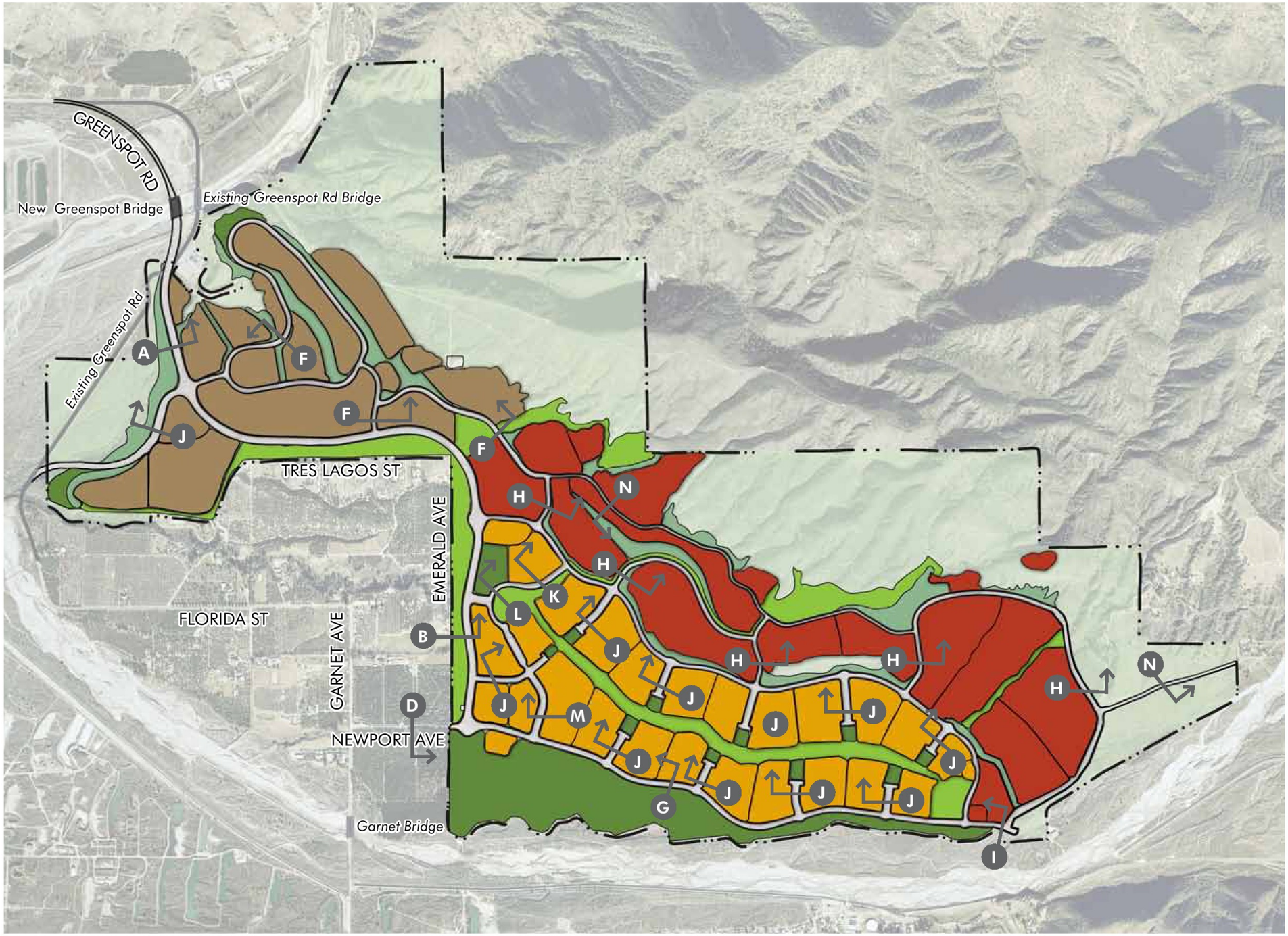
Street Trees: California Sycamore, Flowering Cherry, London Plane

Annual Celebration: Apple Blossom Festival, Spring

The profuse blossoms of apple and cherry trees and the graceful twisting of Sycamore trees create an atmosphere of elegance in the Apple District. The Apple District encompasses the primary entrance to Harmony and the Phase I neighborhoods. The neighborhoods on the north are at higher elevations and well suited to the signature apple tree. Thickets of Snowberry and Concha Lilacs mingle with gauzy Mountain Mahogany give way to bouquets of Yarrow, Rock Rose, and orbed Grape Lupine. See Table-9-2C for a list of a district plant palette.

TABLE 9.2C LANDSCAPE DISTRICT PLANT PALETTE (APPLE)

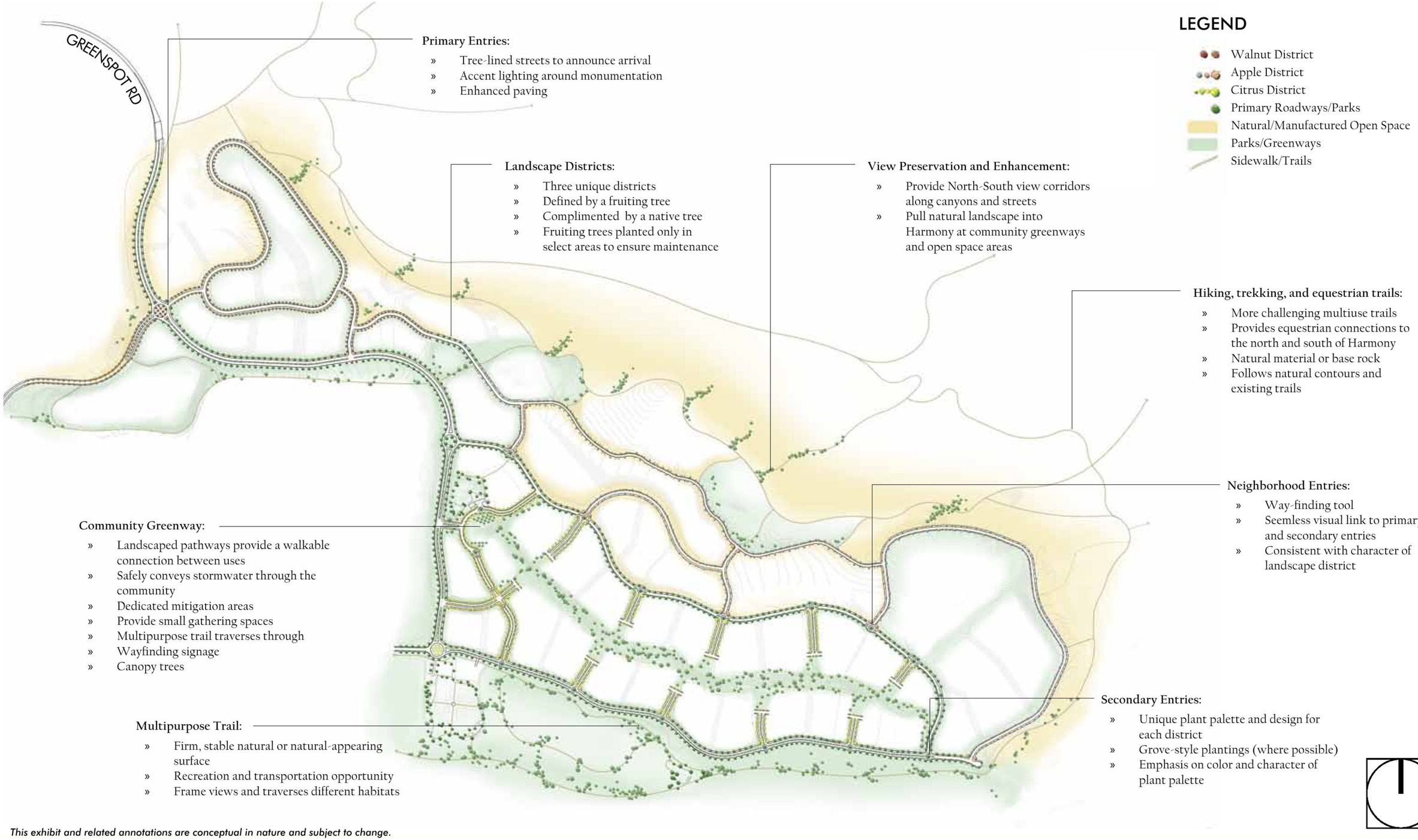
BOTANICAL NAME (CANOPY SPREAD NOTED FOR TREES ONLY)	COMMON NAME	STREET TREE
DISTRICT PALETTE 3: Apple		
Achillea millefolium	Common Yarrow	
Cercocarpus betuloides	Mountain Mahogany	
Dymondia margaretae	Dymondia	
Festuca glauca	Blue Fescue	
Fragaria californica and F. chiloensis	Wood Strawberry	
Helianthemum nummularium 'Wisley Pink'	Rock Rose	
Helichtotrichon sempervirens	Blue Oat Grass	
Heteromeles arbutifolia	Toyon	
Lupinus excubitus	Grape Soda Lupine	
Malus domestica 'Fuji' & 'Golden Delicious' 20'	Apple	•
Mimulus aurantiacus	Sticky Monkey Flower	
Platanus racemosa 30-50'	California Sycamore	•
Platanus x acerifolia 30-40'	London Plane	•
Prunus serrulata 25'	Flowering Cherry	•
Rhus ovata	Suagrbush	
Rosa californica	California Wild Rose	
Rosmarinus prostratus (24")	Rosemary	
Symphoricapus albus	Common Snowberry	



LEGEND

- Apple District
- Walnut District
- Citrus District
- Parks
- Community Greenway
- Manufactured Open Space
- Natural Open Space
- J — Street Sections

Note: *"Modified Special Highway C" and "Modified Alternative Highway E" are not shown on this exhibit. See Exhibit 6-1 for further street section details.*



Primary Entries:

- Tree-lined streets to announce arrival
- Accent lighting around monumentation
- Enhanced paving

Landscape Districts:

- Three unique districts
- Defined by a fruiting tree
- Complimented by a native tree
- Fruiting trees planted only in select areas to ensure maintenance

View Preservation and Enhancement:

- Provide North-South view corridors along canyons and streets
- Pull natural landscape into Harmony at community greenways and open space areas

Hiking, trekking, and equestrian trails:

- More challenging multiuse trails
- Provides equestrian connections to the north and south of Harmony
- Natural material or base rock
- Follows natural contours and existing trails

Community Greenway:

- Landscaped pathways provide a walkable connection between uses
- Safely conveys stormwater through the community
- Dedicated mitigation areas
- Provide small gathering spaces
- Multipurpose trail traverses through
- Wayfinding signage
- Canopy trees

Multipurpose Trail:

- Firm, stable natural or natural-appearing surface
- Recreation and transportation opportunity
- Frame views and traverses different habitats

Neighborhood Entries:

- Way-finding tool
- Seemless visual link to primary and secondary entries
- Consistent with character of landscape district

Secondary Entries:

- Unique plant palette and design for each district
- Grove-style plantings (where possible)
- Emphasis on color and character of plant palette

LEGEND

- Walnut District
- Apple District
- Citrus District
- Primary Roadways/Parks
- Natural/Manufactured Open Space
- Parks/Greenways
- Sidewalk/Trails

This exhibit and related annotations are conceptual in nature and subject to change.

9.3 STREETSCAPE DESIGN

Landscape design plays a crucial role in effective street design that goes beyond form and aesthetics. Streetscape connects neighborhoods, allowing a smooth circulation of both vehicular and pedestrian traffic. It addresses comfort, safety, security, and accessibility for residents and visitors. Streets in neighborhoods will be designed to be more enjoyable, walkable, and interactive to pedestrians. The streetscape hierarchy consists of two levels of streetscape design: *perimeter streets*, which provide overall circulation surrounding the Harmony community as well as neighborhoods, and *neighborhood streets*, which provide circulation within residential neighborhoods. Within these two categories are street types classified by overall roadway width, number of lanes, and sidewalks. (Please see Chapter 6, "Circulation", for more information on classifications, as well as sections and key maps.)

Perimeter streetscapes/street-tree patterns shall be designed in a manner to complement and/or blend into the existing surroundings and shall adhere to the criteria set forth by the City of Highland. All street trees shall be selected from the fuel modification list within the master plant palette.

Neighborhood streetscapes shall be designed to provide a cohesive and hierarchal element tying the community together as a whole. Harmony's streetscape design is illustrated in Exhibit 9-3, "Streetscape Design".

"Healthy streets create healthy neighborhoods."

—Dan Burden (planner) Street Design Guidelines for Healthy Neighborhoods

9.3.1 Perimeter Streetscape Design

Streetscape design guidelines establish a hierarchy for the landscape development along the surrounding roadways, as well as establishing a framework for consistency of design. The Perimeter Streetscape Design shall consist of the following elements:

- Modified Major Highway (Sections A and B)
- Modified Special Highway (Section C)
- Collectors (Sections D and E)
- Modified Collector (Sections F through M)
- Local Collector (Section N)

The following concepts shall be included:

1. All perimeter landscape streets shall be planted in accordance with the Specific Plan design
2. Root barriers will be used, as necessary adjacent to walls, to discourage root growth invasion on pavement
3. Mature street trees should be pruned to allow visibility and provide fire protection
4. All trees and plant materials shall correspond with master plant palette and fuel modification where required
5. Background and screen trees shall be strategically planted behind sidewalks to help create a green backdrop supporting the street tree canopy and skyline presence

Landscape development surrounding the community will help to establish its character, while maintaining consistency with the City of Highland. The following section discusses the perimeter streetscape design criteria for Harmony.

A. *Modified Major Highway (Section A)*

Streetscape shall include the following:

1. A landscaped parkway and swale (see Chapter 6, Circulation for dimensions) with a row of street trees.
2. A 10' wide sidewalk along one street side.
3. A 12' wide landscaped median with low mass material such as succulents, vines, or rocks.

B. *Modified Major Highway (Sections B and C)*

Streetscape shall include the following:

1. A landscaped parkway and swale (8-18' wide) with low mass material such as succulents, vines, or rocks.
2. A 10' wide sidewalk along one street side.
3. A 24-28' wide landscaped median planted similarly to the parkway.

C. *Collectors (Sections D and E)*

Streetscape design shall include the following:

1. A landscaped parkway (5.5' wide) along both sides of the street, or low mass material such as succulents, vines, or rocks (Collector E only).
2. 5' wide sidewalks along both street sides (Collector E only)
3. 8' wide shoulder on both sides of the street.

D. *Modified Collector (Sections F through M)*

Streetscape for the modified collectors vary, but shall typically include the following:

1. A landscaped parkway and swale (4-12' wide) with low mass material such as succulents, vines, rocks.
2. A 10' wide sidewalk along at least one side of street.

E. *Local Collector (Section N)*

Streetscape shall include the following:

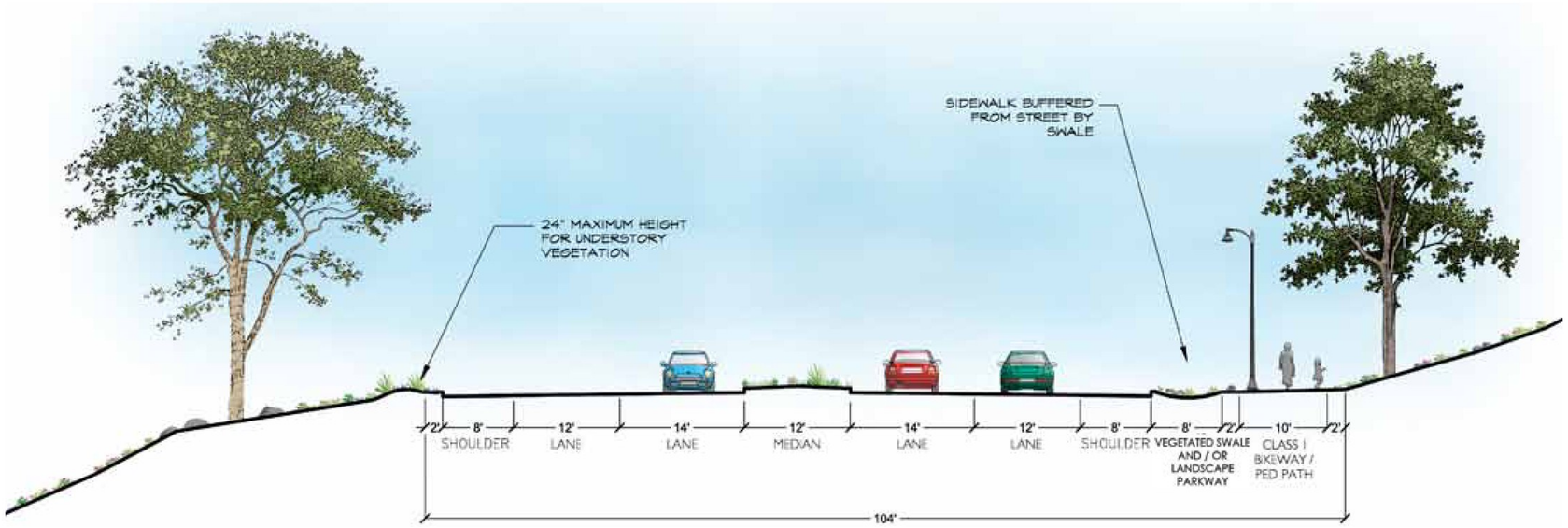
1. A landscaped parkway and swale (4-6' wide) with low mass material such as succulents, vines, and rocks.

9.3.2 Neighborhood Streetscape Design

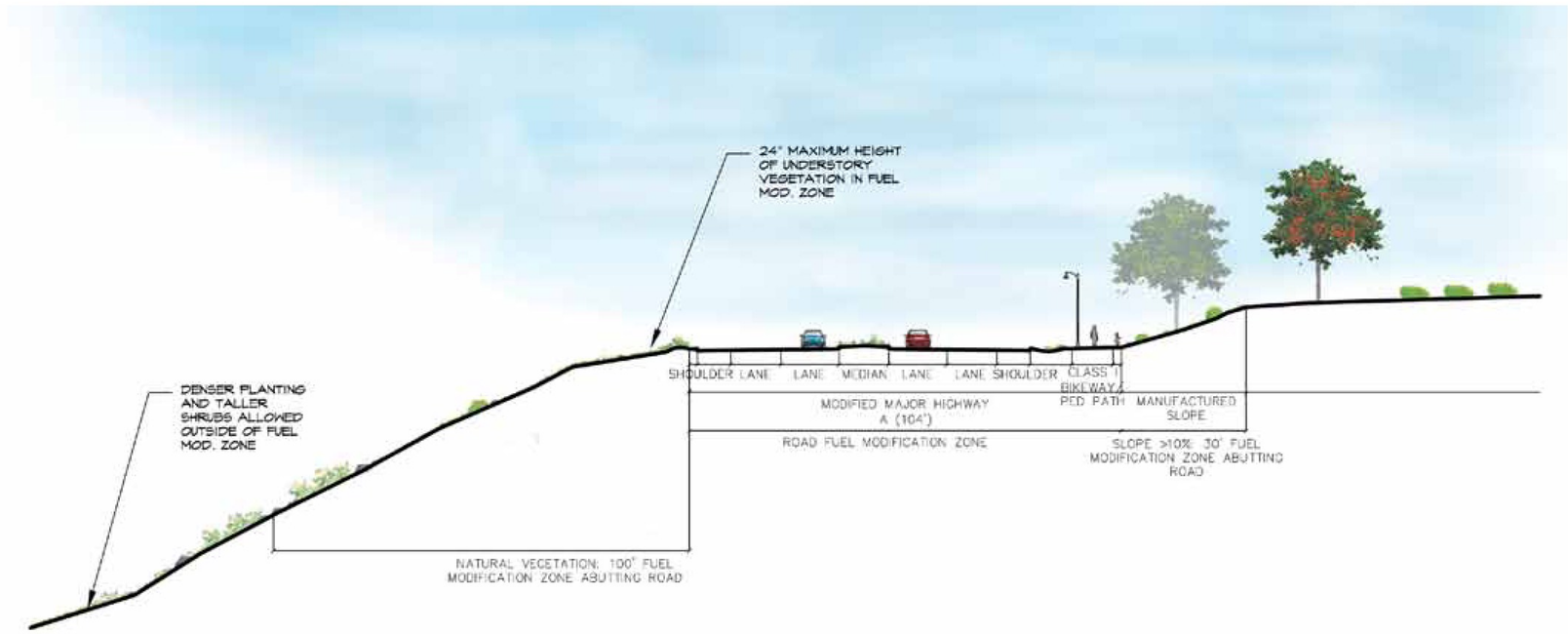
Neighborhood streetscape design within Harmony shall be consistent in character with the perimeter streetscapes and should help promote pedestrian circulation throughout each neighborhood. The Neighborhood Streetscape Design shall consist of the following elements:

1. All trees and plant materials shall correspond with the Fire Protection Plan where required (on file with the City) and the Master Plant Palette contained at the end of this chapter.
2. Tree, shrub, and groundcover plantings should be selected from the Plant Palette for the landscape district in which the street in located.
3. Mature street trees should be pruned to allow visibility and provide fire protection.

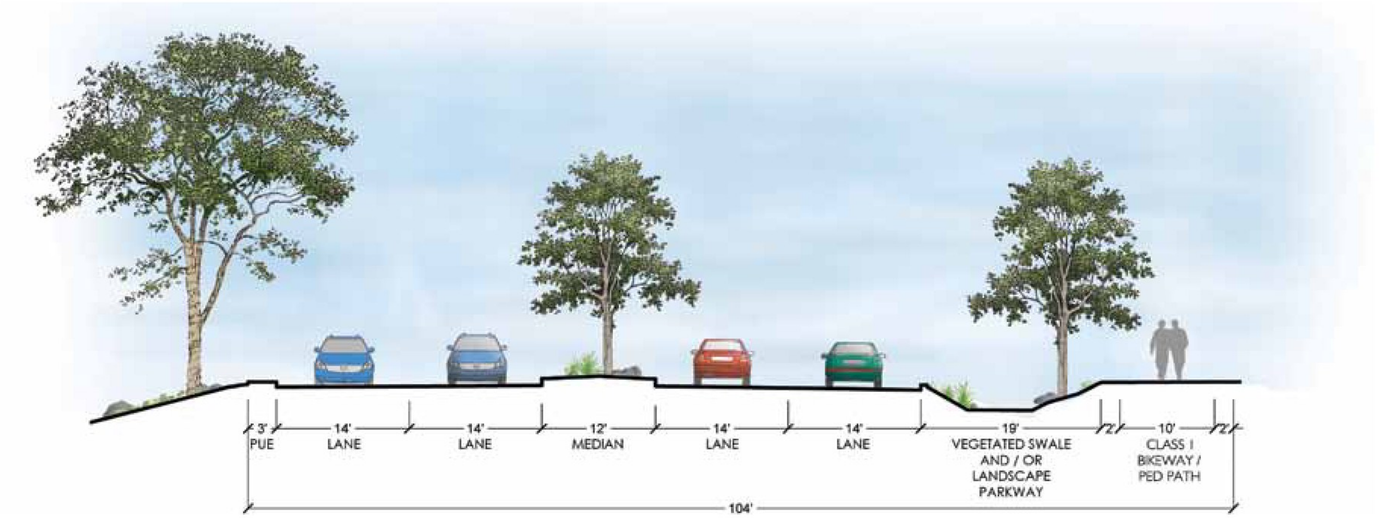
Modified Major Highway (Section A)



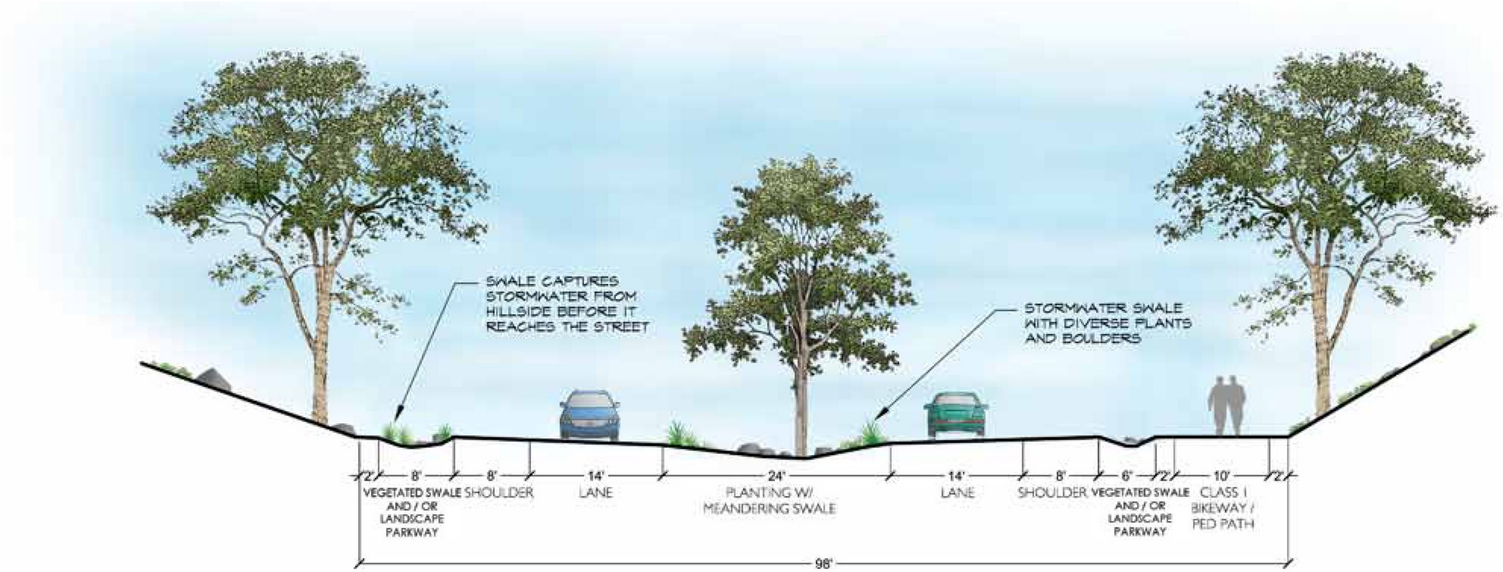
Modified Major Highway (Section A Expanded)



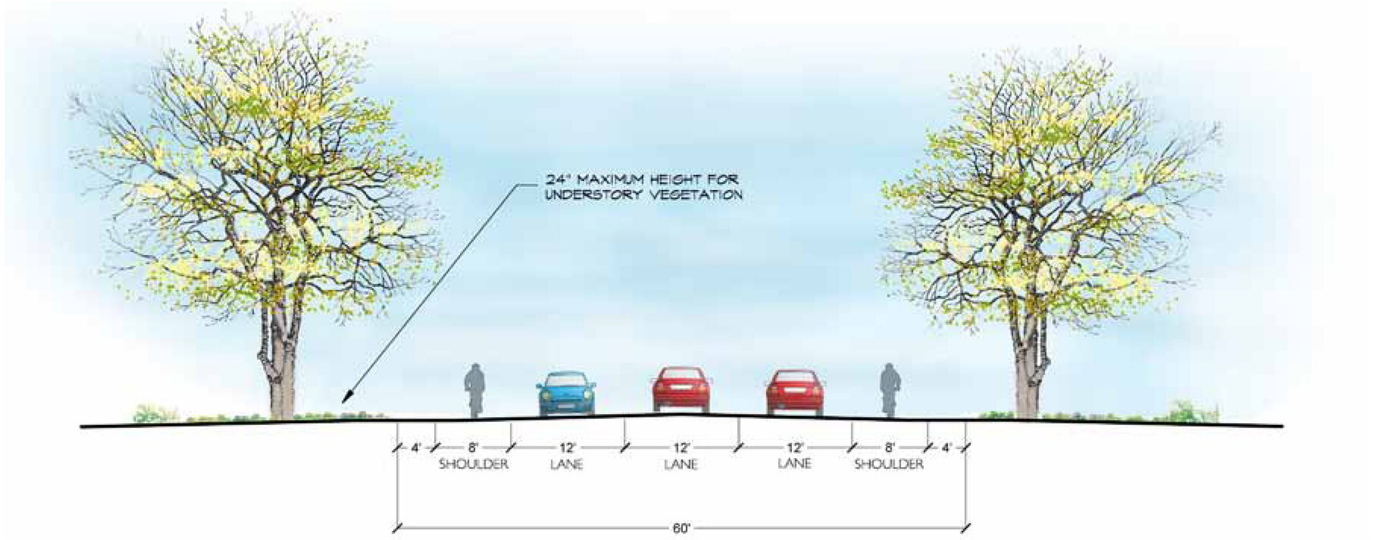
Modified Major Highway (Section B)



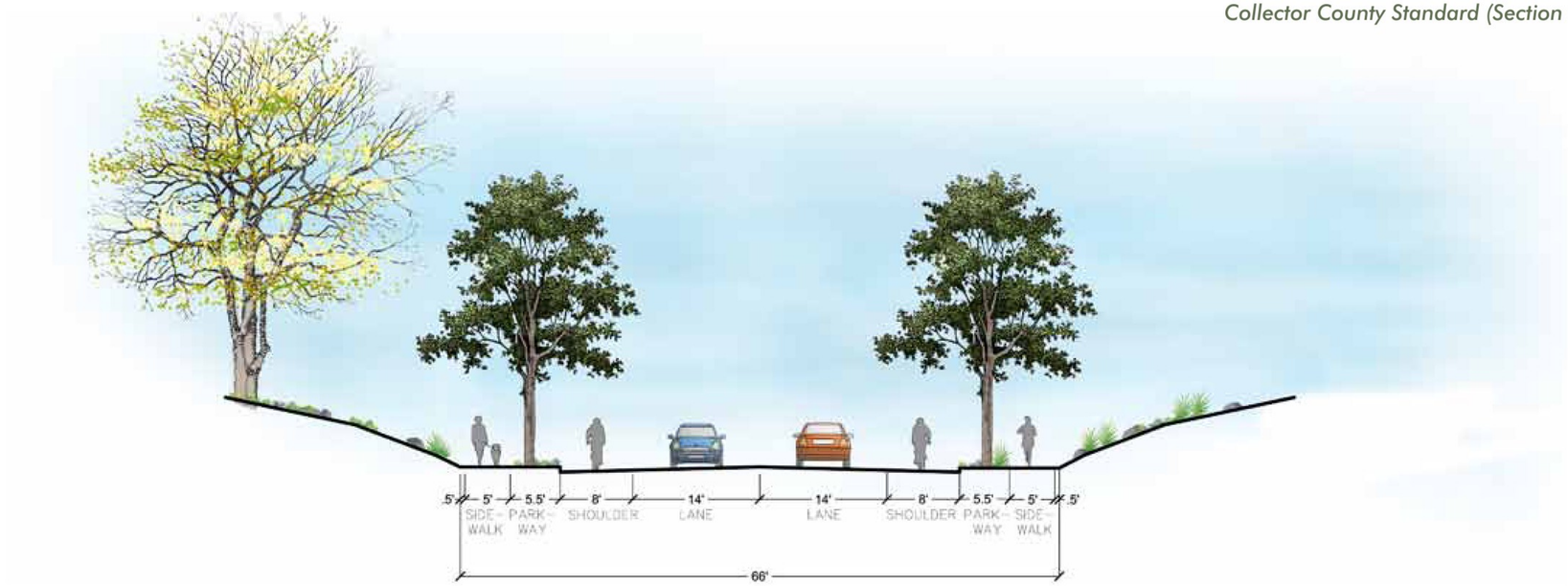
Modified Major Highway (Section C))



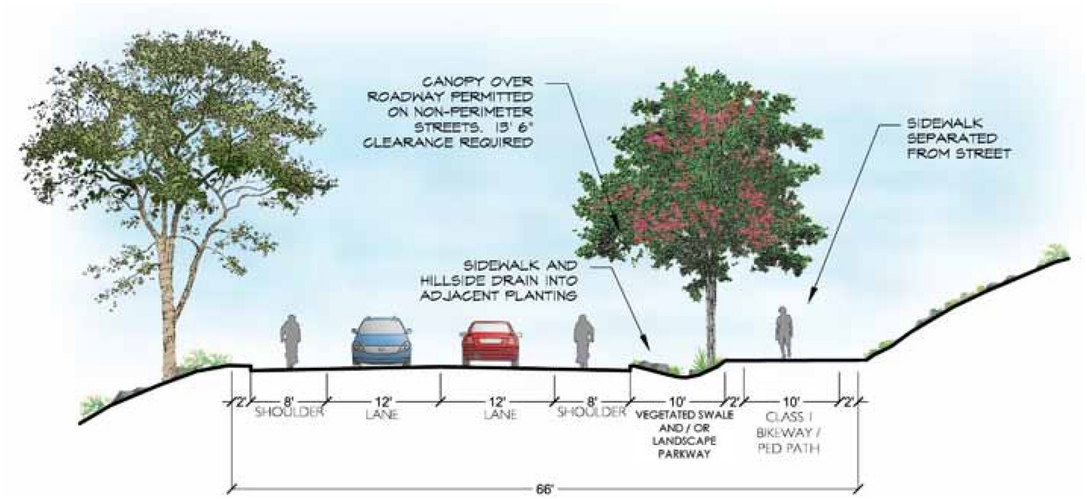
Collector (Section D)



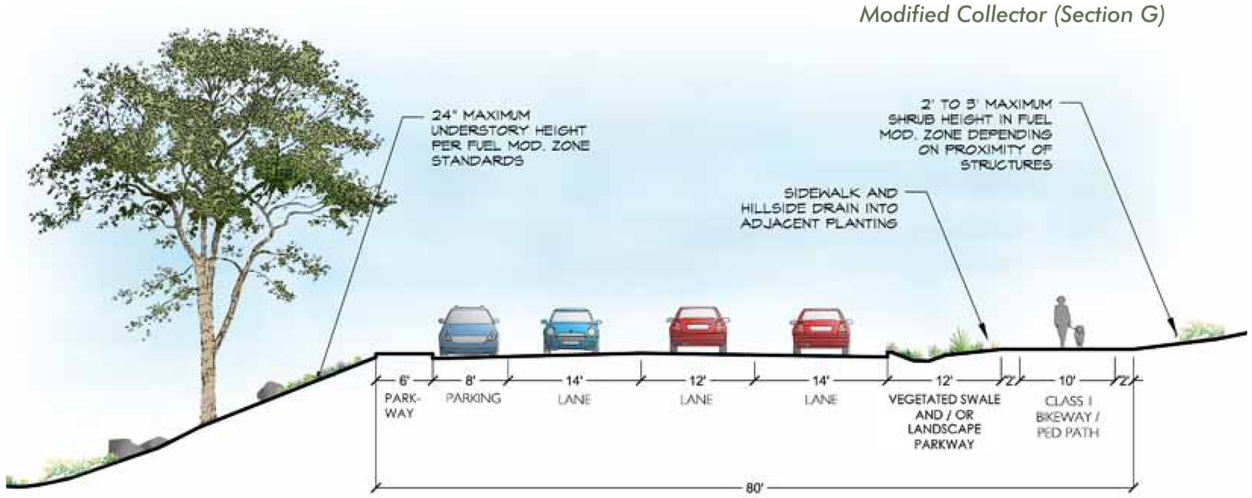
Collector County Standard (Section E)



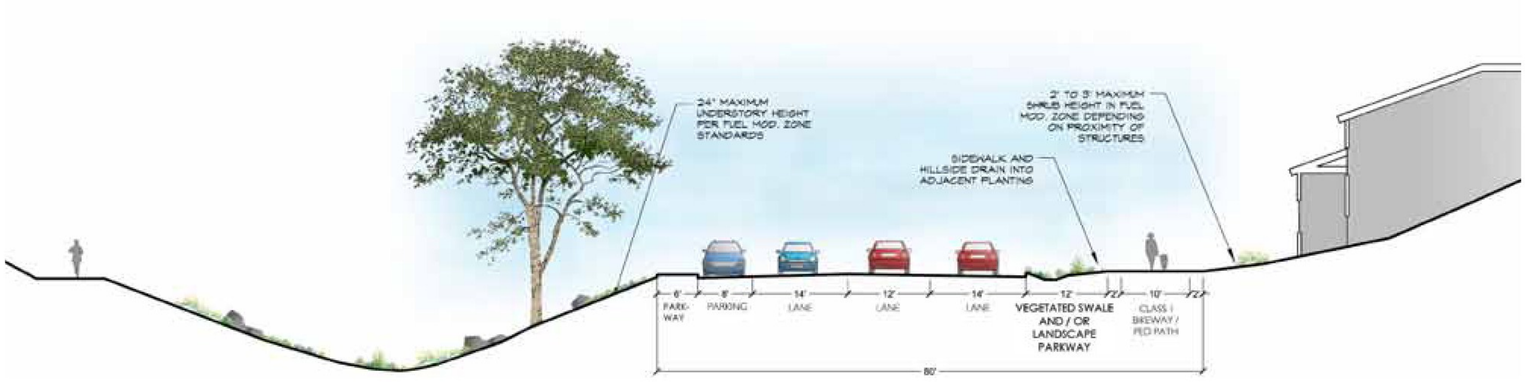
Modified Collector (Section F)



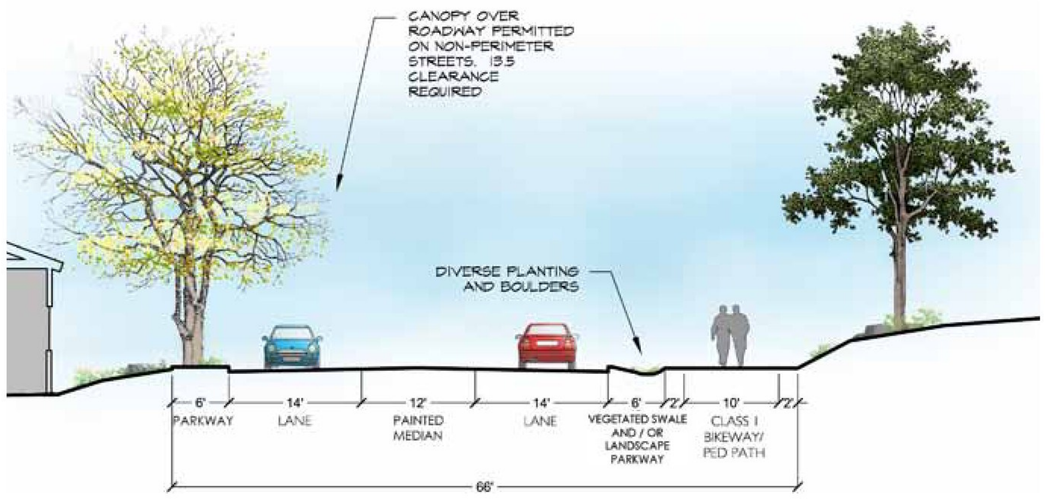
Modified Collector (Section G)



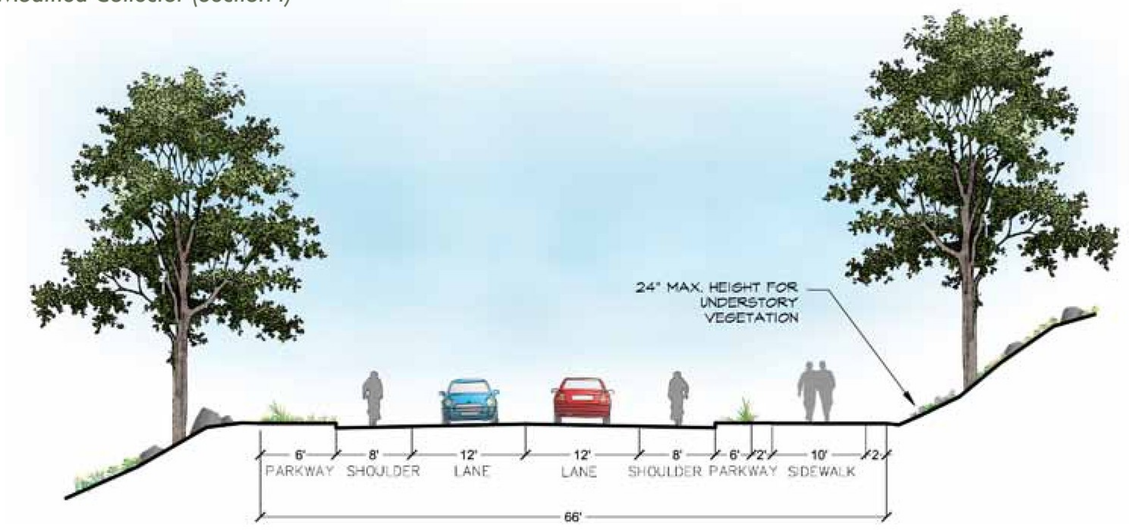
Modified Collector (Section G Expanded)



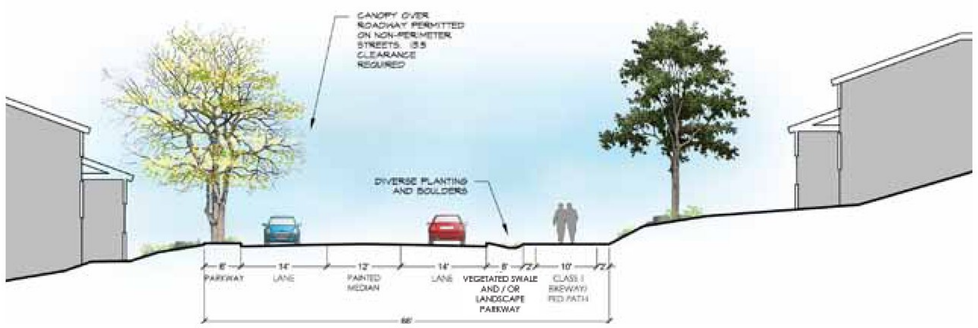
Modified Collector (Section H)



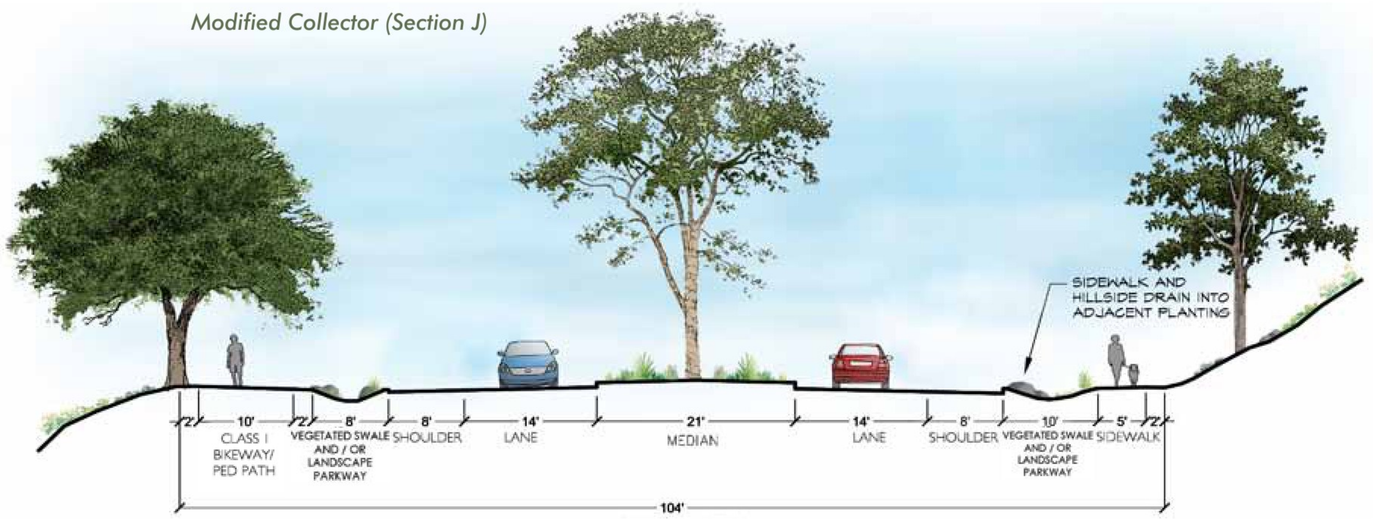
Modified Collector (Section I)



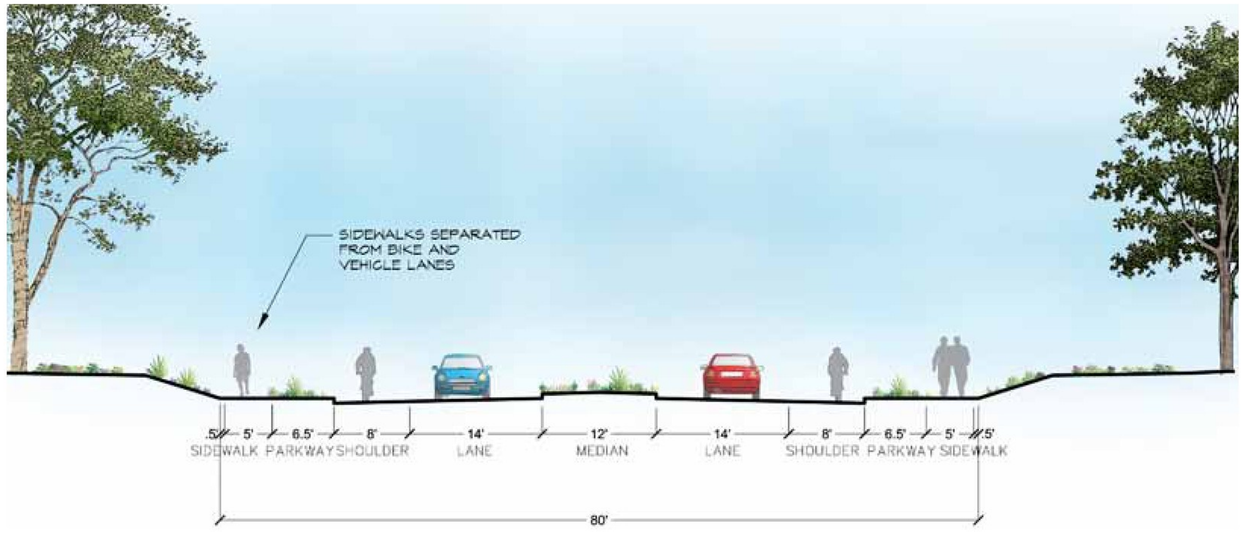
Modified Collector (Section H Expanded)



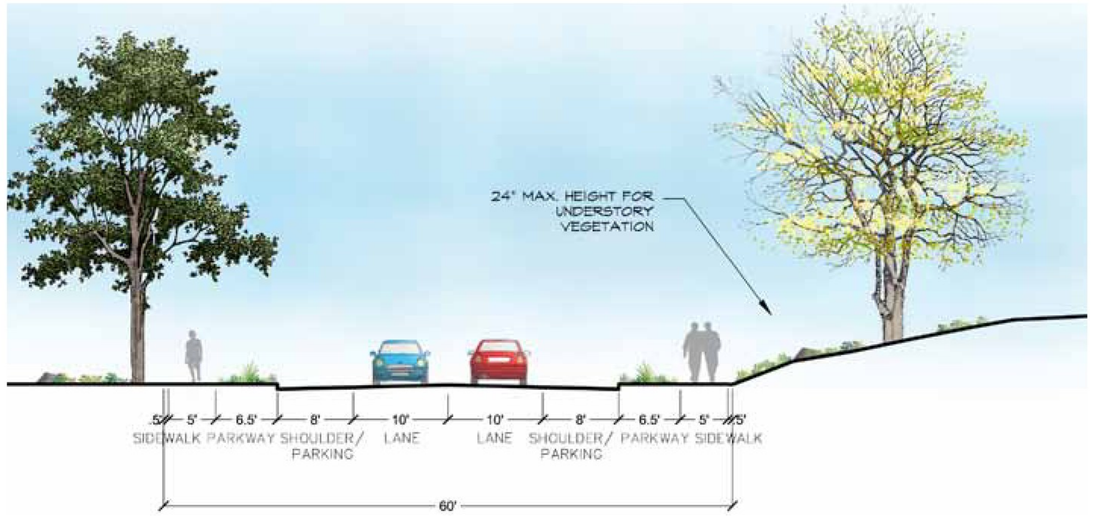
Modified Collector (Section J)



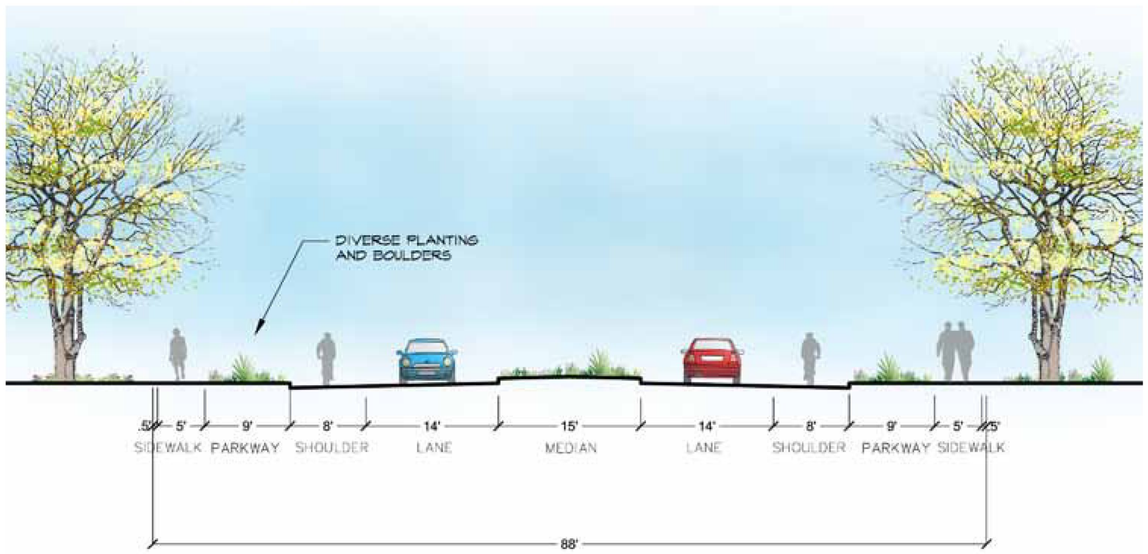
Modified Collector (Section K)



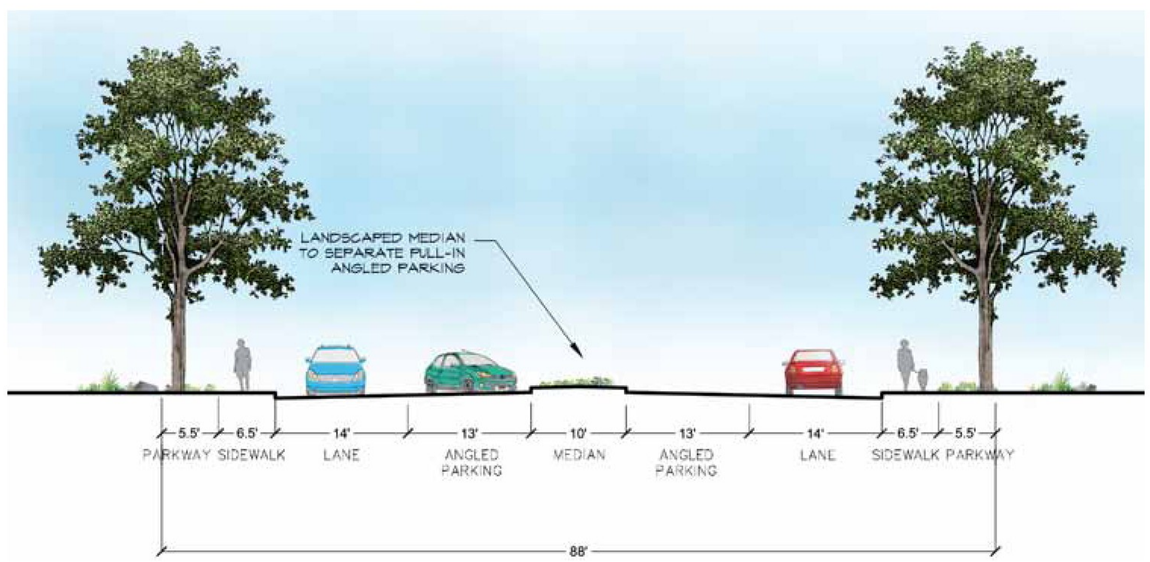
Modified Collector (Section L)



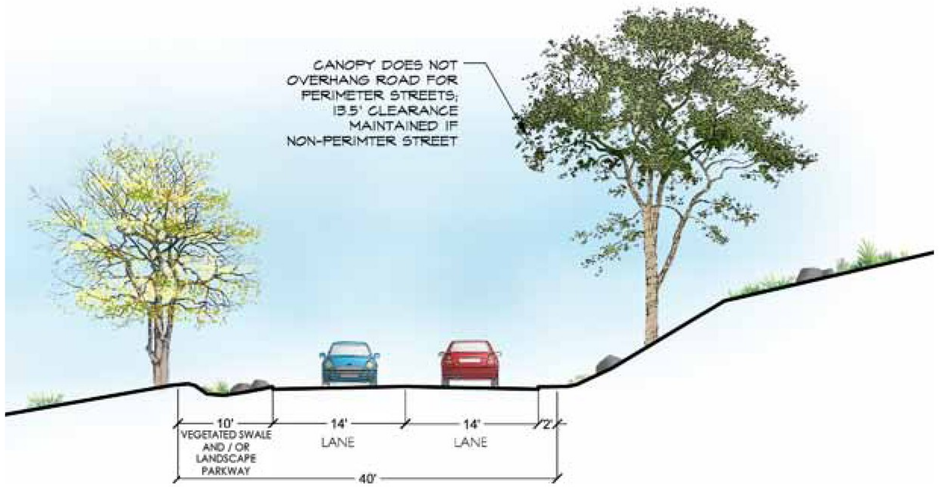
Modified Collector (Section M)



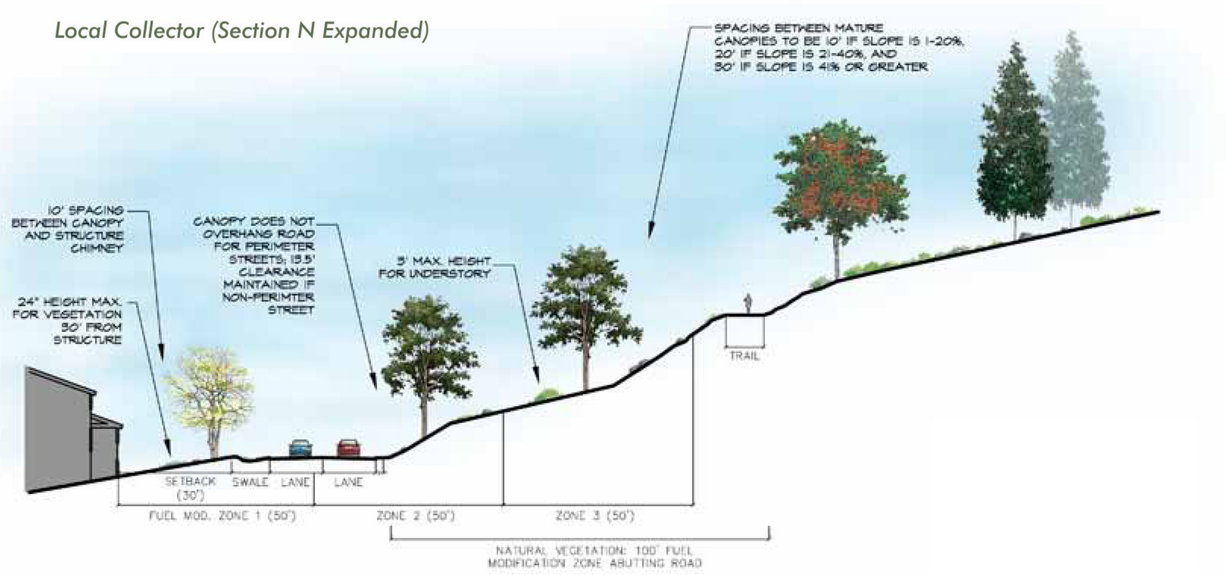
Modified Collector (Section M Alternative)



Local Collector (Section N)



Local Collector (Section N Expanded)



9.4 NEIGHBORHOOD ENTRIES AND MONUMENTATION

Entry points leading into the community are essential in creating a sense of place and identity for Harmony. Community and neighborhood entry points shall use landscape design elements that consider the landscape and establish a basic hierarchy for entering each area of the community. The landscape design at the entrances shall reflect the community's quality of life and provide continuity in neighborhood design. The following are methods through which this hierarchy and continuity are going to be established:

1. Entry points shall be accentuated through an enhanced landscape of unique accent plant material including trees, shrubs and groundcovers.
2. Changes in height, texture and color of plant material will highlight visibility, provide a skyline treatment and enhance the entry process thereby introducing the overall landscape, direction and theme of Harmony.
3. Enhanced accent paving may be used on community entrances to encourage vehicular traffic to slow down.
4. Entry points may have thematic signage and markers for identity and emphasis. Their design shall reflect the overall character of Harmony, and provide unique elements to reflect the character of each District.
5. Wall treatments on entry points shall employ the use of rich colors and materials that ties in with adjacent architecture styles for character.

Four basic monument treatments are used to create the hierarchy of the entries and monumentation: the Primary Community Entry and Monumentation, Secondary Community Entry and Monumentation, Neighborhood Monumentation and Corner Monumentation/Icon Intersections. Exhibit 9-4, "Entries and Monumentation", illustrates these design features. All entry monumentations shall company with the City of Highland's Clear Sight Trilangle requirements.

9.4.1 Primary Community Entry and Monumentation

The key entries leading into the community are located at two locations: the entry point at Greenspot Road and entry at Newport Avenue. The purpose of these entries is to announce the community identity and establish the design direction and theme throughout Harmony. The introduction of stylized plant groupings that reflect the recreational, educational, and agricultural themes within the landscape are central to the success of the District Landscape themes (see Exhibit 9-1). Exhibit 9-5 provides an example of a primary community entrance.

A. *Highlights*

1. Primary community entries shall suggest a grander scale with tree-lined streets to announce arrival and enhance character and appeal that will inspire visitors and residents
2. All trees and plant materials shall correspond with streetscape list within the master plant palette
3. Architectural caps, trims and bases shall help delineate architectural detailing
4. Accent lighting should be placed around or on landscape/monumentation
5. Vehicular gates shall reflect and promote the central design theme of the community.
6. Enhanced paving on entry ways accentuates community entries, slows vehicular movement and improve pedestrian mobility and safety

B. *Method*

1. Where space permits, trees should be spaced in a gridded pattern through parkways and medians. Where this is not possible, planting should focus on accent trees and swales with colorful planting and boulders.
2. A mixture of decomposed granite, decorative rock and boulders shall be used to create the ground plane within the entry and medians:
   - » Field stone and natural stone shall be placed as accent pieces within the median or parkways strips
   - » Stone finish and color shall be within a natural color palette
   - » Enhanced paving shall be a mix of cobblestone and natural concrete bands

9.4.2 Secondary Entry and Monumentation

These entries are located within each of the three landscape districts. The landscape design of districts shall make use of unique plant material such as accent agricultural-themed street trees along with themed monumentation to create a "scaled-down" version of the primary community entry, as well as to emphasize the landscape districts. This will provide both hierarchy and continuity throughout the community and within the landscape districts. Secondary entrances shall reflect specific landscape district plant palettes, and may include unique art to reflect the district character, and/or inviting resting areas with benches or seatwalls. Where possible, grove-style planting shall be used. When this is not possible due to limited space and fuel modification zone requirements, emphasis should be placed on the color and overall character of the plant palette. Exhibits 9-6A, B, and C provide examples of secondary entrances for each landscape district.

9.4.3 Neighborhood Entry Enhancement and Monumentation

Neighborhood entry enhancements and monumentation are created to signify arrival into key areas within Harmony. These entry elements are not to be placed at all entries of each of the various neighborhoods; their actual locations and design criteria will be determined during neighborhood lotting design process. These entry features are not intended to announce entry into each neighborhood, but rather to be minimal and provide a thematic element intended to be an information "way-finding" tool along with a subtle reminder of the landscape district. These elements will also help to create a "seamless" concept of community monumentation from the community level to the neighborhood level.

All neighborhood entry enhancements shall be consistent with the overall character of the landscape district in which they are located.

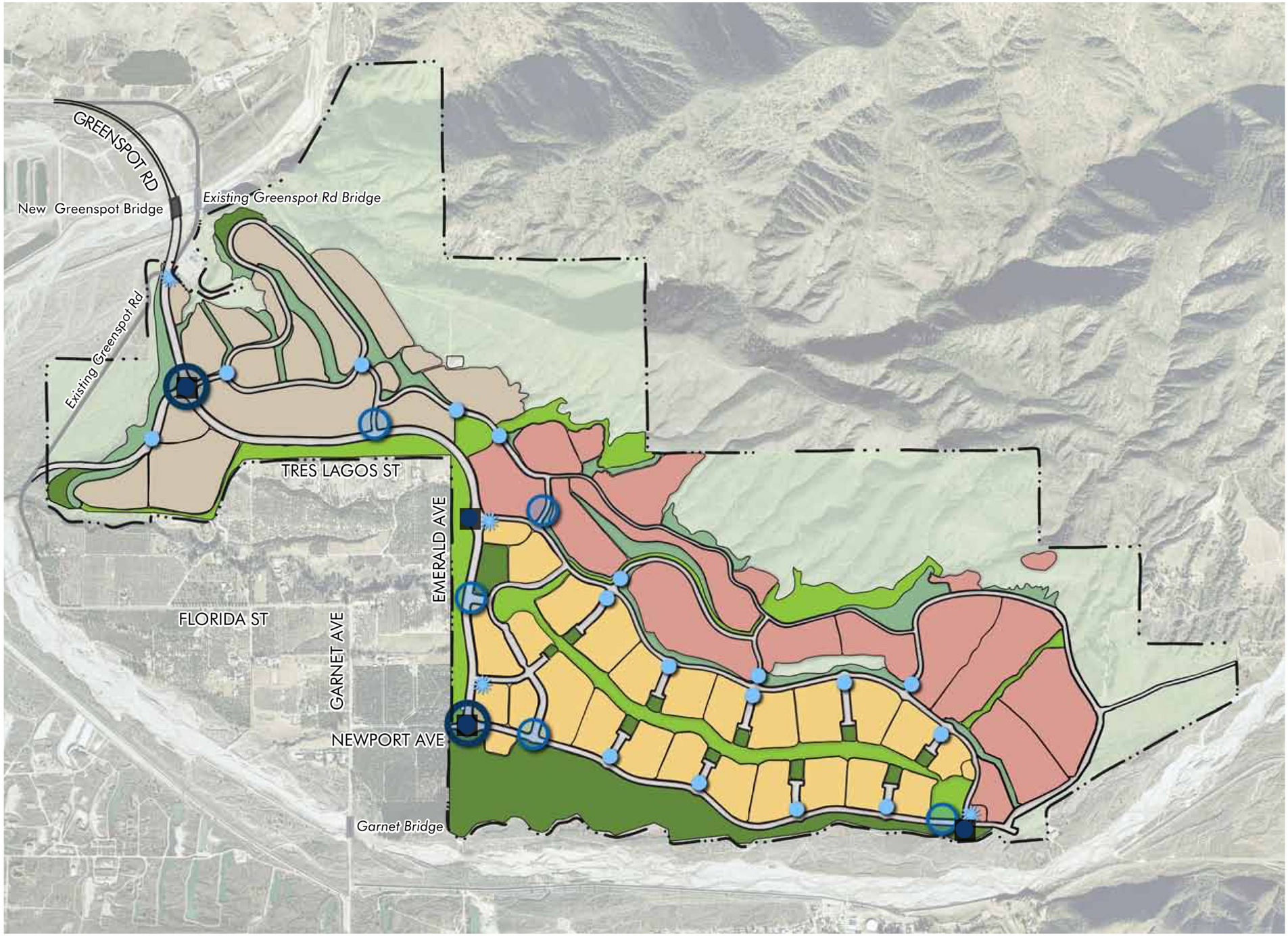
9.4.4 Corner Monumentation and Icon Intersections

A. *Corner Monumentation*

Corner monumentation elements provide an opportunity to introduce significant project design features to prominent and important areas along the perimeter and within the interior of the project. This monumentation design should reflect the overall design theme of the community while respecting the setting and scale of adjacent and surrounding land uses. The conceptual corner monumentation for The Parkhouse is illustrated in Exhibit 9-7.

B. *Icon Intersections*

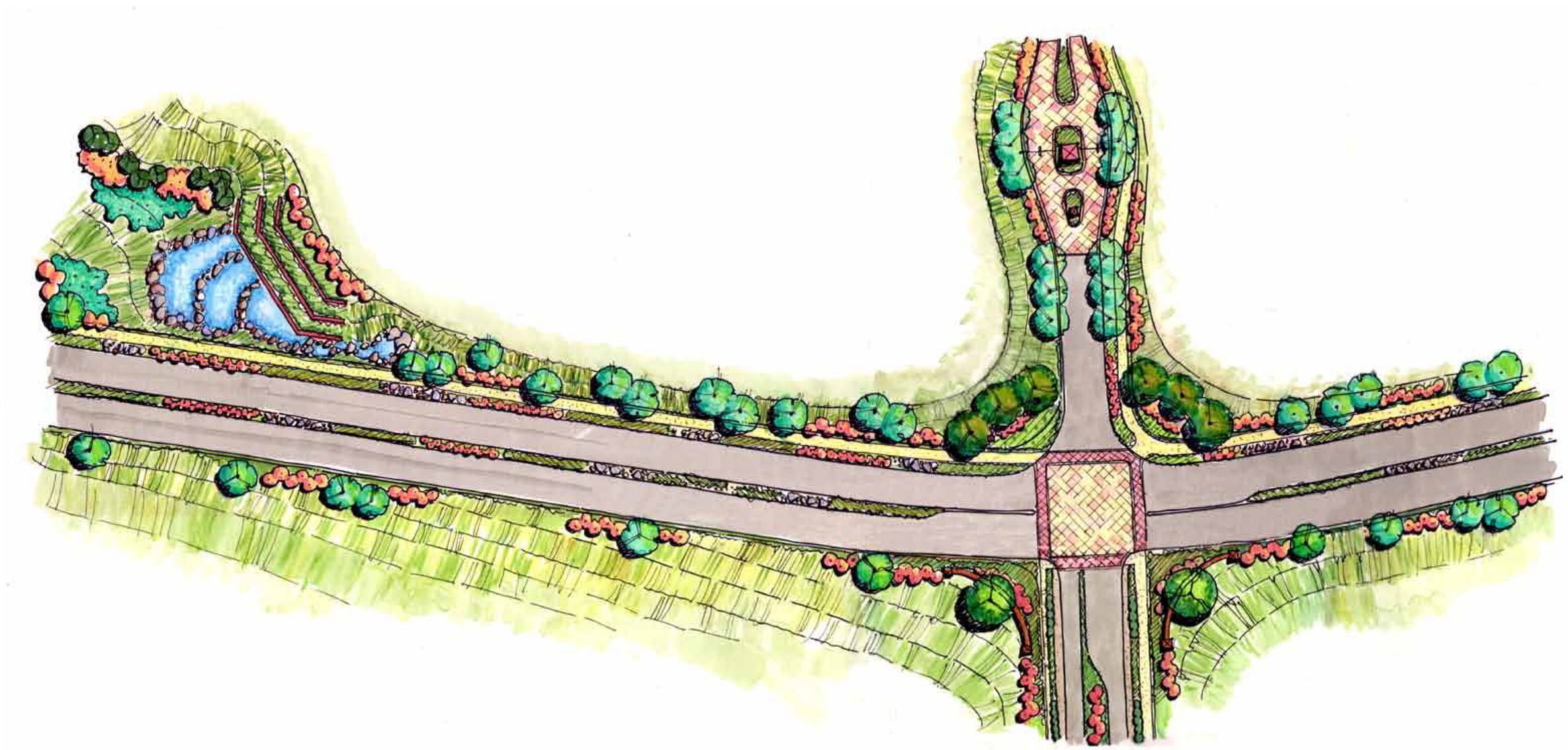
Critical intersections within Harmony are designed as round-a-bouts and will be a unique, iconic feature of the community. These intersections should have enhanced paving elements, softscape and corner monumentation that reflects, and further strengthens the landscape districts as well as complements the primary community entry ways. For large, prominent round-a-bouts, the fruit tree of the district palette in which the round-a-about is located should be planted in a small grove. For smaller round-a-bouts, a large specimen tree, selected from the Harmony plant palette should be located at the center. Low concrete walls with signage for districts or Harmony can be located in the round-a-bouts as well.



LEGEND

- Primary Entry
- Secondary Entry
- Neighborhood Entry
- Corner Monumentation
- Icon Intersection
- Apple District
- Walnut District
- Citrus District

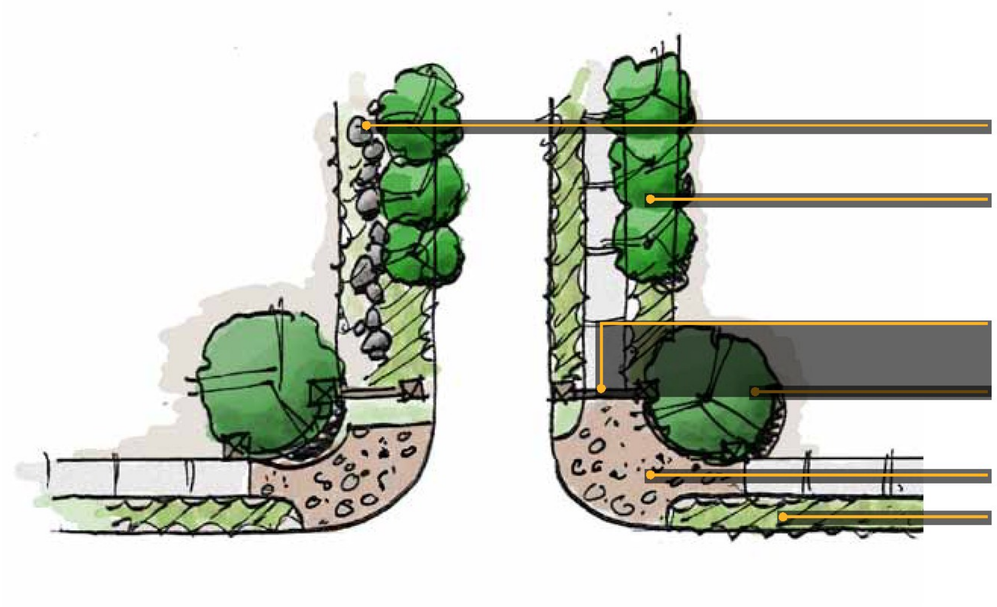
Conceptual Plan View for Entrance off Greenspot Road



Note: *Final intersection design to be determined through site plan review process.*

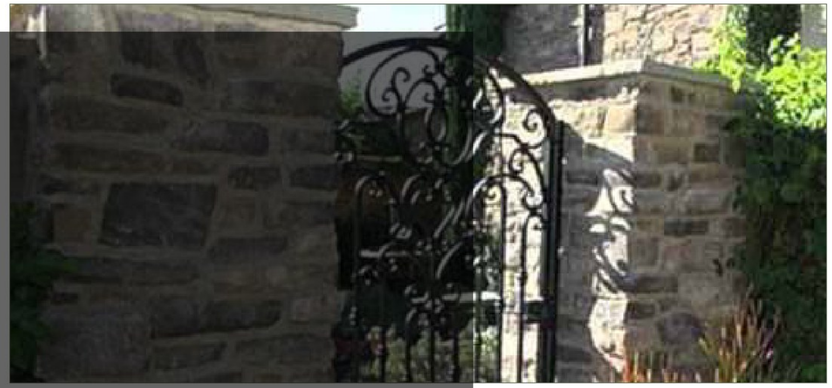
EXHIBIT 9-6A CONCEPTUAL SECONDARY ENTRY MONUMENTATION (WALNUT DISTRICT)

Conceptual Plan View



Conceptual Perspective

Character Example Photos



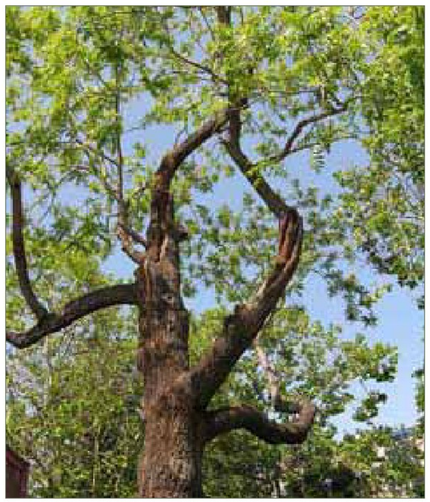
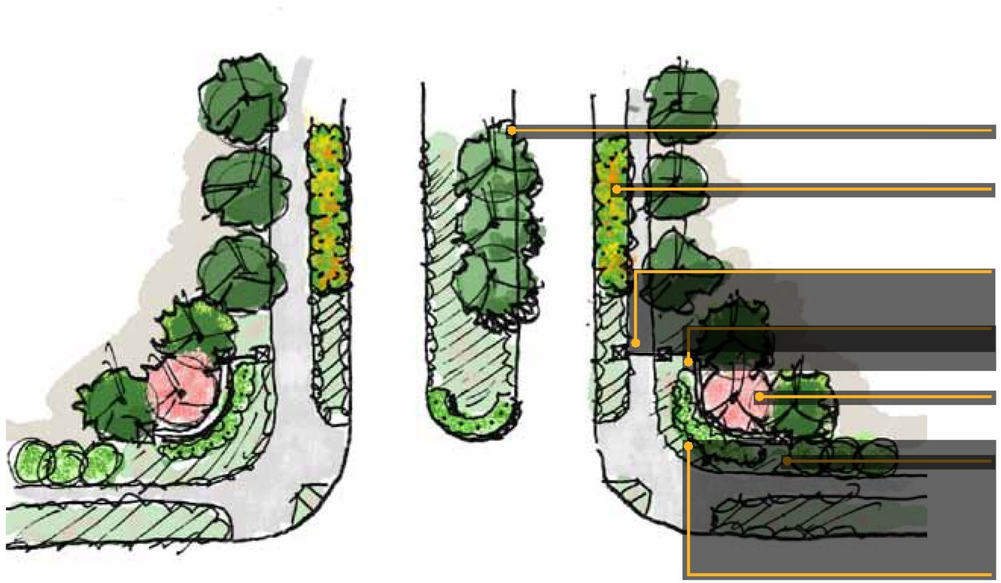
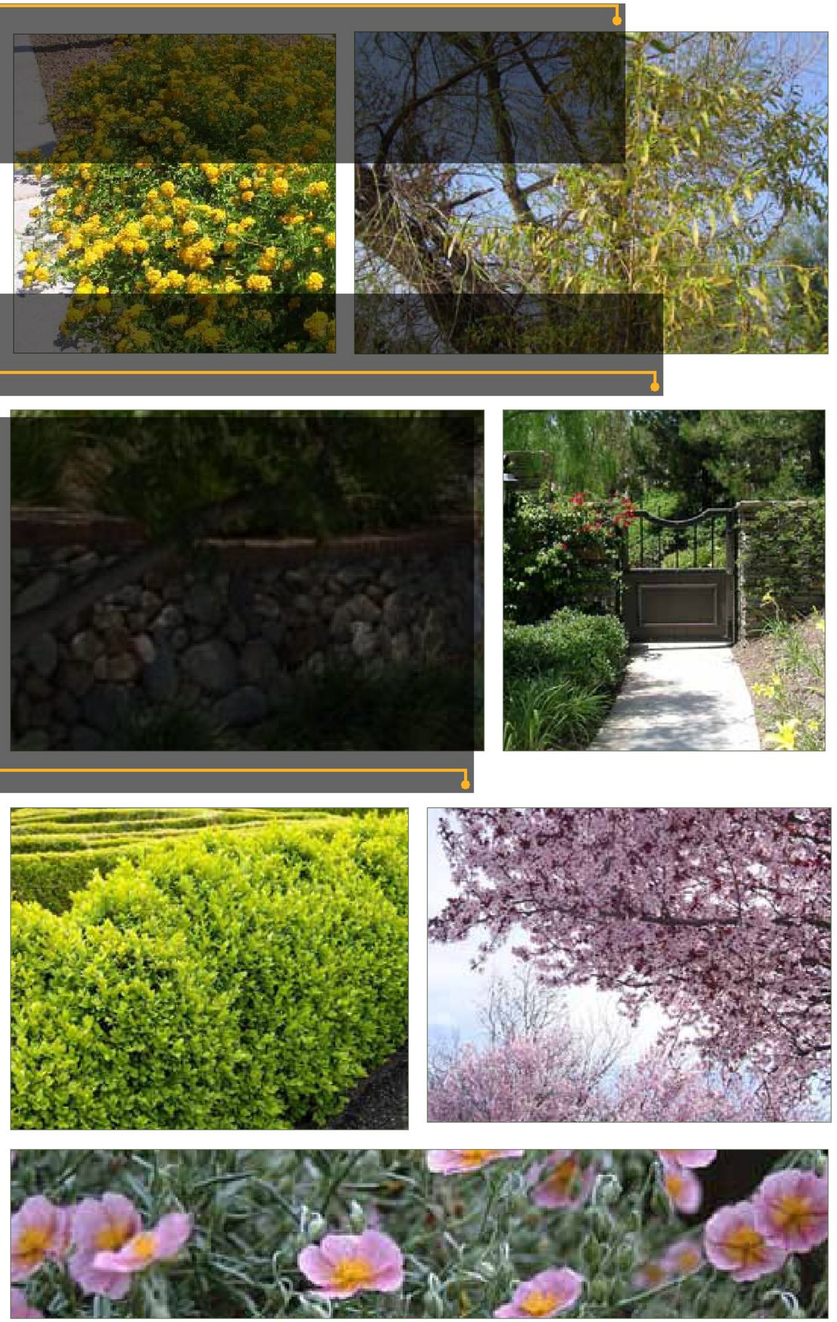


EXHIBIT 9-6B CONCEPTUAL SECONDARY ENTRY MONUMENTATION (APPLE DISTRICT)

Conceptual Plan View



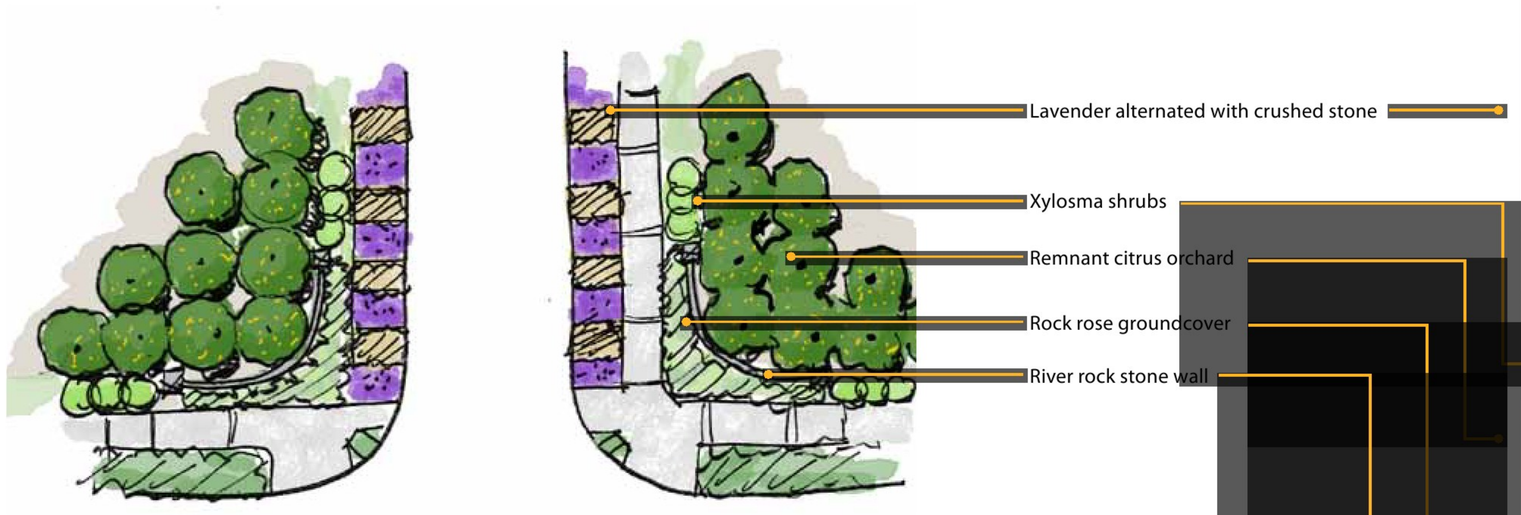
Character Example Photos



Conceptual Perspective

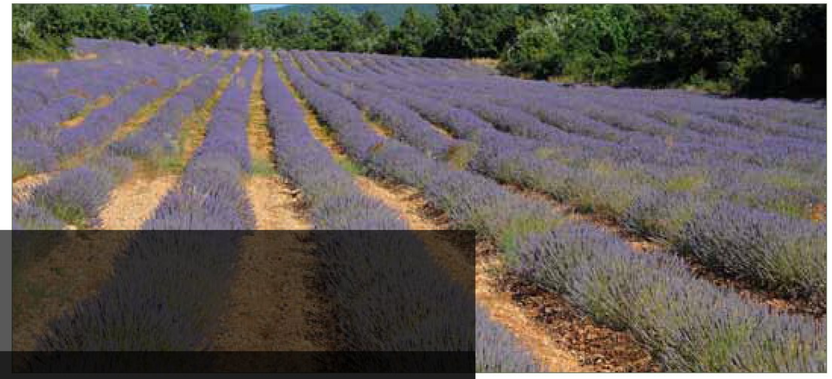
EXHIBIT 9-6C CONCEPTUAL SECONDARY ENTRY MONUMENTATION (CITRUS DISTRICT)

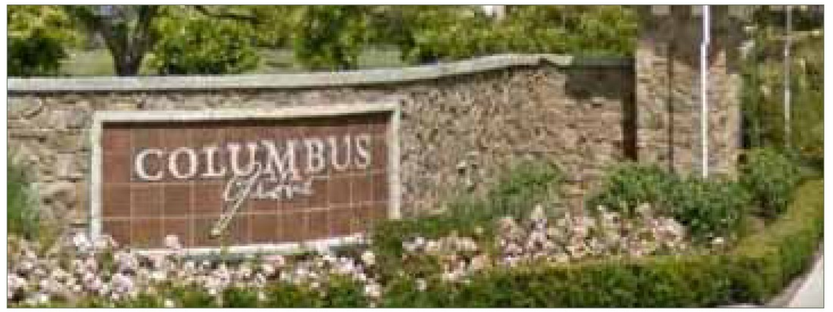
Conceptual Plan View



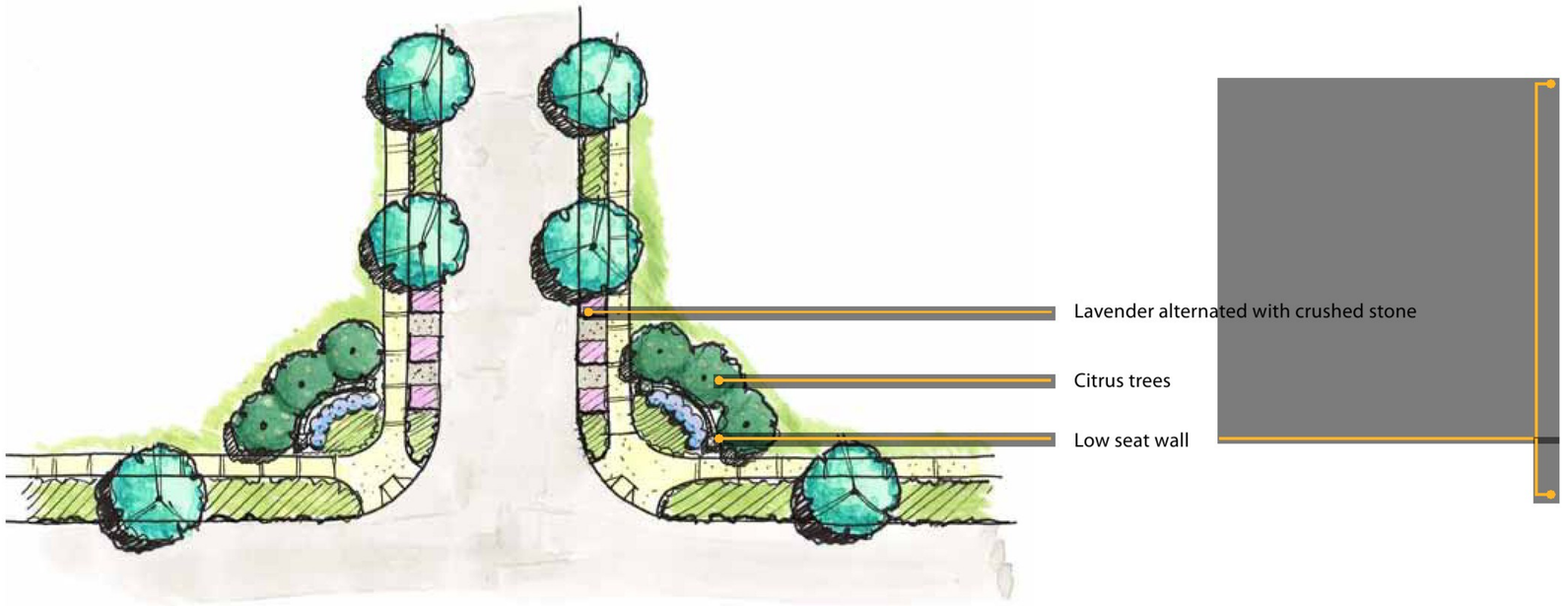
Conceptual Perspective

Character Example Photos

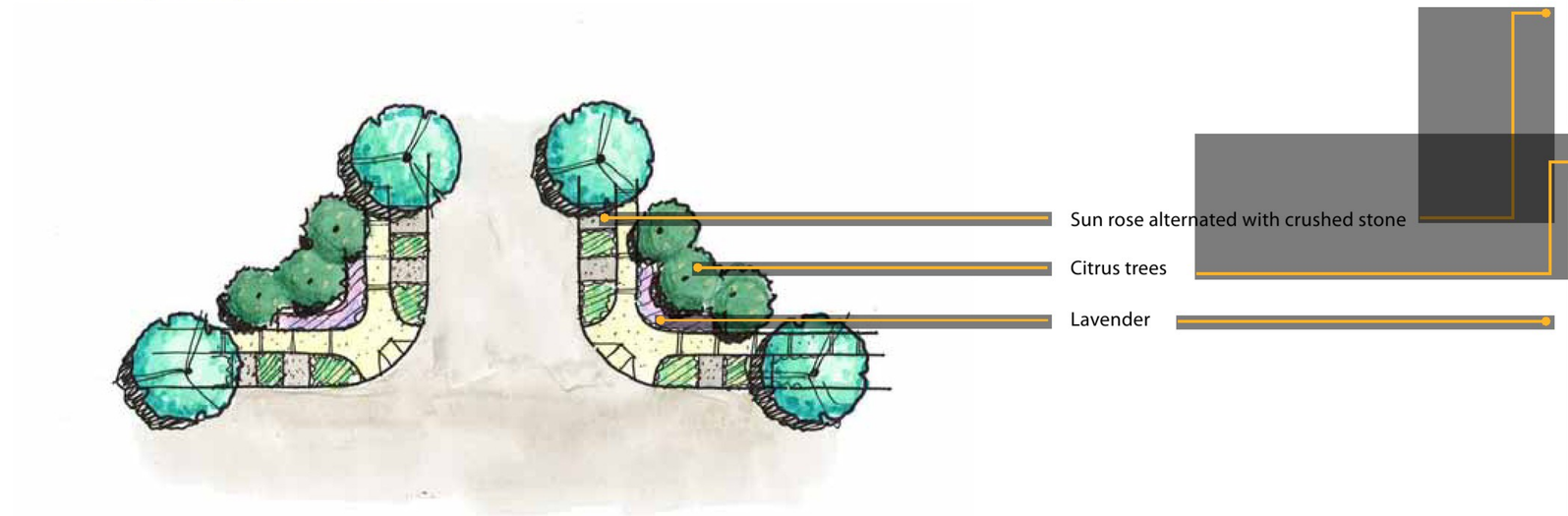




Neighborhood Entry: Conceptual Plan View



Corner Entry: Conceptual Plan View



Character Example Photos

9.5 NEIGHBORHOOD LANDSCAPE DESIGN

The Harmony Specific Plan's purpose in the residential landscape design application is to bring aspects of the community's landscape districts into the individual neighborhoods. The Specific Plan allows for a variety in design to allow each neighborhood its own individual character, while at the same time ensuring that it fits into the overall scheme of the community and landscape districts. The following section addresses these neighborhood design principles.

One of the goals of this section is to enact a process that will create neighborhoods that stress cohesion in both scheme and scale. This cohesion will allow for connectivity within and between adjoining neighborhoods by addressing the larger, open space areas within a neighborhood in a manner that promotes physical action and social interaction. In addition, this process will address smaller, appropriately scaled and landscaped spaces, which enhance the neighborhood interaction experience at a more intimate level.

The neighborhood component has several key design practices that must be considered in order to achieve the goals that this section sets forth:

1. Size of trees and placement will be appropriate with neighborhood scale. Opportunities for summer shade and sunlight penetration shall be considered
2. Screen and soften undesirable views while promoting and framing more desirable views and vistas that the community has to offer.
3. Planting within the residential landscape shall adhere to the fuel modification zone master plant palette where required
4. An overall theme of water conservation shall be represented throughout each neighborhood in the manner that the front-yard landscapes are to be designed and maintained
5. Drip irrigation principles are to be used where appropriate
6. Refer to the Master Plant Palette for exact plant types to be used within Harmony

9.5.1 Single-Family Detached

The Landscape design for traditional Single-Family Detached neighborhood developments shall serve the purpose of creating a "sense of place" and identity within each development.

The following concepts shall be included:

1. Each single-family lot shall be provided with front-yard landscaping with a permanent automatic irrigation system. At a minimum, appropriate size shrubs and trees shall be provided as landscaping materials. A variety of typical landscape designs shall be provided based upon each building type within the subdivision
2. Conceptual landscape and irrigation drawings for each development shall be submitted in conjunction with house construction plans. The plans shall be approved by the City of Highland
3. Trees shall be planted in informal clusters to create dynamic rhythm and avoid monotony of evenly spaced trees
4. Sizes of trees and placement will be appropriate with neighborhood scale. Opportunities for summer shade and sunlight penetration shall be considered
5. Shrub design and layout should respect the "Tiered Landscape" criteria previously outlined herein as well as the fuel modification zone requirements
6. Plant accent shrubs to highlight home entries

9.5.2 Single-Family Attached

The Landscape design for the Single-Family Attached developments shall serve the purpose of a unifying element for all that live within that neighborhood.

The following concepts shall be included:

1. Open space and common area amenities are encouraged to help promote a sense of community and social interaction within each parcel
2. Typically, Single-Family Attached building layouts can produce landscaped planters of varying sizes
3. The location, configuration, and quality of the private open spaces for each unit are extremely important. It is highly encouraged to promote natural light penetration into these spaces to increase visibility and livability
4. Planter pockets need to be strategically located throughout the landscape to screen and soften undesirable views as required
5. When deemed necessary to improve the quality of private open space areas, the courtyard walls may be located adjacent to sidewalks or walkways
6. Trees should be strategically located to help mitigate any second floor window-to-window incursion and screen private open space at the ground level
7. Informal tree clustering will be placed on harsh sun exposures for shade and passive cooling during harsh summer days and creating opportunities for people places
8. Shrub design and layout should respect fuel modification zone requirements.
9. Plant accent shrubs to highlight home entries

9.5.3 Multifamily Attached

The Landscape design for the Multifamily Attached developments shall serve the purpose of a unifying element for all that live within the "neighborhood" created by the site plan of the development.

The following concepts shall be included:

1. The site design should allow for a hierarchy of landscape open spaces from large gathering areas, to semiprivate open space, to smaller, more intimate spaces
2. Open space and common area amenities are encouraged to create a sense of community and social interaction within each parcel
3. The location, configuration, and quality of the private open spaces for each unit are extremely important. It is highly encouraged to promote natural light penetration into these spaces to increase visibility and livability
4. Planter pockets need to be strategically located throughout the site to screen and soften undesirable views as required
5. When deemed necessary to improve the quality of private open space areas, the courtyard walls may be located adjacent to sidewalks or walkways
6. Trees should be strategically located to help mitigate any second floor window-to-window incursion and screen private open space at the ground level
7. Informal tree clustering will be placed on harsh sun exposures for shade and passive cooling during harsh summer days and creating opportunities for people places
8. Shrub design and layout should respect the "Tiered Landscape" criteria previously outlined herein as well as the fuel modification zone requirements
9. Planting design should help to identify and support common areas, gathering spaces, and significant walkway intersections and bring attention to specific areas such as pedestrian crossings at roadways
10. Plant accent shrubs to highlight home entries

9.6 NATURAL OPEN SPACE

A total of 535 acres of the site (or 32%) will be devoted to natural open space. These areas generally contain steeper slopes and canyons, and sensitive wildlife and habitat areas to be preserved (refer to Exhibit 3-4). The majority of the natural open space provides a transition to the San Bernardino National Forest. This area contains an existing network of trails that have been forged over years of activity on the property. These existing trails will be integrated with the planned multipurpose trails in the developed areas of Harmony. The natural open space also includes approximately 47 acres of Riversidian Alluvial Fan Sage Scrub on the western edge of the property that supports the Santa Ana River Woolly Star. The Fire Master Plan provides specific requirements for fuel modification zones for development adjacent to natural open space. The Community Greenway system and parks will be landscaped to compliment or "harmonize" with the natural landscape. Please see Exhibit 9-8, "Master Plan of Parks, Trails, and Open Space" for further details.

9.7 COMMUNITY GREENWAY SYSTEM

A key design feature of Harmony is the Community Greenway System, which serves both environmental and recreational purposes for the residents of Harmony. First, the greenways area designed as a network of landscaped pathways that provides a "walkable" connection for the residents through landscaped areas to neighboring parks, school, and surrounding open space trails. Second, it also serves to convey stormwater that is generated both on- and offsite through the community in a safe manner. Taking advantage of this drainage feature to create pedestrian environments for this community not only will provide for aesthetic appeal throughout, but it will also create the opportunity for people to get outdoors and live a healthy lifestyle. And finally, the greenways include dedicated mitigation areas for restoring native habitat. The size and shape of the mitigation areas as well as planting and need for fencing will be determined through the permitting process with the wildlife agencies. Please see Exhibit 9-8, "Master Plan of Parks, Trails, and Open Space" for further details.

The following landscape design guidelines are suggested:

1. Greenways should provide for small gathering spaces where feasible, encouraging opportunities for social interaction among neighbors and promoting a healthy community
2. The multipurpose trail should run alongside an aesthetic landscape dotted with an assortment of trees and a variety of shrubs, groundcovers, and rockscape, creating a more sensory experience
3. Wayfinding signage shall be easily visible and harmonious with the community theme design
4. A variety of canopy trees shall be strategically located to provide a "shade oasis" at specific intervals and seating node locations to add comfort for pedestrians using the paseo

9.8 PARK SYSTEMS

The community of Harmony will offer a variety of recreational park spaces at various scales. The parks are located strategically to maximize accessibility by all of the community. They are also positioned to allow access to surrounding natural open space, the San Bernardino National Forest, Mill Creek, The Parkhouse, and adjacent Elementary School.

The City of Highland's General Plan and Park District Ordinance set a standard of 2.5 acres of parkland per 1,000 residents. Based on the maximum number of units allowed within Harmony, a total of 30.96 acres of parkland will be required to serve the community. Of this nearly 31 acres, approximately 25 acres must developed, active park space and approximately 6 acres may be in undeveloped, natural park space. The Specific Plan identifies the park system that will met the City's standards. Final park sizes, improvements, and park credit received from the City will be determined during the TTM stage of the development process. Please see Exhibit 9-8, "Master Plan of Parks, Trails, and Open Space" for further details.

Four different types of parks will be developed within Harmony: one Community park, two Neighborhood parks, ten Pocket parks, and two Vista parks. In addition to the recreational opportunities at each park, Harmony will also contain The Parkhouse, which will be a private recreation center with swimming, tennis, indoor recreation rooms, and event facilities. Each of the park types is further described below, along with conceptual site plans (see Exhibits 9-9, 9-10, and 9-11).

9.8.1 Community Park (PA 44)

A 83.7-acre Community park is located along the southern edge of Harmony and provides an opportunity for larger recreation activities. Following the City of Highland's General Plan, this community park will have ample space for active recreation, including playgrounds, sports fields, picnic areas, facilities, and trails. The Community park will contain a trail system that connects to the future Santa Ana River Trail via the off-site Garnet Bridge. A designated equestrian trail will be provided along the edge of the Park to facilitate access for equestrians to enter Harmony and travel up the equestrian trails into the northern natural open space areas.

Another key feature of the Community park is Granite Hill. This is an existing granite rock formation that will become part of the recreation system. Existing trails wind along the rock formation and may be enhanced and preserved for use by Harmony residents and visitors. This park will also provide access to Mill Creek, which is a local recreation favorite for weekend hiking, picnics, and water play.

Exhibit 9-7, Conceptual Community Park Design, provides an initial park design concept that reflects the type of recreational amenities that may be provided. Final park design and facilities will be determined during the TTM process.

The following concepts are suggested:

1. Site furnishings such as picnic tables, barbecues, benches, waste receptacles, and other site amenities should be provided at activity nodes such as soccer and baseball fields
2. Picnic tables and benches shall be set on concrete surface or decomposed granite surface with soil binder. Each picnic table shall have accompanying trash and recycling receptacles
3. All trees and plant materials selected shall correspond with master plant palette
4. Vertical trees shall be planted for visual screen and privacy of adjacent neighbors. Trees shall have a minimum of 15-gallon size to provide opportunities for shade and seasonal change for accenting
5. Massing of shrubbery is encouraged along the perimeter of the wall or slope
6. Lighting, if provided on fields, shall be directed downward, and full cut-off shields shall be utilized to direct light only onto sports activity areas to minimize impacts to surrounding residential uses only where immediately adjacent to residences

9.8.2 Neighborhood Park (PA 19B)

A neighborhood park (PA 19B) is provided in Harmony and will offer an opportunity for shared recreation between neighbors, thereby fostering relationships and building a healthy community. The landscape design allocates spaces for activities where both passive and active recreation come together.

PA 19B is a 5-acre Neighborhood park located adjacent to a planned elementary school site and The Parkhouse. Together, these three uses will be the community hub. They will be conveniently accessed by all residents through sidewalk paths along streets and multipurpose trails located in the Community Greenway. This Neighborhood Park is planned as a joint use park with the elementary school. Recreation facilities will be shared by the school and residents via an agreement with Redlands Unified School District. The park may contain basketball fields, a tot lot, and picnic areas. Exhibit 9-10, Conceptual Neighborhood Park Design-PA 19B, provides an initial park design concept that reflects the type of recreational amenities that may be provided. Final park design and facilities will be determined during the TTM process.

The following landscape design guidelines are suggested for the Neighborhood park:

1. Overhead structures such as trellises, arbors, and archways shall have opportunities for shade. Their design shall tie in with the community's character and theme
2. Site furnishings such as picnic tables, barbecues, benches, waste receptacles, and other site amenities will harmonize with the neighborhood's theme
3. Picnic tables and benches shall be set on accessible surfaces. Each picnic table shall have accompanying trash and recycling receptacles
4. Signage shall be easily visible and be harmonious with the community theme design
5. All trees and plant materials selected shall correspond with the master plant palette
6. Vertical trees shall be planted for visual screen and privacy of adjacent neighbors. Trees shall have a minimum of 15-gallon size to provide opportunities for shade and seasonal change for accenting
7. Massing of shrubbery is encouraged along the perimeter of the wall or slope
8. Lighting shall be directed downward to minimize impacts to surrounding residential uses

9.8.3 Pocket Parks

A total of ten pocket parks will be distributed along the primary Community Greenway, serving the neighborhoods within the Citrus District. The small private parks are located at the terminus where the neighborhood entry roads (roadway section J) connect to the local roads internal to each planning area. These pocket parks will be a key entry feature and convenient gathering spot for the neighborhoods they serve. They are suitable for tot lots, benches, picnic tables, and open turf area for play. Pocket parks will be conveniently accessible by walking and bicycling and will connect to the multipurpose trail system located in the Community Greenway.

9.8.4 Vista Parks

Two small Vista parks are provided on the western edge of Harmony within the Apple District. They overlook natural open space and provide long-range views or vistas of City lights to the west and south and mountain ranges to the north. They are planned as passive parks, with opportunities for small gatherings or individual reflection.

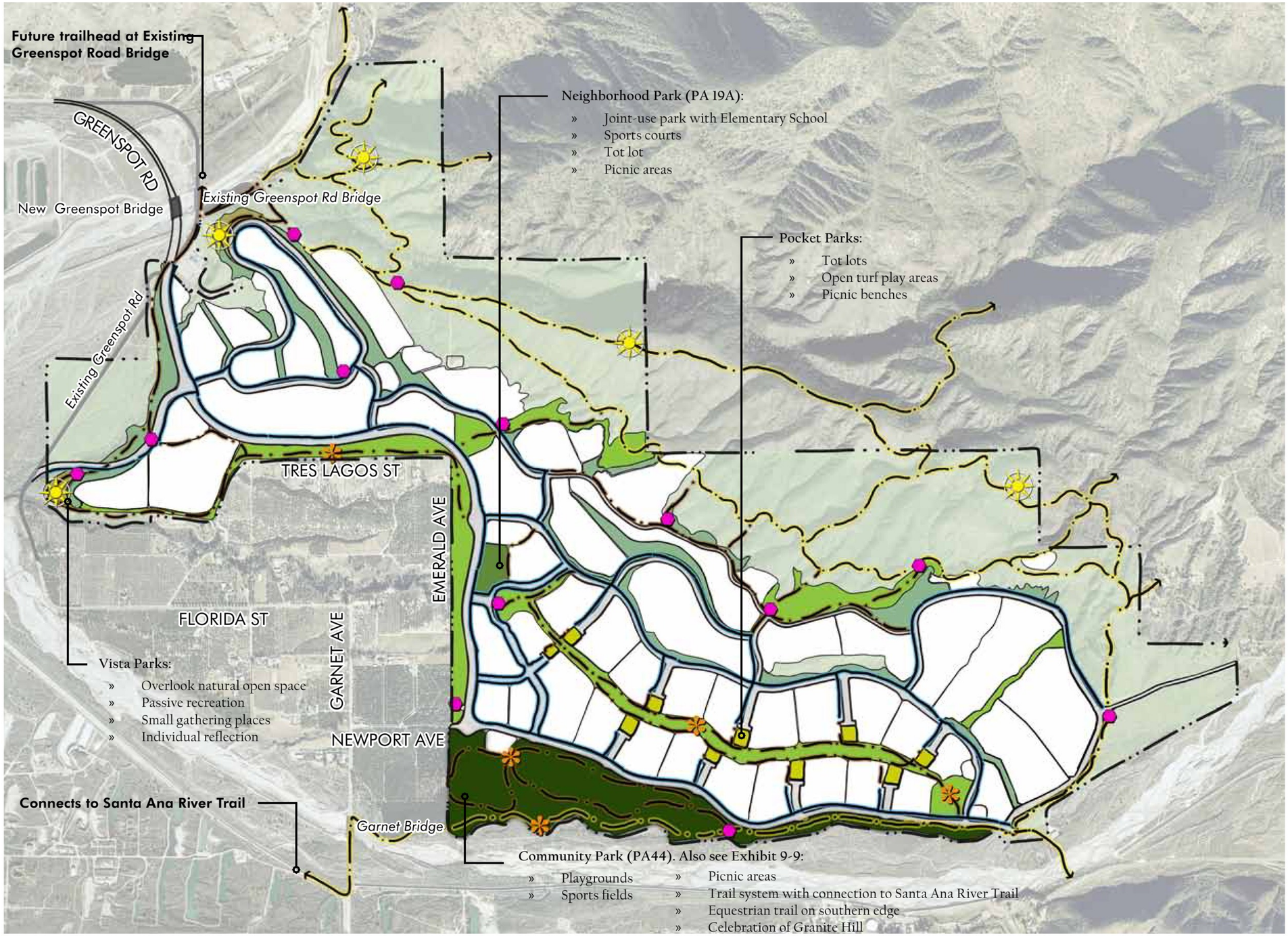
9.9 VIEW PRESERVATION AND ENHANCEMENT

Harmony is sited at the foothills of some of the most dramatic mountains in Southern California, above the distinct Mill Creek corridor and cities below. For these reasons, preserving existing views and creating new views and vistas is essential at Harmony.

Harmony's landscape planning shall consider views into Harmony from surrounding areas, including the city below and the mountains above; internal views within the community; and views from the community into surrounding areas.

Specific strategies for preserving views include:

1. Providing north–south view corridors along canyons and street corridors that lead from the mountains to Mill Creek
2. Framing views of attractive natural and built environments from roadways, trails, and parks
3. Extending the agricultural landscape into the streets and neighborhoods of Harmony
4. Pulling the natural landscape into Harmony at community greenway and open space areas
5. Ensuring that the fuel modification zone landscape, where required, is attractive and well integrated with surrounding landscapes
6. Planting the neighborhoods at higher elevations with low-growing grape vines
7. Maintain vistas to surrounding hills and retain a sense of openness
8. Through the use of vegetative plantings and/or buffers, visually screen views of maintenance facilities, storage yards, and other facilities or structures that may detract from scenic quality



LEGEND

- Community Park
- Neighborhood Park
- Vista Park
- Pocket Park
- Community Greenway
- Manufactured Open Space
- Natural Open Space
- Staging Area/Trailhead
- Interpretive Station
- Lookout Point
- Sidewalk Path *(5–10′ wide and located on one side of the roadway)*
- Multipurpose Trail
- Hiking, Trekking, and Equestrian Trail

Note: *Trails within Natural Open Space areas are primarily existing trails on the property, with connections to existing trails in the National Forest.*

EXHIBIT 9-9 CONCEPTUAL COMMUNITY PARK DESIGN—PA 44

For Community Park (PA44) context, see Exhibit 9-8.

EXHIBIT 9-10 CONCEPTUAL COMMUNITY PARK DESIGN—PA 19B

9.10 AGRICULTURAL LANDSCAPE CONCEPTS

The agricultural character of the community will be apparent by the landscape from the agriculture-inspired streets that will portray an agricultural character only in aesthetics. This section provides general standards for the agricultural landscape, followed by specific standards for the Agricultural Park, streets, private residential properties, and public parks and transition zones.

1. Minimize conflicts between agriculture and other adjacent uses by establishing buffers and using fencing as appropriate, and by broadly disseminating information about seasonal agricultural operations
2. Produce grown at Harmony should be produced using materials and practices that enhance biodiversity, biological cycles, and soil biological activity; minimize adverse impacts on health, safety, wildlife, water quality and the environment; and integrate the parts of the farming system into an ecological whole

Any agricultural production areas shall have a mechanism in place for ongoing management of operations. Table 9.3 describes a variety of options for management of agriculture uses. Table 9.4 describes standards for agriculture in parks, referencing suggested size, features, and necessary utilities and access.

TABLE 9.3 AGRICULTURE MANAGEMENT

Intended Users	Harmony residents; participants in specific community groups/organizations
Manager	Home owners association; non-profit; farmer; other management options
Who Pays for Development	Home owners association; non-profit
Who Pays for Operation	Land trust; home owners association; non-profit

TABLE 9.4 AGRICULTURE STANDARDS

Purpose	Small to mid-scale production; typically entrepreneurial
Size	1/2 to 1 acre minimum
Slope	Crop selection should consider slope. A 10% maximum slope for most crops is recommended. Terraced planting should be considered if slope is greater. Trees and vines recommended for steeper slopes.
Shape	40′ minimum width
Features	In addition to planting areas, consider including the following features: Compost Public access feature such as trails or viewing points Farm stand Farm maintenance roads (12 foot wide) if required Pedestrian and multi-use trails
Buffers and Fencing	Growing areas should be at least 25 feet from recreation areas and residential uses. If multiple plots are included, buffers between plots should be at least 10 feet wide. 6-8′ high security fencing should be provided around growing areas.
Utilities	Drip irrigation and hose bibs Electrical connections Permanent or portable toilets
Parking	Staging area for farm equipment Parking for farmers/staff and visitors
Signage	Garden identification Contact information Educational signage (optional)

9.10.1 Agriculture Park

A one acre agricultural park is located in the Community Greenway (PA 66) between The Parkhouse/elementary school/community park activity center and the neighborhood commercial node (See Exhibit 4-1, "Community Plan"). The park would be comprised of a small farm which will be leased to a private farmer or farmers. The farmer would produce a variety of crops on site, contributing to the agricultural character of Harmony and potentially providing fresh food to Harmony residents. Possible strategies employed by the farmer for connecting with Harmony residents may include an on-site farm stand and/or the development of a Community Supported Agriculture (CSA) program. The CSA would be a partnership between the farm and the Harmony residents that commit to purchasing a share of each harvest. Produce grown off-site may also be available through the farmstand and/or CSA program. The Harmony Home Owners Association may oversee the Agriculture Park and manage the lease or other management options may be implemented.

9.10.2 Ag-Inspired Streets

Although agricultural plantings are not typically appropriate at Harmony, there are a few instances where agricultural plantings may be featured in neighborhood entrances and key entrances. However, agriculturally inspired trees, such as English Walnuts or flowering cherry trees, and trees planted in orchard style, are generally more suitable to median and parkway plantings.

A. *Ag-Inspired Trees Standards*

1. Trees shall not obstruct above- or below-ground utilities
2. Trees shall be selected with consideration to landscaping district
3. Trees shall be planted in grove patterns, at least two rows deep where possible
4. Street planting standards shall apply to ag-inspired street plantings
5. Ag-inspired trees adjacent to productive planting areas should be similar in appearance or visually complementary to productive plantings. For instance, flowering cherry trees would complement apple trees due to the similarity of flowers and other features

9.10.3 Ag-Inspired Plantings in Parks and Transition Zones

This section provides standards for productive and ag-inspired trees that may be planted in parks, manufactured slopes, and other transition zones.

1. Establish agricultural areas to adequately serve as buffers and transition spaces that separate different uses and enhance visual character
2. Ag-inspired tree should be planted on a grid with distinct rows. When outside of a fuel modification zone, tree spacing should typically be 5- to 10-feet wider than desired canopy width, which shall be determined based on species characteristics.
3. Plantings adjacent to neighboring agricultural land shall be selected and planted to appear as a continuation of the existing species, especially in terms of species and spacing
4. Integrate passive recreational facilities with the agricultural landscape

9.11 LIGHTING, WALLS, AND SITE FURNISHING

9.11.1 Lighting

Lighting standards in Harmony shall be consistent in style, color, and materials in order to maintain uniformity. Lighting should be subtle, providing a soft wash of light over illuminated objects such as monumentation. Hierarchy shall be established by using a variety of lighting fixtures and illumination levels based on lighting design intent. Lighting styles shall tie into architectural styles and provide sufficient illumination for the safety and well-being of the community. Fixture locations should be designed so that light source is not highly visible by pedestrian or vehicular traffic. Frosted, louvered, or prismatic lens should be considered where decorative lighting fixtures are visible and part of the aesthetic lighting program. Accent lighting of landscape and monumentation shall be incorporated into the following areas:

Within the Harmony Specific Plan, the walls and fences are a major component in achieving an overall community theme. A strong cohesive appearance for the community is achieved through the use of a themed community wall program and general overall wall guidelines.

Exterior wall colors shall harmonize with the site at all times. Textures are to be integrated with the site to produce a variety of shade and texture. Walls and fences will reinforce the community's character and appeal.

Wall design, materials, color, and finishes shall complement adjacent architecture while keeping the community design theme cohesive.

All walls that adjoin community street scenes (major streetscapes identified under Perimeter/Interior Streetscapes) shall be deemed "community walls." The other walls and fencing, known as "product walls" and "view fences," shall also adhere to the strict guidelines within.

9.11.2 Community Walls

Community walls shall be decorative in nature. These walls consist of either solid walls, view fences, or a combination of the two. Walls must step, not slope, to accommodate grade changes. Wall profiles shall be required.

Solid community walls shall be constructed of concrete masonry unit (CMU) block.

There is the potential need for community walls in areas where the roadway is adjacent to a downslope condition. View fences or view walls along community open spaces are encouraged wherever privacy or screening is not necessary. These shall be constructed to conform to the "View Fences" community standard.

Community walls shall incorporate the use of pilasters or other design elements to help break up long stretches of walls and provide interest and rhythm. Design should complement, or be consistent with, the materials of the community walls.

The Homeowner's Association will maintain the outside face and top of community walls along roadways and community open space.

9.11.3 Product and Retaining Walls

1. Product walls are all walls interior to a project that are not community walls and are built by the parcel developer; they shall develop a unified parcel wall theme that reflects the theme of the community
2. Product walls are visible from adjacent non-residential parcels, streets, or community open space
3. Side-yard wall returns, side-yard privacy walls along corner lots, and rear-yard privacy walls along neighborhood streets are all product walls
4. All product walls and/or fences shall be constructed of concrete masonry unit (CMU) block and shall be installed on all individual lots within all neighborhoods. The exterior face of the product CMU walls shall either be decorative concrete block, splitface block, painted stucco, or integral color stucco on concrete block
5. All walls built by the parcel developer within or at the perimeter of single-family neighborhoods shall meet County pool safety requirements
6. Gates may be wood or metal with privacy screening
7. All view walls built by the parcel developer within or at the perimeter of single-family neighborhoods shall comply with the "View Fences" community standard design
8. Where two product walls meet at adjoining parcels, walls shall match in color and finish, or have a unifying transitional element such as a pilaster at the connection point
9. Retaining walls next to or visible from any street or community open space shall not exceed 3' in height. Grade changes that require more retaining must be terraced with a minimum 3' wide planter as measured from face of wall to face of wall
10. Independent retaining walls must be set back a minimum of 2' from the back of the sidewalk. Retaining walls shall not abut a sidewalk, but may abut utility boxes. All independent retaining walls must have a return back to the adjacent product wall or taper to one block high at end of retaining condition
11. Retaining walls may be combined with a product or community wall as long as the total visible height of the solid wall surface, as measured on the exterior side of the wall, does not exceed 9'
12. All retaining walls must be damp proofed. Walls must also be adequately drained, if required, on the surcharge side

9.11.4 View Fences

If applicable, view fences should be located in the rear or side yards of those properties abutting open space areas or other areas with views across the site. These fences allow open views outward but not physical access; they shall be 5'-6" min. high and made of tubular steel or lexan glass panel construction or minimum 5'-6" high combination wall (2' CMU block wall with 4' tubular steel fence). Approved view glass which is fire resistive can be applied on northwest, north, and northeast perimeter areas. The use of view fences shall incorporate pilasters utilizing materials consistent with adjacent walls.

9.11.5 Site Furniture

The design of street furniture, such as street lighting, trash and recycling receptacles, benches, bollards, posts, signage markers, and others, shall be inspired according to the community theme to suggest consistency and connectivity with surrounding neighborhoods and harmonize with the community's design theme.

Streetscape furniture for perimeter streets will be generally consistent throughout the community. However, each residential district will have unique, but complementary, site furniture for neighborhood streets, parks, and seating nodes. Colors and materials of selected street furniture shall complement the surrounding community landscape.

9.12 FIRE PROTECTION PLAN

Fuel modification zones are critical to maintaining the Harmony community safe from fire risk, and particularly to avoid spreading fire. A fire protective landscape is necessary because of the climate, surrounding plant matter, and steep topography. The fuel modification zones are landscape zones recommended by the fire protection plan to reduce the threat of fire through vegetation and maintenance requirements.

Please refer to the master plant palette for fuel modification zone plantings. The Final Fire Protection Plan is on file and approved by the City of Highland. It will be used during the TTM stage to review building locations and landscape plans.

9.13 MASTER PLANT PALETTE

The Master Plant Palette (Table 9.5) represents a mix of trees and shrubs that are suitable to the area's climate, as well as promote habitat restoration and provide fire protection. Harmony is in the Sunset Zone 18, which comprises the thermal belt along Southern California's interior valley. The selected plants will grow in hot summers, as well as tolerate some mild winter frost. Varied height, flower color, and texture have been selected to provide a robust, diverse landscape experience. The streetscape palette provides a mix of broadleaf and evergreen trees to accommodate shade and winter sun needs depending on tree and building locations, as well as a few trees that are agriculturally inspired which do not drop fruit but would reflect the different landscape districts.

The plant palette has been reviewed by a fire protection planner and a habitat restoration biologist. As the project moves forward, the addition of other plants may be allowed. Once planted, it is important that all plants be properly maintained, or removed where necessary, to reduce fire danger.

TABLE 9.5 MASTER PLANT PALETTE

BOTANICAL NAME	COMMON NAME	STREETSCAPE	RESIDENTIAL	NEIGHBORHOOD, VISTA, AND POCKET PARKS	COMMUNITY PARK/ MANUFACTURED SLOPES	PUBLIC FACILITIES/ SCHOOL/COMMERCIAL	AGRICULTURE	SWALE SUITABLE
TREES (spread noted)								
Arbutus unedo 25′	Strawberry Tree	•	•	•		•		
Carya illinoensis 70-150′	Pecan		•	•			•	
Cercidium h. ‘Desert Museum' 20-40′	Thornless Hybrid Palo		•	•				
Cercis occidentalis	Western Redbud	•	•	•		•		
Chilopsis linearis 15-40′	Desert Catalpa	•						
Citrus lemon 'Eureka' 15-20′	Lemon						•	
Citrus orange 'Valencia' 25′	Orange	•	•	•			•	
Citrus species	Other Citrus		•	•		•	•	
Ficus carica 15-30′	Edible Fig						•	
Ginkgo biloba 30′	Maidenhair Tree					•		
Juglans californica	California Walnut		•	•	•	•		
Juglans regia 60′	English Walnut	•	•	•			•	
Magnolia grandiflora 40-60′	Southern Magnolia		•			•		
Malus domestica 'Fuji' & 'Golden Delicious' 20′	Apple	•	•	•			•	
Malus 'Spring Snow' 20-25′	Flowering Crabapple						*	
Olea Europea 'Mission' 20-30′ (use sparingly)	Olive						•	
Olea Europea ‘Swan Hill’ 20-30′ (use sparingly)	Fruitless Olive		•			•		
Parkinsonia x 'Desert Museum' 20-25′	Thornless Palo Verde		•					
Persea species	Avocado		•	•			•	
Pistacia chinensis 30-60′	Chinese Pistache	•				•	*	
Pistacia vera 'Peters' & 'Kerman' 20-30′	Pistachio		•	•			•	
Platanus racemosa 30-50′	California Sycamore	•		•	•	•		•
Platanus x acerifolia 30-40′	London Plane Tree	•						•
Prunus armeniaca 'Blenheim' & 'Royal' 15-20′	Apricot		•				•	
Prunus ilicifolia 10-25′	Hollyleaf Cherry		•	•	•	•		
Prunus ilicifolia ssp. Lyonii 10-25′	Catalina Cherry				•			
Prunus persica 10-15′	Peach		•				•	
Prunus salicina 15-20′	Plum		•				•	
Prunus serrulata 25′	Flowering Cherry	•	•	•			*	
Punica granatum 10-20′	Pomegranate						•	
Pyrus calleryana 'chanticleer' 15-20′	Chanticleer Pear		•				*	
Pyrus serotina 10-15′	Asian Pear		•				•	
Quercus agrifolia 40-70′	Coast Live Oak	•	•	•	•	•		
Quercus chrysolepis	Canyon Live Oak		•	•	•			

TABLE 9.5 MASTER PLANT PALETTE (CONTINUED)

BOTANICAL NAME	COMMON NAME	STREETSCAPE	RESIDENTIAL	NEIGHBORHOOD, VISTA, AND POCKET PARKS	COMMUNITY PARK/ MANUFACTURED SLOPES	PUBLIC FACILITIES/ SCHOOL/COMMERCIAL	AGRICULTURE	SWALE SUITABLE
TREES (spread noted) (Cont)								
Quercus douglasii	Blue Oak		•	•	•			
Quercus ilex 30-60′	Holly Oak	•	•	•		•		
Quercus kelloggii 50-80′	California Black Oak		•	•	•	•		
Quercus lobata 30-60′	Valley Oak				•	•		
Quercus suber 30-60′	Cork Oak	•		•				
Rhus lancea 15-30′	African Sumac	•	•			•		
Salix gooddingii 30-40′	Black Willow				•			•
Salix laevigata 30-40′	Red Willow				•			•
Salix lasiolepis 30-40′	Arroyo Willow				•			•
Sambucus nigra 20-30′	Black Elder				•			•
Umbellularia californica 20-25′	California Bay			•	•		*	
SHRUBS								
Agave americana (use sparingly)	Century Plant	•	•		•	•		
Agave desertii (use sparingly)	Desert Agave	•	•		•	•		
Arubutus unedo ‘compacta’	Dwarf Strawberrry Tree		•	•		•		
Asclepias subulata	Desert Milkweed				•			
Aster cordifolius	Blue Wood Aster		•					
Baccharis 'Centennial'	Centennial Baccharis			•	•			•
Baccharis salicifolia	Mule Fat				•			
Baileya multiradiata	Desert Marigold				•			
Buxus “species”	Boxwood		•	•				
Ceanothus 'Concha'	Concha Lilac		•	•				
Calamagrostis species	Reedgrass	•						
Ceanothus rigidus	Wild Lilac		•	•				
Cercocarpus betuloides	Mountain Mahogany				•			
Cistus species	Rock Rose		•	•		•		
Ephedra viridis	Green Ephedra				•			
Feijoa sellowiana	Pineapple guava		•	•				
Hetereomeles arbutifolia	Toyon		•			•		
Justicia californica	Chuparosa		•	•				
Lavandula dentata	Lavander	•	•	•	•			
Leucophyllum frutescens	Texas Ranger	•	•	•		•		
Lupinus excubitus	Grape Soda Lupine		•		•			
Lupinus succulentus	Arroyo Lupine		•		•			

TABLE 9.5 MASTER PLANT PALETTE (CONTINUED)

BOTANICAL NAME	COMMON NAME	STREETSCAPE	RESIDENTIAL	NEIGHBORHOOD, VISTA, AND POCKET PARKS	COMMUNITY PARK/ MANUFACTURED SLOPES	PUBLIC FACILITIES/ SCHOOL/COMMERCIAL	AGRICULTURE	SWALE SUITABLE
SHRUBS (Cont)								
Mimulus aurantiacus 2-3'	Sticky Monkey Flower		•	•	•			
Peritoma arborea	Bladderpod				•			
Punica granatum 'Nana'	Dwarf Pomegranite		•	•		•		
Rhamnus californica	Coffeeberry		•	•	•	•		
Rhaphiolepis species	Hawthorne		•	•				
Rosa californica	California Wild Rose		•		•			•
Rubus ursinus	California Blackberry		•	•	•			•
Rhus integrifolia	Lemonade Berry		•	•	•	•		
Rhus lancea	African Sumac		•	•	•	•		
Salvia greggii	Autumn Sage		•	•	•	•		
Salvia leucantha	Mexican Bush Sage		•	•	•	•		
Simmondsia chinensis	Jojoba		•		•			
Sphaeralcea ambigua	Apricot Mallow		•		•			
Symphoricarpus albus	Common Snowberry				•			•
Xylosma congestum	Shiny xylosma		•	•				
SUCCULENTS/CACTI								
Agave "Blue Flame" (use sparingly)	NCN	•	•	•				
Agave vilmoriniana (use sparingly)	Octopus Agave	•	•	•				
Aloe arborescens	Tree Aloe	•	•	•				
Aloe striata	Coral Aloe	•	•	•				
Echeveria species	NCN	•	•	•				
Echinocactus grusonii	Golden Barrel Cactus		•	•				
Dudleya spp.	Live-forevers	•	•	•				
Kniphofia uvaria	Red Hot Poker	•	•	•				
Opuntia littoralis	Coastal Prickly Pear				•			
Opuntia prolifera	Coast Cholla				•			
Yucca baccata	Banana Yucca		•	•	•	•		
Yucca whipplei	Chaparral Yuca		•	•	•	•		
GROUNDCOVER/VINES/GRASSES (height noted)								
Achillea millefolium (36")	Common Yarrow		•	•	•	•		
Carex species (12- 36")	Sedge	•				•		•
Ceanothus glorius and C. centennial (12- 24")	Ceanothus	•	•	•	•	•		
Dymondia margaretae (2- 3")	Dymondia	•	•	•		•		
Distictis buccinatoria	Blood red Trumpet Vine		•	•	•			

TABLE 9.5 MASTER PLANT PALETTE (CONTINUED)

BOTANICAL NAME	COMMON NAME	STREETSCAPE	RESIDENTIAL	NEIGHBORHOOD, VISTA, AND POCKET PARKS	COMMUNITY PARK/ MANUFACTURED SLOPES	PUBLIC FACILITIES/ SCHOOL/COMMERCIAL	AGRICULTURE	SWALE SUITABLE
GROUNDCOVER/VINES/GRASSES (height noted) (Cont)								
Festuca glauca (12″)	Blue Fescue	•	•	•				
Fragaria californica and F. chiloensis (4- 8″)	Wood Strawberry	•	•	•	•	•		
Helianthemum nummularium (6- 8″)	Sun Rose		•					
Helictotrichon sempervierns (24- 36″)	Blue Oat Grass	•	•	•				
Juncus patens (24″)	California Gray Rush	•						
Lantana species (24- 26″)	Trailing Lantana		•	•		•		
Rosmarinus prostratus (24″)	Rosemary	•	•	•		•		
Santolina chamaecyparissus (24″)	Lavender Cotton		•	•				
Thymus serpyllum (2- 3″)	Creeping Thyme	•	•	•		•		
Trachelospermum jasminoides (24″)	Star Jasmine		•					
POTENTIAL CROPS								
Artichokes			•				•	
Beets			•				•	
Broccoli			•				•	
Carrots			•				•	
Cucumber			•				•	
Eggplant			•				•	
Garlic			•				•	
Grapes			•				•	
Herbs			•				•	
Kale and collard greens			•				•	
Onions			•				•	
Peas			•				•	
Peppers			•				•	
Potatoes			•				•	
Pumpkin			•				•	
Radish			•				•	
Squash			•				•	
Tomatoes			•				•	

DEVELOPMENT REGULATIONS

Chapter 10

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10.1 INTRODUCTION

The provisions contained herein will regulate design and development within the Harmony Specific Plan. The purpose of the development regulations is to ensure the coordinated implementation of the master plan by a variety of builders, resulting in a community that enhances the City of Highland.

The Harmony Specific Plan, upon adoption, will serve as the implementation tool for the General Plan, as amended, as well as the zoning for the Specific Plan area. The development regulations within this chapter will supersede the City of Highland's Land Use and Development Code. Where the Harmony Specific Plan is silent, Title 16 Land Use and Development of the Highland Municipal Code shall apply, as interpreted by the Community Development Director.

10.2 DEFINITION OF TERMS

Acreage, Adjusted Gross. Gross acreage for a defined area (see below) minus the roadway network shown on Exhibit 6-1, "Master Circulation Plan". This term is applied to the acreage shown for each Planning Area.

Acreage, Gross. All land within a defined area, including private and public ownerships, rights-of-way, easements, etc., measured to centerline of street. The gross acreage for Harmony is 1,657.3 acres.

Acreage, Net. The developable portion of a given site less public rights-of-way, easements, and public and dedicated open space.

Balcony. A platform projecting from the external wall of a building and enclosed by a railing or parapet.

Buffer Areas. An area of land used to visibly separate one land use from another or to shield noise, lights, or other possible nuisances.

Building Coverage. The relationship between the ground floor area (footprint) of the building(s) and the buildable lot area.

Building Height. The vertical distance above a reference point measured to the highest point of the coping of a flat roof or to the deck line of a mansard roof or to the average height of the highest gable of a pitched or hipped roof. The reference point shall be selected by either of the following, whichever yields a greater height of building:

The elevation of the highest adjoining sidewalk or ground surface within a 5-foot horizontal distance of the exterior wall of the building when such sidewalk or ground surface is not more than 10 feet above lowest grade.

An elevation 10 feet higher than the lowest grade when the sidewalk or ground surface described above is more than 10 feet above lowest grade.

The height of a stepped or terraced building is the maximum height of any segment of the building.

Common Open Space. Land in a residential development held in common and/or single ownership and not reserved for the exclusive use or benefit of an individual tenant or owner.

Conditional Use. A use permitted in a particular zoning district only upon showing that such use in a specified location will comply with all the conditions and standards for the location or operation of such use as specified according to zone and authorized by the Planning Commission.

Density. For purposes of Planning Area density calculations, density is the number of units divided by the adjusted gross acres.

Dwelling, Single-Family Detached. A building designed and/or used for one dwelling unit, exclusive of a secondary unit, located on a lot, and separated from any other dwelling unit. Includes detached condos.

Easement. A grant of one or more of the property rights by the property owner to and/or for the use by the public, a corporation, or another person or entity.

Enclave. A cluster of single-family detached units that share a common driveway (examples of enclave home types are shown in this chapter).

ER. Estate Residential.

Floor Area, Gross. The total horizontal area, in square feet, including the exterior walls of all floors of a structure.

Frontage. The length of that portion of a lot abutting a street.

Garage. A building or portion thereof in which a motor vehicle containing flammable or combustible liquids or gas in its tank is stored or kept.

Grade (adjacent ground elevation). The lowest point of elevation of the finished surface of the ground, paving, or sidewalk within the area between the building and the property line or, when the property line is more than 5 feet from the building, between the building and a line 5 feet from the building.

Grade, finished. The final elevation of the ground surface after development.

Grade, natural. The elevation of the ground surface in its natural state, before man-made alterations.

Guest Parking. Onsite parking spaces provided for intermittent use by visitors.

Homeowners Association. A community association that is organized within a development and in which individual owners share common interests and responsibilities for open space, landscaping, and/or facilities.

HDR. High Density Residential.

LDR. Low Density Residential.

Lot, Corner. A lot or parcel of land abutting upon two or more streets at their intersection, or upon two parts of the same street forming an interior angle of less than 135 degrees.

Lot Coverage. The percentage of the net area of the lot that is covered by the main building and all accessory structures (as viewed from a plan perspective).

Lot, Cul-de-sac. A lot located on the turning end of a dead-end street.

Lot Depth. The average linear measurement between the front and rear lot lines when measured at 90 degree angles from the front lot line, or the tangent or chord line of a curved front lot line.

Lot, Flag. A lot having access to a street by means of a private driveway access, easement, or parcel of land not meeting the requirements of this Specific Plan for lot width, but having a dimension of at least 30 feet at its narrowest point.

Lot Frontage. The length of the defined front lot line measured at the street right-of-way.

Lot, Interior. A lot other than a corner lot.

Lot, Knuckle. A lot that has frontage on the outside turning radius of two intersecting streets.

Lot Line. Lines bounding a lot as defined herein.

Lot Line, Front. The line separating the narrowest street frontage of the lot from the street right-of-way measured at the front of setback line.

Lot Line, Rear. The lot line opposite and most distant from the front lot line; or in the case of an irregularly shaped lot, a straight line not less than 10 feet long, within the lot, and most nearly parallel to and at the maximum distance from the front lot line.

Lot Line, Side. Any lot lines other than the front or rear lot lines.

Lot Width. The average linear distance between side lot lines when measured at a 90 degree angle to the front lot line.

Maximum Lot (Building) Coverage. The maximum area of the lot that may be covered by buildings and roofed structures. This may be expressed in square footage or as a percentage of the minimum lot area.

MDR. Medium Density Residential.

MHDR. Medium-High Density Residential.

Minimum Lot Area. The amount of land that must be contained in a lot for each dwelling unit to be built on that lot. This ratio is typically applied in multiple-family zones. In single-family zones, it is the same as minimum lot size.

Paseo. A landscaped corridor with a common path.

Residential Product. Another name for a home type.

Setback Area. The minimum distance required by zoning to be maintained between two structures or between a structure and a property line.

Specific Plan. A fully planned community, with all design controls, servicing requirements, and financing techniques incorporated into the plan, that is adopted with a self-contained regulatory text and serves to implement the general plan in more detail.

Yard, Front. A yard extending across the full width of a site, the depth of which is the minimum horizontal distance between the front property line and a line parallel thereto on the site.

Yard, Rear. A yard extending the full width of the lot between the rear lot line and a line parallel thereto. For through lots, if a future street right-of-way has been established, such measurement shall be from the future street right-of-way line.

Yard, Side. A yard between the side lot line and a line parallel thereto and extending from the front yard to the rear yard.

10.3 GENERAL PROVISIONS

The following provisions shall apply to all proposed land development within Harmony.

1. The maximum number of residential dwelling units permitted by the Harmony Specific Plan shall be 3,632. Each planning area contains a target number of dwelling units based on adjusted gross density. During the site plan and tentative map stage of the development process, the final number of dwelling units for a particular planning area may differ from those identified in the Harmony Specific Plan so long as the density falls within the range specified by the land use designation. Dwelling unit transfers between planning areas may occur according to the provisions set forth in Chapter 11 of the Harmony Specific Plan.
2. Planning area boundaries will be finalized during the site plan and tentative map stage of design as units are plotted, final road alignments are determined, detailed grading plans are prepared, fuel modification zones are applied, and the design of other infrastructure is finalized. As final planning area boundaries are determined, the acreage identified for each planning area and, subsequently, the range of dwelling units, may change so long as the entire Specific Plan development does not exceed 3,632 units.
3. Performance standards for noise, vibration, light and glare, and odors shall comply with the City of Highland and any supplemental performance standards contained in the project's covenants, conditions and restrictions (CC&Rs).
4. All private streets within the Specific Plan shall be permanently reserved and maintained for their intended purpose by a means acceptable to and enforceable by the City of Highland's standards. Access for emergency vehicles shall be maintained at all times.
5. Title 16 Land Use and Development of the Highland Municipal Code (Highland Municipal Code) shall apply regarding the keeping of animals on residential property, in addition to the project's CC&Rs.

6. The Highland Municipal Code shall apply to:
    a) private swimming pools, spas, and hot tubs
    b) recreational vehicle parking and oversized vehicle parking requirements
    c) dedication requirements for roads, parks, and drainage facilities
    d) condominium conversions
    e) density bonus
8. Parking in private drives shall be restricted by the project's CC&Rs.
9. The City of Highland Fire Department requires that projects provide an appropriate number of ingress and egress points into each village and their associated planning areas. A Fire Protection Plan, approved by the Fire Department, has been prepared for the Harmony project and is available at the City of Highland. Final fire mitigation measures will be agreed upon during the filing of tentative tract maps for development parcels.
10. Building Modification or Accessory Structures. Additions and alterations permitted by the Harmony Specific Plan shall match the architectural style of the primary unit and shall be constructed of the same materials, details, and colors as the primary unit.
11. Utilities. All new and existing public utility distribution lines of 34.5 KV or less within the boundaries of the development footprint shall be placed underground. This provision does not apply to open space or undeveloped areas of the Specific Plan.
12. Technology. All homes and businesses shall accommodate appropriate wiring for modern telecommunications technology for computer internet access, phone, fax, and television.
13. Solid Waste/Recycling. Development within the Harmony Specific Plan area shall comply with City of Highland requirements for the provision and placement of solid waste and recycling receptacles.

10.4 SUSTAINABLE DESIGN

Development within Harmony is focused on integrating principles and best practices of sustainability and green design. Incorporating sustainable design from the earliest stages has benefits for both the builder and future occupants. Many sustainable design principles have minimal or no costs if incorporated early in the design phase, and many initial costs can frequently be offset by reduced construction time and long-term operations and maintenance savings. Furthermore, sustainable neighborhood design and green buildings are a desirable amenity for many potential home buyers, who are often willing to pay a premium to live in a resource-efficient house and community.

In 2011, the City of Highland adopted the 2010 California Green Building Standards Code (CALGreen) as its own municipal green building code. CALGreen is California's first green building standards code and a first-in-the-nation state-mandated green building code. The purpose of CALGreen is to improve public health, safety and general welfare through design enhancement, through construction of buildings that either reduce negative impacts or have positive environmental impacts, and by encouraging sustainable construction practices. Mandatory measures are identified within each of CALGreen's five divisions to ensure that all projects meet minimum green building thresholds. In addition to the mandatory measures, the Code includes two voluntary packages of above-minimum green practices, referred to as Tiers 1 and 2, for projects aiming to exceed minimal thresholds.

Harmony has developed a comprehensive list of sustainable design strategies for residential and nonresidential development within the Specific Plan area. In addition to implementing all of CALGreen's residential and nonresidential mandatory measures (2010), Harmony has identified specific strategies from the two tier packages to be implemented that exceed the minimum standards in the community. Moreover, Harmony goes beyond the measures outlined in CALGreen (2010) and includes some sustainable best practices from exemplary communities that are applicable to Harmony. These strategies are largely focused on neighborhood design, site planning, and infrastructure and are complementary to the CALGreen measures. Taken together, the application of these strategies demonstrates Harmony's commitment to creating a long-lasting sustainable and environmentally responsible community for generations. Tables 10.1 and 10.2 summarize these strategies.

TABLE 10.1 RESIDENTIAL SUSTAINABLE DESIGN STANDARDS

		CALGREEN (2010)			BEYOND CALGREEN
		MANDATORY	TIER 1	TIER 2	
PLANNING AND DESIGN (DIVISION 1)					
4.106.2	A plan is developed and implemented to manage storm water drainage during construction.	X			
4.106.3	The site shall be planned and developed to keep surface water away from buildings. Construction plans shall indicate how site grading or a drainage system will manage all surface water flows.	X			
A4.106.2.1	Soil analysis is performed by a licensed design professional and the findings utilized in the structural design of the building.	X			
A4.106.2.2	Soil disturbance and erosion are minimized by at least one of the following:				
	1. Natural drainage patterns are evaluated and erosion controls are implemented to minimize erosion during construction and after occupancy.	X			
	2. Site access is accomplished by minimizing the amount of cut and fill needed to install access roads and driveways.	X			
	3. Underground construction activities are coordinated to utilize the same trench, minimize the amount of time the disturbed soil is exposed and the soil is replaced using accepted compaction methods.	X			
A4.106.2.3	Topsoil shall be protected or saved for reuse as specified in this section.				
	Tier 2. The construction area shall be identified and delineated by fencing or flagging to limit construction activity to the construction area.			X	
ENERGY EFFICIENCY (DIVISION 2)					
4.201.1	Low-rise residential buildings shall meet or exceed the minimum standard design required by the California Energy Standards.	X			
A4.205.1	Radiant roof barrier is installed in Climate Zones 2, 4, and 8 through 15.	X			
	Install energy-efficient windows, such as double-paned windows and/or dual-glazed, Lo E2 windows.				X
WATER EFFICIENCY AND CONSERVATION (DIVISION 3)					
4.303.1	Indoor water use shall be reduced by at least 20 percent using one of the following methods: 1. Water saving fixtures or flow restrictors shall be used; 2. A 20 percent reduction in baseline water use shall be demonstrated.	X			
4.303.2	When using the calculation method specified in Section 4.303.1, multiple showerheads shall not exceed maximum flow rates.	X			
4.303.3	Plumbing fixtures (water closets and urinals) and fittings (faucets and showerheads) shall comply with specified performance requirements.	X			

Note: More detailed information and reporting requirements are included in the 2010 CALGreen code. This table is a summary of the individual measures.

TABLE 10.1 RESIDENTIAL SUSTAINABLE DESIGN STANDARDS

		CALGREEN (2010)			BEYOND CALGREEN
		MANDATORY	TIER 1	TIER 2	
WATER EFFICIENCY AND CONSERVATION (DIVISION 3)					
4.304.1	Automatic irrigation systems controllers installed at the time of final inspection shall be weather-based.	X			
A4.305.3	Recycled water is used for landscape irrigation in publicly maintained areas.	X			
	Mulching is used to improve the water holding capacity of soil whenever feasible.				X
	Do not use invasive plant species.				X
MATERIAL CONSERVATION AND RESOURCE EFFICIENCY (DIVISION 4)					
4.406.1	Annular spaces around pipes, electric cables, conduits or other openings in plates at exterior walls shall be protected against the passage of rodents by closing such openings with cement mortar, concrete masonry or similar method acceptable to the enforcing agency.	X			
A4.407.3	Provide flashing details on the building plans and comply with accepted industry standards or manufacturer's instructions.				
4.408.1	Work with local agencies to develop alternative waste reduction methods given that diversion or recycle facilities do not exist or are not located reasonably close to the jobsite. (Exception 2)		X	X	
4.408.2	Where a local jurisdiction does not have a construction and demolition waste management ordinance, a construction waste management plan shall be submitted for approval to the enforcing agency.	X			
4.410.1	An operation and maintenance manual shall be provided to the building occupant or owner.	X			
ENVIRONMENTAL QUALITY (DIVISION 5)					
4.503.1	Any installed gas fireplace shall be a direct-vent sealed-combustion type. Any installed woodstove or pellet stove shall comply with US EPA Phase II emission limits where applicable. Woodstoves, pellet stoves and fireplaces shall also comply with applicable local ordinances.	X			
4.504.1	Duct openings and other related air distribution component openings shall be covered during construction.	X			
4.504.2.1	Adhesives, sealants and caulks shall be compliant with VOC and other toxic compound limits.	X			
4.504.2.2	Paints, stains and other coatings shall be compliant with VOC limits.	X			
4.504.2.3	Aerosol paints and coatings shall be compliant with product weighted MIR limits for ROC and other toxic compounds.	X			
4.504.2.4	Documentation shall be provided to verify that compliant VOC limit finish materials have been used.	X			
4.504.3	Carpet and carpet systems shall be compliant with VOC limits.	X			
ENVIRONMENTAL QUALITY (DIVISION 5)					

Note: More detailed information and reporting requirements are included in the 2010 CALGreen code. This table is a summary of the individual measures.

TABLE 10.1 RESIDENTIAL SUSTAINABLE DESIGN STANDARDS

		CALGREEN (2010)			BEYOND CALGREEN
		MANDATORY	TIER 1	TIER 2	
4.504.4	50 percent of floor area receiving resilient flooring shall comply with the VOC-emission limits defined in the Collaborative for High Performance Schools (CHPS) Low-emitting Materials List or be certified under the Resilient Floor Covering Institute (RFCI) FloorScore program.	X			
4.504.5	Particleboard, medium density fiberboard (MDF) and hardwood plywood used in interior finish systems shall comply with low formaldehyde emission standards.	X			
4.505.2	Vapor retarder and capillary break is installed at slab on grade foundations.	X			
4.505.3	Moisture content of building materials used in wall and floor framing is checked before enclosure.	X			
4.506.1	Exhaust fans which terminate outside the building are provided in every bathroom.	X			
4.507.1	Whole house exhaust fans shall have insulated louvers or covers which close when the fan is off. Covers or louvers shall have a minimum insulation value of R-4.2.	X			
4.507.2	Duct systems are sized, designed, and equipment is selected using the following methods: 1. Establish heat loss and heat gain values according to ACCA Manual J or equivalent, 2. Size duct systems according to ACCA 29-D (Manual D) or equivalent, 3. Select heating and cooling equipment according to ACCA 36-S (Manual S) or equivalent.	X			
702.1	HVAC system installers are trained and certified in the proper installation of HVAC systems.	X			
702.2	Special inspectors employed by the enforcing agency must be qualified and able to demonstrate competence in the discipline they are inspecting.	X			
703.1	Verification of compliance with this code may include construction documents, plans, specifications builder or installer certification, inspection reports, or other methods acceptable to the enforcing agency which show substantial conformance.	X			
	Provide exterior electrical outlets on the front and rear of all buildings to allow for electric landscape maintenance equipment.				X

Note: More detailed information and reporting requirements are included in the 2010 CALGreen code. This table is a summary of the individual measures.

TABLE 10.2 NONRESIDENTIAL SUSTAINABLE DESIGN STANDARDS

		CALGREEN (2010)			BEYOND CALGREEN
		MANDATORY	TIER 1	TIER 2	
PLANNING AND DESIGN (DIVISION 1)					
A5.104.1.1	Exceed the zoning's open space requirement for vegetated open space on the site by 25 percent.	X			
5.106.1	For projects of one acre or less, develop a Storm Water Pollution Prevention Plan (SWPPP) that has been designed, specific to its site, conforming to the State Storm water NPDES Construction Permit or local ordinance, whichever is stricter, as is required for projects over one acre. The plan should cover prevention of soil loss by storm water run-off and/or wind erosion, of sedimentation and/or of dust/particulate matter air pollution.	X			
5.106.4.1	If the project is anticipated to generate visitor traffic, provide permanently anchored bicycle racks within 200 feet of the visitors' entrance, readily visible to passers-by, for 5 percent of visitor motorized vehicle parking capacity, with a minimum of one two-bike capacity rack.	X			
5.106.4.2	For buildings with over 10 tenant-occupants, provide secure bicycle parking for 5 percent of tenant-occupied motorized vehicle parking capacity, with a minimum of one space.	X			
A5.106.5.1	Provide designated parking for any combination of low-emitting, fuel-efficient and carpool/van pool vehicles.	X			
5.106.8	Comply with lighting power requirements in the California Energy Code and design interior and exterior lighting such that zero direct-beam illumination leaves the building site. Meet or exceed exterior light levels and uniformity ratios for lighting zones 1 – 4 as defined in Chapter 10 of the California Administrative Code, using the following strategies: 1. Shield all exterior luminaires or use cutoff luminaires, 2. Contain interior lighting within each source, 3. Allow no more than .01 horizontal foot candle 15 ft beyond the site, 4. Contain all exterior lighting within property boundaries.	X			
5.106.10	The site shall be planned and developed to keep surface water away from buildings. Construction plans shall indicate how site grading or a drainage system will manage all surface water flows.	X			
	Design a walkable community that supports walking, hiking, and biking and provide connections to schools, libraries, parks, open space, bus stops, and commercial areas.				X
	Reduce roadway widths and use of non-pervious materials as much as possible to minimize heat generating asphalt surfaces and surface runoff of water.				X
	Maintain natural habitat within permanent open space areas and reintroduce historical indigenous habitat and species into open space areas and waterways.				X
ENERGY EFFICIENCY (DIVISION 2)					
5.201.1	The California Energy Commission will continue to adopt mandatory building standards.	X			
	Street lights shall be installed with energy-efficient lighting.				X
	All nonresidential bathrooms shall provide motion detectors on light switches, automatic water faucets, low flow toilets, and waterless urinals.				X

Note: More detailed information and reporting requirements are included in the 2010 CALGreen code. This table is a summary of the individual measures.

TABLE 10.2 NONRESIDENTIAL SUSTAINABLE DESIGN STANDARDS

		CALGREEN (2010)			BEYOND CALGREEN
		MANDATORY	TIER 1	TIER 2	
WATER EFFICIENCY AND CONSERVATION (DIVISION 3)					
5.303.1.1	Buildings in excess of 50,000 square feet. Separate submeters shall be installed as follows: 1. For each individual leased, rented or other tenant space within the building projected to consume more than 100 gal/day. 2. For spaces used for laundry or cleaners, restaurant or food service, medical or dental office, laboratory or beauty salon or barber shop projected to consume more than 100 gal/day.	X			
5.303.1.2	Excess consumption. Any building within a project or space within a building that is projected to consume more than 1,000 gal/day.	X			
5.303.2	A schedule of plumbing fixtures and fixture fittings that will reduce the overall use of potable water within the building by 20 percent shall be provided.	X			
5.303.2.1	When single shower fixtures are served by more than one showerhead, the combined flow rate of all the showerheads shall not exceed the maximum flow rates specified in the 20 percent reduction column contained in Table 5.303.2.3 or the shower shall be designed to only allow one showerhead to be in operation at a time.	X			
5.303.4	Each building shall reduce the generation of wastewater by one of the following methods: 1. The installation of water-conserving fixtures or 2. Utilizing nonpotable water systems.	X			
5.303.6	Plumbing fixtures (water closets and urinals) and fittings (faucets and showerheads) shall comply with the requirements listed for each type in Items listed in Table 5.303.6.	X			
5.304.1	A water budget shall be developed for landscape irrigation use.	X			
5.304.2	For new water service, separate meters or submeters shall be installed for indoor and outdoor potable water use for landscaped areas between 1,000 square feet and 5,000 square feet.	X			
5.304.3.1	Automatic irrigation system controllers installed at the time of final inspection shall comply with the following:				
	1. Controllers shall be weather- or soil moisture-based controllers that automatically adjust irrigation in response to changes in plants' needs as weather conditions change.	X			
	2. Weather-based controllers without integral rain sensors or communication systems that account for local rainfall shall have a separate wired or wireless rain sensor which connects or communicates with the controller(s). Soil moisture-based controllers are not required to have rain sensor input.	X			
	Utilize mulch to improve the water holding capacity of soil whenever feasible.				X
	Utilize planting techniques (for example, group plants at similar water use to reduce over-watering) to minimize evaporation and maximize water to the root.				X

Note: More detailed information and reporting requirements are included in the 2010 CALGreen code. This table is a summary of the individual measures.

TABLE 10.2 NONRESIDENTIAL SUSTAINABLE DESIGN STANDARDS

		CALGREEN (2010)			BEYOND CALGREEN
		MANDATORY	TIER 1	TIER 2	
MATERIAL CONSERVATION AND RESOURCE EFFICIENCY (DIVISION 4)					
5.407.1	Provide a weather-resistant exterior wall and foundation envelope.	X			
5.407.2	Employ moisture control measures by the following methods: Prevent irrigation spray on structure and design exterior entries and openings to prevent water intrusion into buildings.	X			
5.408.1	Recycle and/or salvage for reuse a minimum of 50 percent of nonhazardous construction and demolition debris or meet local ordinance, whichever is more stringent.	X			
5.408.1.1	Provide documentation of the waste management plan that meets the requirements listed in Section 5.408.2 Items 1 thru 4 and the plan is accessible to the enforcement authority.	X			
5.408.1.2	Utilize a waste management company that can provide verifiable documentation that the percentage of construction waste material diverted from the landfill complies with this section.	X			
5.408.1.4	A copy of the completed waste management report shall be provided.	X			
5.408.3	100 percent of trees, stumps, rocks and associated vegetation and soils resulting primarily from land clearing shall be reused or recycled.	X			
5.410.1	Provide readily accessible areas that serve the entire building and are identified for the depositing, storage and collection of nonhazardous materials for recycling.	X			
5.410.2	For new buildings 10,000 square feet and over, building commissioning for all building systems covered by T24, Part 6, process systems and renewable energy systems shall be included in the design and construction processes of the building project.	X			
5.410.4	Testing and adjusting of systems shall be required for buildings less than 10,000 square feet.	X			
	Separate recycling and waste receptacles will be provided at all public garbage bins along sidewalks, at public facilities, and commercial centers.				X
ENVIRONMENTAL QUALITY (DIVISION 5)					
5.503.1	Install only a direct-vent sealed-combustion gas or sealed wood-burning fireplace or a sealed woodstove and refer to residential requirements in the California Energy Code, Title 24, Part 6, Subchapter 7, Section 150.	X			
A5.504.2	Flush out the building per Section A5.504.2 prior to occupancy or if the building is occupied.		X	X	
5.504.3	Duct openings and other related air distribution component openings shall be covered during construction.	X			
5.504.4.1	Adhesives, sealants, and caulks shall be compliant with VOC and other toxic compound limits.	X			
5.504.4.3	Paints, stains and other coatings shall be compliant with VOC limits.	X			
5.504.4.4	Carpet and carpet systems shall be compliant with VOC limits.	X			
5.504.4.5	Particleboard, medium density fiberboard (MDF) and hardwood plywood used in interior finish systems shall comply with low formaldehyde emission standards.	X			

Note: More detailed information and reporting requirements are included in the 2010 CALGreen code. This table is a summary of the individual measures.

10.5 RESIDENTIAL STANDARDS

10.5.1 General

This chapter includes the development standards for Harmony residential land uses. The purpose of the residential standards is to establish the minimum criteria for the development of residential home types within the Harmony Specific Plan for all of the residential land use categories. A variety of home types are anticipated in the community. New and innovative home types, other than those anticipated may be added to meet consumer preference. The Community Development Director or City Planner can approve minor modifications to these standards, in accordance with Section 11.2 of this Specific Plan. Density ranges are established based on Adjusted Gross Acres (AGA) of each planning area. Lot sizes defined by the Harmony Specific Plan land uses are not equivalent to those identified in the City of Highland's Municipal Code.

A. Estate Residential (ER) 0–2.0 du/ac

This category provides for the development of Estate Residential land use. The purpose of the residential standards is to establish the minimum criteria for the development of estate residential products within the Harmony Master Plan.

B. Low Density Residential (LDR) 2.1–6.0 du/ac

This category provides for the development of the Low Density Residential land use. The purpose of the residential standards is to establish the minimum criteria for the development of single-family dwellings within the Harmony Specific Plan.

C. Medium Density Residential (MDR) 6.1–12.0 du/ac

This category provides for the development of the medium density residential land use. The purpose of the residential standards for medium density are to establish the minimum criteria for the development of single family detached and condominium style detached enclaves within the planning areas specified within Harmony.

D. Medium-High Density Residential (MHDR) 12.1–20.0 du/ac

This category provides for the development of a variety of residential dwelling units, including but not limited to duplexes, paired homes, triplexes, townhomes, and other attached residential products in the density range of 12.1 to 20.0 du/ac.

E. High Density Residential (HDR) 20.1–30.0 du/ac

This category provides for the development of the High Density Residential land use, including but not limited to townhomes, stacked flat condominiums, and apartment products.

TABLE 10.3 RESIDENTIAL DEVELOPMENT STANDARDS

	ESTATE RESIDENTIAL	LOW DENSITY RESIDENTIAL	MEDIUM DENSITY RESIDENTIAL [1]	MEDIUM-HIGH DENSITY RESIDENTIAL [1]	HIGH DENSITY RESIDENTIAL [1]
Lot Criteria [1, 2, 3]					
Min. lot width [1, 2]	75′	45′	40′	N/A	N/A
Min. lot width at knuckle or cul-de-sac [1, 2]	65′	35′	35′	N/A	N/A
Min. lot width at corner lot [1, 2]	80′	50′	45′	N/A	N/A
Min. lot depth [1, 2]	100′	90′	75′	N/A	N/A
Min. lot area [1, 2]	15,000 sf	4,500 sf	3,000 sf (except for enclave product [11])	N/A	N/A
Streetside Setback (corner lot) [1, 2, 3]					
Main structure	20′	10′	10′	4′	N/A
Porch	10′	5′	5′	2′	2′
Street facing garage	20′	18′	18′	18′	18′
Turn-in garage	25′	15′	15′	N/A	N/A
Front Setbacks (from property line) [1, 2, 3, 12]					
Main structure	25′	10′	10′	10′	10′
Porch (single-story plate line)	20′	5′	5′	5′ (4)	5′
Street facing garage	20′	18′	18′	18′	18′
Turn-in garage	25′	15′	15′	N/A	N/A
Side Setbacks (from property line) [2, 3]					
Interior PL	20′	5′	3.5′ for living 0′ for garage (5)	3.5′ for living 0′ for garage (5)	3.5′ for living 0′ for garage (5)
Rear Setbacks (from property line) [2, 3]					
Main structure	25′	15′	10′	3′	15′
Garage (single-story plate line)	20′	5′	5′ or 2′ from lane ROW with 24′ garage to garage separation	2′ from lane ROW with 24′ min. building separation	2′ from lane ROW with 24′ min. building separation
Patio cover or second-story deck	15′	10′	5′	2.5′	5′
Lot Coverage					
Max. coverage	45%	50%	60%	70%	80%
Minimum Building Separation					
Min. distance between main structures without paseo or greenway	15′	10′	6′-6″	6′-6″	15′
Min. distance between main structures adjacent to paseo or greenway	N/A	N/A	12′	6′-6″	25′

TABLE 10.3 RESIDENTIAL DEVELOPMENT STANDARDS

	ESTATE RESIDENTIAL	LOW DENSITY RESIDENTIAL	MEDIUM DENSITY RESIDENTIAL [1]	MEDIUM-HIGH DENSITY RESIDENTIAL [1]	HIGH DENSITY RESIDENTIAL [1]
Lot Minimum Building Separation					
Between main structures rear to rear	15′	15′	N/A	N/A	N/A
Between main structures front to front	N/A	N/A	10′	10′	10′
Between structures side to side (clear area without side yard walls)	N/A	N/A	6′ with zero openings (3′ to assumed PL) 6′-6″ with max 25% openings (3′-3″ to assumed PL)	6′ with zero openings (3′ to assumed PL) 6′-6″ with/ max 25% openings (3′-3″ to assumed PL)	6′ with zero openings (3′ to assumed PL) 6′-6″ with max 25% openings (3′-3″ to assumed PL)
Between main structures front to side	N/A	N/A′	12′	12′	12′
Garage door to garage door	N/A	N/A	30′ (24′ structure to structure)	30′ (24′ structure to structure)	30′ (24′ structure to structure)
Maximum Building Height [6, 13]					
Main structure	35′	35′	40′	45′	50′
Garage (single-story)	15′	15′	18′	18′	18′
Garage with second story above	35′	35′	35′	N/A	N/A
Carports/parking structures separate from main structure	N/A	N/A	N/A	25′ (screened from public ROW)	25′ (screened from public ROW)
Walls, Fences and Hedges					
Max. height at front and street side PL [7]	3′	3′	3′	3′	3′
Max. height at interior or rear PL [8]	6′	6′	6′	6′	6′
Open Space					
Private open space	N/A	N/A	N/A	150 sf on the ground floor with a min. dimension of 10′ OR 100 sf on upper floors with a min. dimension of 10′	100 sf on the ground floor with a min. dimension of 6′ OR 50 sf on upper floors with a min. dimension of 10′
Parking [9, 10]					
Standards	2 spaces/unit, plus 0.5/unit for guests	2 spaces/unit, plus 0.5/unit for guests	2 spaces/unit, plus 0.5/unit for guests	1.5 spaces/1 bed unit 2.0 spaces /2+ bed unit 1 space/unit must be covered 0.5/unit for guests	1.5 spaces/1 bed unit 1.9 spaces /2 bed unit 2.1 spaces/3 bed unit 2.4 spaces/4 bed+ unit 1 space/unit must be covered 0.3/unit for guests

TABLE 10.3 RESIDENTIAL DEVELOPMENT STANDARDS

	ESTATE RESIDENTIAL	LOW DENSITY RESIDENTIAL	MEDIUM DENSITY RESIDENTIAL [1]	MEDIUM-HIGH DENSITY RESIDENTIAL [1]	HIGH DENSITY RESIDENTIAL [1]
Accessory Buildings/Structures					
General location on property	Behind main structure	Behind main structure	Behind main structure	N/A	N/A
Rear setback	15′	10′	10′	N/A	N/A
Interior side setback	10′	5′	5′	N/A	N/A
Maximum height	15′	15′	15′	N/A	N/A

1. Minimum lot dimensions, front yard, rear yard, side yard, and garage setback requirements and building coverage standards not applicable to condominium style development.
2. Minimum rear yard, side yard, and garage setback criteria not applicable to enclave SFD. Refer to building separation requirements.
3. Architectural projections may project a maximum of 3′ into required front, rear, or side setback areas; however, in no case shall such projection be closer than 2′ to any property line. An architectural projection is defined as an element that articulates the building elevation such as eaves, window and door pop-out surrounds, media niches, bay windows, pot shelves, chimneys, enhanced window sills, shutter details, window trim, balconies and entry gates, and other similar elements. Not applicable to paseo- or court-fronting units. Refer to minimum building separation requirements.
4. Not applicable to paseo- or court-fronting units. Refer to minimum building separation requirements.
5. When a shared-use easement side yard unobstructed by a wall or fence is provided. Otherwise 5′ side yard is required.
6. Architectural projections such as chimneys, cupolas, and similar features may exceed the maximum height limit by 10 feet.
7. Solid masonry walls or other approved fencing may be permitted 3′ from the back of the sidewalk as long as they have a max height of 3′. Wall or fences taller than 3′ must be located behind the living area front setback. Fences, walls, hedges, or similar view-obstructing structures or plants that reduce safe ingress or egress of vehicles or pedestrians shall not exceed three feet in height in any required front yard.
8. Walls may exceed 6′ in height for noise attenuation purposes subject to an approved acoustical study, and may have a max. height of 9′ if a combination wall/fence/hedge and retaining wall is necessary.
9. All parking spaces to be enclosed with a minimum 19′w x 19′d clear inside dimension for two spaces and 10′ x 19′ for single spaces and tandem spaces. Tandem parking is permitted provided that both spaces are assigned to the same unit.
10. Required guest parking can be provided on-street or within designated open parking areas. Guest parking must be within 250′ of unit front door. The use of assigned guest parking is discouraged.
11. Except for enclave product where fee simple lots are established. Minimum lot area can be less than 3,000 SF.
12. No requirement to stagger front setbacks for product in designations except Estate Residential category.
13. Approval of building heights 3 stories or more than 32-feet (measured from the ground to the eaves) or with a needed fire flow greater than 3,500 gallons per minute are contingent upon the City's ability to adequately serve the property with aerial fire fighting and rescue apparatus.

N/A. None if applicable.

Estate Residential: 1-Acre Lots

Low Density Residential: 10,000 SF Lots

Low Density Residential: 7,200 SF Lots

Low Density Residential: 6,000 SF Lots

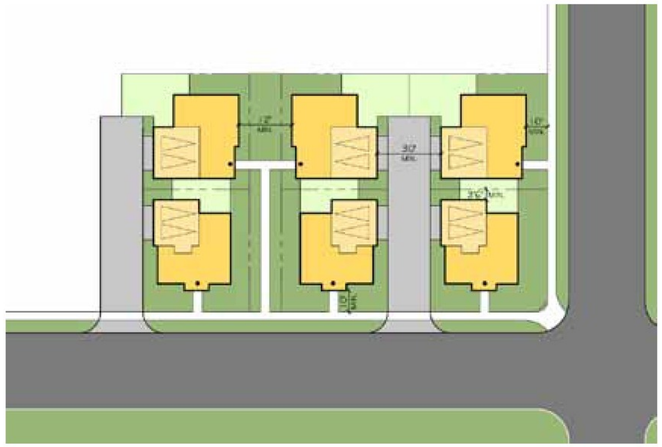
Low Density Residential: 5,000 SF Lots

Low Density Residential: 4,500 SF Lots

Medium Density Residential: 4,000 SF Lots

Medium Density Residential: 3,000 SF Lots

Medium Density Residential: Enclave - 4 Pack



Medium Density Residential: Enclave - 6 Pack

High Density Residential: Paired Homes

High Density Residential: Townhomes

10.5.2 Residential Permitted/Conditional Uses

Residential permitted and conditional uses within the Harmony Specific Plan area are listed in Table 10.4.

TABLE 10.4 RESIDENTIAL PERMITTED AND CONDITIONAL USES

	ESTATE RESIDENTIAL	LOW DENSITY RESIDENTIAL	MEDIUM DENSITY RESIDENTIAL	MEDIUM-HIGH DENSITY RESIDENTIAL	HIGH DENSITY RESIDENTIAL
Single-family detached dwellings	P	P	P	P	X
Single-family attached dwelling unit	X	P	P	P	X
Cluster/enclave dwelling unit	X	X	P	P	P
Live/work units	X	P	P	P	X
Condominium	X	X	P	P	P
Multifamily attached dwelling units	X	X	P	P	P
Garage	P	P	P	P	P
Tandem garage	P	P	P	P	P
Multistory parking structure	X	X	C	C	C
Underground parking structure	X	X	C	C	C
Carports	P	P	P	P	P
Solar panels on roof top	P	P	P	P	P
Solar panels on ground	P	P	P	P	P
Public parks/private parks	P	P	P	P	P
Nonlighted athletic fields	P	P	P	P	P
Lighted athletic fields	C	C	C	C	C
Community centers	P	P	P	P	P
Senior centers	P	P	P	P	P
Community gardens	P	P	P	P	P
Recreation buildings	P	P	P	P	P
Restrooms	P	P	P	P	P
Greenbelts	P	P	P	P	P
Secondary dwelling units	P (according to City standards)	P (according to City standards)	P (according to City standards)	X	X
Home occupations	P (according to City standards)	P (according to City standards)	P (according to City standards)	P (according to City standards)	P (according to City standards)

TABLE 10.4 RESIDENTIAL PERMITTED AND CONDITIONAL USES

	ESTATE RESIDENTIAL	LOW DENSITY RESIDENTIAL	MEDIUM DENSITY RESIDENTIAL	MEDIUM-HIGH DENSITY RESIDENTIAL	HIGH DENSITY RESIDENTIAL
Guest houses	P (according to City standards)	P (according to City standards)	P (according to City standards)	X	X
Storage sheds	P	P	P	P	P
Gazebos, cabanas or other similar structures	P	P	P	P	P
Home schools	P	P	P	P	P
Swimming pools, spas	P	P	P	P	P
Sports courts	P	P	P	P	P
Patios and patio covers	P	P	P	P	P
Community monument signage	P (with sign program)	P (with sign program)	P (with sign program)	P (with sign program)	P (with sign program)
Directional signage	P (with sign program)	P (with sign program)	P (with sign program)	P (with sign program)	P (with sign program)
Temporary sales signage	P (with sign program)	P (with sign program)	P (with sign program)	P (with sign program)	P (with sign program)
Model home and sales trailers	P	P	P	P	P
Daycare up to 6 children	P	P	P	P	P
Daycare 7–14 children	C	C	C	C	C
Congregate care facilities 1-7 residents	P	P	P	P	P
Congregate care facilities 7+ residents	C	C	C	C	C
Religious institutions	C	C	C	C	C
Public schools	P	P	P	P	P
Parks	P	P	P	P	P
Education facilities	C	C	C	C	C
Agriculture under 10 acre	P	P	P	P	P
Agriculture 10 acres or more	C	C	C	C	C
Recreational vehicle parking (ancillary to main use) less than 72 hours (according to City standards)	P	P	P	P	P
Recreational vehicle parking (ancillary to main use) over 72 hours (according to City standards)	X	X	X	X	X

TABLE 10.4 RESIDENTIAL PERMITTED AND CONDITIONAL USES

	ESTATE RESIDENTIAL	LOW DENSITY RESIDENTIAL	MEDIUM DENSITY RESIDENTIAL	MEDIUM-HIGH DENSITY RESIDENTIAL	HIGH DENSITY RESIDENTIAL
Water treatment plant, reclaimed water facilities	C	C	C	C	C
Public facilities, water wells, tanks, storage reservoirs, fire stations	P	P	P	P	P
Interim Uses					
Container nursery, nursery	P	P	P	P	P
Concrete and rock crushing [1]	X	X	X	X	X
Farming, orchards, crops, other agriculture	P	P	P	P	P
Storage (compatible with agriculture), mulching operations/ storage	C	C	C	C	C
Sale of produce	P	P	P	P	P
Sale of firewood/ mulching [2]	X	X	X	X	X

KEY:

P - Permitted use

C - Permitted subject to the approval of a conditional use permit application as approved for in Chapter 16.08 HMC

X - Not permitted

1. Concrete and rock crushing will be allowed during construction with a construction permit.
2. Allowed with a tree removal permit.

10.6 COMMERCIAL STANDARDS

10.6.1 General

This section sets forth the regulations for development of the Neighborhood Commercial within the Harmony Specific Plan. These standards also apply to the planning areas designated with a Neighborhood Commercial Overlay.

TABLE 10.5 NEIGHBORHOOD COMMERCIAL DEVELOPMENT STANDARDS

Minimum development parcel area	N/A
Maximum development floor area ratio	0.25
Minimum Building Setbacks [1, 2]	
From major arterial right-of-way	10′
From collector street right-of-way	0′
From interior property lines	0′ if adjacent to parking or commercial uses, 25′ if adjacent to residential or institutional use
Surface Parking Areas and Drive Aisle Setbacks	
From arterial right-of-way	20′
From collector right-of-way	20′
From private streets and drive aisles to buildings	5′ from front of building 2′ from rear of building
Minimum Landscape Coverage [3]	
Minimum landscape coverage	15%
Maximum Building Height [4]	
Main structure	35′
Architectural projections and focal elements, such as towers, cupolas, and other appurtenances	50′
Porte-cochère	1 story
Parking	
Standards	1 space per 250 building sf

1. All setback areas shall be landscaped.
2. All setbacks are measured to habitable area, not architectural appurtenance or projection. For commercial uses, an architectural projection is defined as an element 3′ or more that articulates the building elevation such as eaves, window and door pop-out surrounds, bay windows, pot shelves, chimneys, enhanced window sills, shutter details, window trim, balconies, and other similar elements. Such elements may project a maximum of 3 feet into setback areas.
3. Includes all landscaped areas, including parking areas.
4. Approval of building heights 3 stories or more than 32-feet (measured from the ground to the eaves) or with a needed fire flow greater than 3,500 gallons per minute are contingent upon the City's ability to adequately serve the property with aerial fire fighting and rescue apparatus.

10.6.2 Permitted and Conditionally Permitted Uses

Permitted and Conditionally Permitted commercial uses within the Harmony Specific Plan area are listed in Table 10.6.

TABLE 10.6 NEIGHBORHOOD COMMERCIAL PERMITTED AND CONDITIONAL USES

Medical	
Animal hospital/veterinarian	C
Ambulance service	SR
Urgent care facility	SR
Medical Office/Family Clinic	
Pharmacies and drug stores without drive thru facilities	SR
Pharmacies and drug stores with drive thru facilities	C
Medical office	SR
Medical, dental, and related health services for humans, including laboratories, clinics, and the sale of articles clearly incidental to the services provided	SR
Public Facilities	
Government offices	SR
Library	SR
Fire station	SR
Police storefront/substation	SR
Public utility offices	SR
Religious	
Religious institutions	C
Educational	
Vocational/trade schools	SR
Alcohol	
Alcoholic beverage sales, service, and consumption on premises	C
Liquor sales for off-premises consumption	C
Automobile Related Uses	
Automotive parts and accessories stores (retail sales only)	SR
Automobile services (tune-up, emission tests, batteries, brakes, tires, minor repair, etc.	C
Gas stations (with or without full/self-service car washes)	SR
Tire stores	C
Car wash (only if ancillary to a gas station)	SR
Communications	
Telecommunications towers (in accordance with City's Wireless Telecommunications Ordinance)	C
Day Care Facilities	
Commercial day care	C
Eating and Drinking Places and Food Services	
Catering establishments	SR
Restaurants (sit down/full service)	SR
Banquet facilities	C
Bar/cocktail lounge	C
Fast food	SR
Fast food with drive thru	C
Ice cream parlors	SR
Entertainment and Recreation	
Auditoriums and other public assembly facilities	C
Dance studio (instructional)	C
Billiard parlor/pool hall	C
Bowling alley	C
Live entertainment (excluding adult entertainment)	C
Night clubs	C
Skating rink (indoors and outdoors)	C
Movie theater	C
Video/electronic game arcades	C
Health club/gymnasium - less than 4,000 square feet	SR
Health club/gymnasium - more than 4,000 square feet	C

Offices	
Administrative, professional, and other offices	SR
Retail	
Antique stores	SR
Art galleries and art supply store	SR
Beauty supply store	SR
Bookstores	SR
Hardware store	SR
Camera and photographic supply store	SR
Cigar and other tobacco products store	SR
Clothing and accessory store	SR
Computer and home electronics stores	SR
Florist	SR
Furniture stores	SR
General convenience merchandise stores	SR
Department store	SR
Discount variety store	SR
Hobby, toy and game store	SR
Kiosks (if part of a shopping center)	C
Home appliance store	SR
Jewelry store	SR
Luggage and leather goods	SR
Music and video stores	SR
Office supply, stationary, and gift stores	SR
Pet supply store	SR
Shoe store	SR
Sporting goods store	SR

Food and Beverage Stores	
Bakery	SR
Delicatessen	SR
Convenience market	SR
Grocery store/supermarket	SR
Specialty food stores	SR
Farmers market (weekly recurring)	C
Hospitality	
Hotels and motels	SR
Bed and breakfasts	SR
Business Services	
Advertising agency	SR
Photocopying and duplicating services	SR
Photography studio	SR
Financial Services	
Banks, credit unions, and other depository institutions	SR
Banks, credit unions, and other depository institutions with drive thru	C
Other financial services	SR
Personal services	
Barber shop and beauty/nail salon	SR
Dry cleaners	SR
Funeral parlor, mortuary	X
Laundry - commercial	SR
Laundry - self service	SR
Pet grooming - commercial	SR
Tailor/dressmaker	SR
Travel agency	SR

Repair Services	
Computer, home electronics, and small home appliances (when ancillary to another use)	SR
Jewelry and watches/clocks	SR
Lawnmower and garden equipment (no outside storage or repair)	SR
Locksmith/key shop	SR
Shoe repair	SR
Accessory Uses	
Accessory structures and uses located on the same site as a permitted use subject to issuance of a department review permit	SR
Accessory structures and uses located on the site as a conditional use	C
Temporary Uses	
Temporary uses as prescribed in HMC 16.08.120 are permitted subject to issuance of a temporary use permit	**SR**

KEY:

1. SR - Permitted subject to the approval of a staff review permit application as provided for in the City of Highland Land Use and Development Code.
2. C - Permitted subject to the approval of a conditional use permit application as approved for in the City of Highland Land Use and Development Code
3. X - Not permitted

10.6.3 Temporary Uses

Temporary uses are permitted subject to approval of a temporary use permit in accordance with the 16.08.130 zoning code provisions for temporary uses. Temporary uses include but are not limited to:

1. Carnivals
2. Circuses
3. Seasonal Christmas tree/pumpkin lots
4. Parking lot sales
5. Sidewalk sales
6. Street fairs and crafts shows
7. Temporary structures and tents

10.6.4 Uses Not Specifically Listed

Commercial uses not specifically listed as permitted or conditionally permitted but deemed by the Planning Director of The City of Highland to be similar to a listed permitted or conditionally permitted use may be allowed subject to a use determination made by the Planning Commission.

10.7 OPEN SPACE STANDARDS

Permitted and Conditionally Permitted open space uses within the Harmony Specific Plan area are listed in Table 10.7.

TABLE 10.7 OPEN SPACE AND PARK PERMITTED AND CONDITIONAL USES

	OPEN SPACE (NATURAL)	PUBLIC PARK	AG OVERLAY (PA 66)	PRIVATE PARK
Agricultural uses, including all types of agriculture, horticulture, and raising of animals in accordance with the provisions of HMC 16.44.040, and the sale of products on the premises	SR	X	P	P
Apiaries in accord with the provisions of HMC 16.44.040	SR	X	P	X
Campgrounds	C	C	X	C
Communication and telecommunication facilities	C	C	C	X
Community buildings	X	P	P	P
Community garden	X	C	P	P
Craft stores	X	X	SR	X
Equestrian centers or stables	C	C	X	C
Farmers market (weekly recurring)	X	X	C	C
Fire and police stations	SR	SR	X	X
Forest maintenance facilities and ranger stations	SR	SR	X	X
Golf courses, golf driving ranges, swim clubs, zoos, tennis clubs, polo clubs, and other recreational and/or commercial-recreational uses that the planning commission may determine similar in nature	X	C	C	C
Historical landmarks	P	P	P	X
Lighted athletic fields	C	C	C	C
Nonlighted athletic fields	P	P	P	P
Public buildings and grounds, including museum, nature center	C	C	C	C
Public parks/private parks	P	P	P	P
Restaurants (sit down/full-service)	X	X	SR	X
Riding and hiking trails	P	P	P	P
Solar energy installations	C	C	C	C
Specialty food stores/stands	X	X	SR	X
Wildlife preserve sanctuaries	P	P	P	X

KEY:

P - Permitted use

SR - Permitted use subject to the approval of a staff review permit application as provided for in Title 16 Land Use and Development of the Highland Municipal Code.

C - Permitted subject to the approval of a conditional use permit application as approved for in Title 16 Land Use and Development of the Highland Municipal Code.

X - Not permitted

IMPLEMENTATION

Chapter 11

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11.1 OVERVIEW

The adoption of the Harmony Specific Plan by the City of Highland follows the certification by the City of Highland of the Harmony Specific Plan EIR and adoption by the City of Highland of certain General Plan Amendments as described in the Specific Plan. The City of Highland's adoption of the Specific Plan by ordinance changes the zoning district for the Specific Plan area from Planned Development to Harmony Specific Plan. Following the adoption of the Specific Plan, the Specific Plan area will be developed in phases over a multi-year time frame. The Specific Plan serves as the implementation tool for the City of Highland General Plan, as amended, and establishes the zoning for the Specific Plan area. Following adoption of the Specific Plan, development within the Specific Plan area will proceed pursuant to approval by the City of Highland of applications for Design Review and Subdivision Maps.

11.2 INTERPRETATION

Unless otherwise provided herein, any ambiguity concerning the content or application of the Harmony Specific Plan shall be resolved by the City of Highland Community Development Director, in a manner consistent with the goals, policies, purpose, and intent established in this Specific Plan. The Community Development Director may refer the item to Planning Commission for further review.

11.3 SEVERABILITY

If any portion of these regulations is declared to be invalid or ineffective in whole or in part, such decision shall not affect the validity of the remaining portions thereof. The legislative body hereby declares that they would have enacted these regulations, and each portion thereof, irrespective of the fact that any one or more portions be declared invalid or ineffective.

"You can never plan for the future by the past."

—Edmund Burke, philosopher and statesman

11.4 SPECIFIC PLAN AS ZONING

This Specific Plan will be adopted by Ordinance by the Planning Commission/City Council of the City of Highland pursuant to the requirements of Title 16 Land Use and Development of the Highland Municipal Code (Highland Municipal Code). Approval of the Harmony Specific Plan by Ordinance establishes the zoning for the Specific Plan area. Approval of the Harmony Specific Plan includes the approval of a "Community Plan," contained within the Specific Plan as Exhibit 4-1, which constitutes the zoning map for the Specific Plan area. The Community Plan establishes areas for residential, open space and parks, commercial, commercial overlay, educational, roads, and public facilities areas as well as the density or intensity of land use within each Planning Area. A maximum number of 3,632 residential dwelling units and 234,135 square feet of neighborhood commercial square footage is allowed under the Specific Plan. The Specific Plan contains plans for the provision of water, sewer, storm drainage, roads, as well as sites for a school and fire station to serve the development. Development regulations and design guidelines govern development of land uses within the Specific Plan area.

11.5 DEVELOPMENT AGREEMENT

A Development Agreement approved by the City of Highland establishes, among other things, provisions for the phasing of development and the methods of financing of construction, operation, and maintenance of public facilities, infrastructure improvements, and services for the Specific Plan area. The Development Agreement also establishes the plan for project compliance with local requirements for parkland either through parkland dedication and/or payment of in lieu fees. A Development Agreement for Harmony will be adopted concurrently with the Specific Plan under separate ordinance and will be attached as an appendix under separate cover.

11.6 IMPLEMENTATION OF DEVELOPMENT REGULATIONS

Adoption of the Harmony Specific Plan by the City of Highland includes adoption of the development regulations described in Chapter 10, Development Regulations. The requirements of the Specific Plan shall take precedence over Title 16 Land Use and Development of the Highland Municipal Code (Highland Municipal Code). In instances where the Specific Plan is silent, Title 16 Land Use and Development of the Highland Municipal Code shall prevail.

11.7 IMPLEMENTATION OF DESIGN GUIDELINES

Adoption of the Harmony Specific Plan by the City of Highland includes adoption of the design guidelines contained in the Design Guidelines sections of the Specific Plan, which shall be the sole design criteria by which development projects within the Specific Plan area are reviewed and approved. The Design Guidelines are intended to be flexible in nature while establishing basic evaluation criteria for the review by the City of Highland during development processing. An Overall Specific Plan Lighting Plan shall be reviewed by Staff and approved by the Planning Commission prior to the issuance of the first building permit in a planning area.

11.8 DEVELOPMENT REVIEW AND APPROVAL PROCESS

11.8.1 Subdivision Maps

The subdivision map process for Harmony will involve an "A" level and "B" level map structure. Planned communities such as Harmony almost always involve preparation of an "A" level tentative tract map. The intent of this map is to establish the backbone infrastructure and mass grading to support the individual planning areas. The individual Planning Areas will require a "B" level map showing, for each planning area, internal lots street layout, and adjacent backbone road improvements. Additionally, the owner may choose to file a conveyance or financing map and receive tentative map approval and record a final conveyance map.

A "B" level TTM shows individual lots and detailed local streets within a planning area and adjacent backbone road improvements. Due to Harmony's hillside terrain it is likely that planning areas designated for single family detached lots will require site planning showing street layouts and lot terracing. The "B" level TTM may be prepared by the developer or the builder. In the absence of a specific builder, the master developer may choose to prepare the site plan and TTM to accommodate a specific size of homesite.

11.8.2 Design Review

1. Residential detached, attached, and multifamily development projects are subject to Design Review and approval by the City of Highland. Approval of Design Review constitutes approval of site plans, conceptual architecture, and landscaping for the project prior to issuance of any city permits.
2. All new commercial and other development projects are subject to Design Review prior to issuance of any city permits.
3. All future modifications to development sites shall be reviewed and approved by the City in accordance with Title 16 Land Use and Development of the Highland Municipal Code.

11.8.3 Conditional Use Permits

All development projects subject to approval of a Conditional Use Permit (CUP) as specified in Chapter 10, "Development Regulations," shall be processed for approval pursuant to the provisions contained within "Conditional Use Permits," of Title 16 Land Use and Development of the Highland Municipal Code. In accordance with the provisions of "Conditional Use Permits," an application for a CUP constitutes a discretionary application subject to approval by the City of Highland Planning Commission. Approval of a CUP application may also be accompanied by an application for approval of a subdivision map and Design Review. Approval of a CUP constitutes approval of project architecture, site plans, and landscape plans for development, when accompanied by a Design Review.

11.8.4 Variances

Variances to the development regulations contained in the Harmony Specific Plan with respect to site area dimensions, yards and projections into yards, heights of structures, distances between buildings, open space and off-street parking and loading can be considered pursuant to "Variances," of the Highland Municipal Code.

11.9 MODEL HOME COMPLEX PERMIT

All model home complexes within the Specific Plan area are subject to approval of a model home complex permit as detailed in Title 16 Land Use and Development of the Highland Municipal Code, except in regards to the effective date, time, time lines, and extension, which is specified in Subsection 11.9.4 below. A model home complex may be approved concurrently with project Design Review (see Subsection 11.8.2).

11.9.1 Intent

The intent of the model home complex permit is to safeguard the welfare of the community when a temporary real estate office is established in a residential Planning Area of the Specific Plan. Actions taken on applications subject to these provisions are considered ministerial and therefore are not subject to review pursuant to CEQA or to the City of Highland CEQA procedures.

11.9.2 Application

The application for a model home complex permit shall be made on forms and in a format as determined by the Community Development Director.

11.9.3 Approval and Notice

The Planning Commission, shall be the approving body for a model home complex permit.

11.9.4 Effective Date, Time, Time Limits, and Extension

An application for a model home complex permit may be approved for a maximum time period of 36 months from the date of approval. At the end of the 36 month period, the permit may be extended one additional 36 month period. Prior to issuance of certificates of use and occupancy for residential use and occupancy of the model homes, the temporary improvements shall be removed and the site shall comply with the terms and requirements of the original discretionary approval for the residential project as a whole.

11.10 TRANSFER OF RESIDENTIAL DWELLING UNITS

The Land Use Plan approved as part of the Specific Plan establishes the distribution and potential target density of residential dwelling units for each residential Planning Area as well as a total number of residential dwelling units permitted for development within the Specific Plan area. Adjustments to the number of residential dwelling units allocated to a Planning Area may occur at the time of final design of any portion of the Planning Area provided the total number of approved units are not being exceeded for the entire Specific Plan area. Revisions to Land Use Designations and densities may be approved only by the City Council.

11.11 ADJUSTMENTS TO A PLANNING AREA

Adjustments to the boundary of a residential Planning Area are permitted in accordance with Section 10.3 of the Harmony Specific Plan.

11.12 MINOR MODIFICATIONS AND SPECIFIC PLAN AMENDMENTS

11.12.1 Minor Modifications

The following constitute minor modifications to the Specific Plan, not requiring a Specific Plan Amendment. The Community Development Director or his/her designee shall have the discretion to refer any such request for modification to the Planning Commission for action.

1. Change in utility or public service provider.
2. Change in roadway alignment of any roadway illustrated on "Master Circulation Plan" as contained within the Specific Plan when the change results in a centerline shift of less than 150 feet.
3. Residential dwelling unit transfers or adjustment of a Planning Area boundary, consistent with the provisions of Sections 11.10 and 11.11 of the Specific Plan.
4. Minor deviations to adopted quantifiable development standards as contained in Chapter 10, Development Regulations, of the Specific Plan provided the deviation does not result in a change of more than 15% to an adopted quantifiable development standard.
5. Minor changes to landscape materials, wall materials, wall alignment, entry design, and streetscape design which are consistent with the conceptual design set forth in Chapter 9 of the Specific Plan.
6. Minor changes to the design guidelines contained in Chapters 7, 8, and 9 of the Specific Plan, which are intended to be flexible in their implementation.
7. The phasing plan may be revised from time to time without the need to amend the Harmony Specific Plan, subject to staff review for adequate infrastructure and service connections.
8. Other modifications of a similar nature to those listed above, which are deemed minor by the City of Highland, that are in keeping with the purpose and intent of the approved Specific Plan, and which are in conformance with the General Plan, as amended.

11.12.2 Specific Plan Amendments

Amendments to the Harmony Specific Plan may be requested by the applicant or by the City at any time pursuant to Section 65453(a) of the Government Code. Specific Plan Amendments shall be processed pursuant to the provisions of the Government Code for Specific Plan Amendments. In the event the proposed amendment requires supplemental environmental analysis pursuant to CEQA, the entity submitting the application for a Specific Plan shall be responsible for all costs associated with preparing the necessary CEQA documentation.

11.13 APPEALS

Appeals from any determination of the Community Development Director or the Planning Commission may be made by any aggrieved party pursuant to the provisions of Title 16 Land Use and Development of the Highland Municipal Code.

11.14 CEQA

11.14.1 Compliance with Mitigation Monitoring Plan

Development within the Specific Plan area shall comply with all applicable mitigation measures, existing regulations, standard conditions of approval and incorporate design features as described in the Mitigation Monitoring Program included as part of the EIR.

11.14.2 Exemption of Residential Projects from CEQA

Residential development projects, including any subdivision, or any change of zoning, proposed to implement this Specific Plan and which are consistent with this Specific Plan, for which an EIR has been certified are exempt from the requirements of CEQA pursuant to Government Code Section 65457. However, this exemption does not apply if, after adoption of this specific plan, any of the conditions described in Public Resources Code Section 21166 occur, in which case a supplemental environmental impact report for the specific plan must be prepared and certified.

11.15 PROJECT FINANCING

The financing of construction, operation, and maintenance of public improvements and facilities (the "facilities"), and public services for Harmony may include funding through a combination of financing mechanisms. Final determination as to the facilities to be financed will be made prior to recordation of final maps and/or included in the Development Agreement. Final determination as to maintenance responsibilities, whether publicly or privately maintained, will be made prior to approval of tentative map. The following financing options can be considered for implementation:

11.15.1 Facilities and Services

1. Private capital investment for the construction of facilities.
2. Community Facilities District (CFD) established pursuant to the Mello-Roos Community Facilities District Act of 1982, or other special district, to provide funding for the construction of a variety of public facilities and the provision of public services.
3. Assessment Districts established for the purpose of funding the construction of public facilities.

11.15.2 Operation and Maintenance

1. By individual private property owner.
2. By Home Owners Association.
3. By Landscape and Lighting Maintenance District (LLMD)
4. By Community Facilities District (CFD) established pursuant to the Mello-Roos Community Facilities District Act of 1982, or other special district.
5. By Assessment Districts
6. By Street and Drainage Maintenance District
7. By East Valley Water District.

The City of Highland approval is a prerequisite for the implementation of any and all establishment of special district and assessment district financing mechanisms.

11.16 PROJECT PHASING

The project phasing provides a conceptual framework to facilitate development of the Specific Plan Area while assuring the provision of infrastructure necessary to support the planned development. Development is assumed to occur in a number of phases over time. The phased development of the Specific Plan area will commence in a manner designed to address the following objectives:

1. Orderly build-out of the community based upon market and economic conditions.
2. Implementation of financing mechanisms without creating a financial or administrative burden on the City of Highland.
3. Provision of adequate infrastructure and public facilities concurrent with development of each phase.
4. Protection of public health, safety and welfare.

The exact timing, location, and extent of individual phases is largely dependent on the private decisions of developers and landowners who are, in turn, influenced by market conditions. Phasing will also likely be influenced by relative capital costs associated with extending infrastructure and services to different phases are anticipated to generally occur in a west to east pattern. It is logical to assume that initial and subsequent phasing will key off of extensions of existing infrastructure located within or near the Specific Plan Area.

Exhibit 11-1 presents a conceptual phasing plan for Harmony. Ultimately, the City will determine the appropriate phasing of infrastructure to serve new development, through conditions of approval, and as set forth in the Development Agreement. The phasing plan may be revised from time to time without the need for a Specific Plan Amendment.

11.17 MAINTENANCE

Public and private improvements constructed as part of development of the Specific Plan area shall be maintained through a combination of public and private entities as described below.

11.17.1 Public Maintenance

Public facilities are planned for public maintenance by either the City of Highland or by the East Valley Water District or other agency including but not limited to the following:

1. All travel areas of public local roadways and above within the Specific Plan area.
2. Public traffic signals and traffic control signs.
3. Public right of way improvements adjacent to the Specific Plan area completed as part of development within the Specific Plan area.
4. All privately constructed public on-site water facilities, sewer facilities, and drainage facilities within the Specific Plan area.
5. Street lighting within public rights of way of public streets.
6. Public multi-use trails.
7. Public bike paths within street right-of-way.

11.17.2 Homeowner Association/Private Property Owner Maintenance

One or more homeowner associations may be established for the maintenance of private common area improvements within residential developments of the Specific Plan area. Private improvements to be maintained by the homeowner association(s) include but are not limited to:

1. Private streets, drives, and lanes.
2. Private traffic control signs.
3. Parkway and median landscaping within the rights of ways of all streets.
4. Private street landscaping and lighting.
5. The public park site(s) within the Specific Plan area shall be conveyed to the City of Highland and maintained by the Homeowner's Association.

6. Open space areas including graded slopes and existing slopes, fuel modification zones, multiuse trails, detention and water quality treatment facilities, and habitat and restoration areas.
7. Private parks and recreational facilities within residential areas.
8. Walkways, community and neighborhood entries and signage, paseos, the community center, and common areas within residential areas.
9. Community theme walls and fencing.
10. Private courts, parkways, and landscaping within the residential areas.
11. Common area facing wall surfaces, and internal slopes fronting streets along residential collector streets and interior residential streets.
12. Common area landscaping and lighting.

11.18 CONFORMITY REVIEW

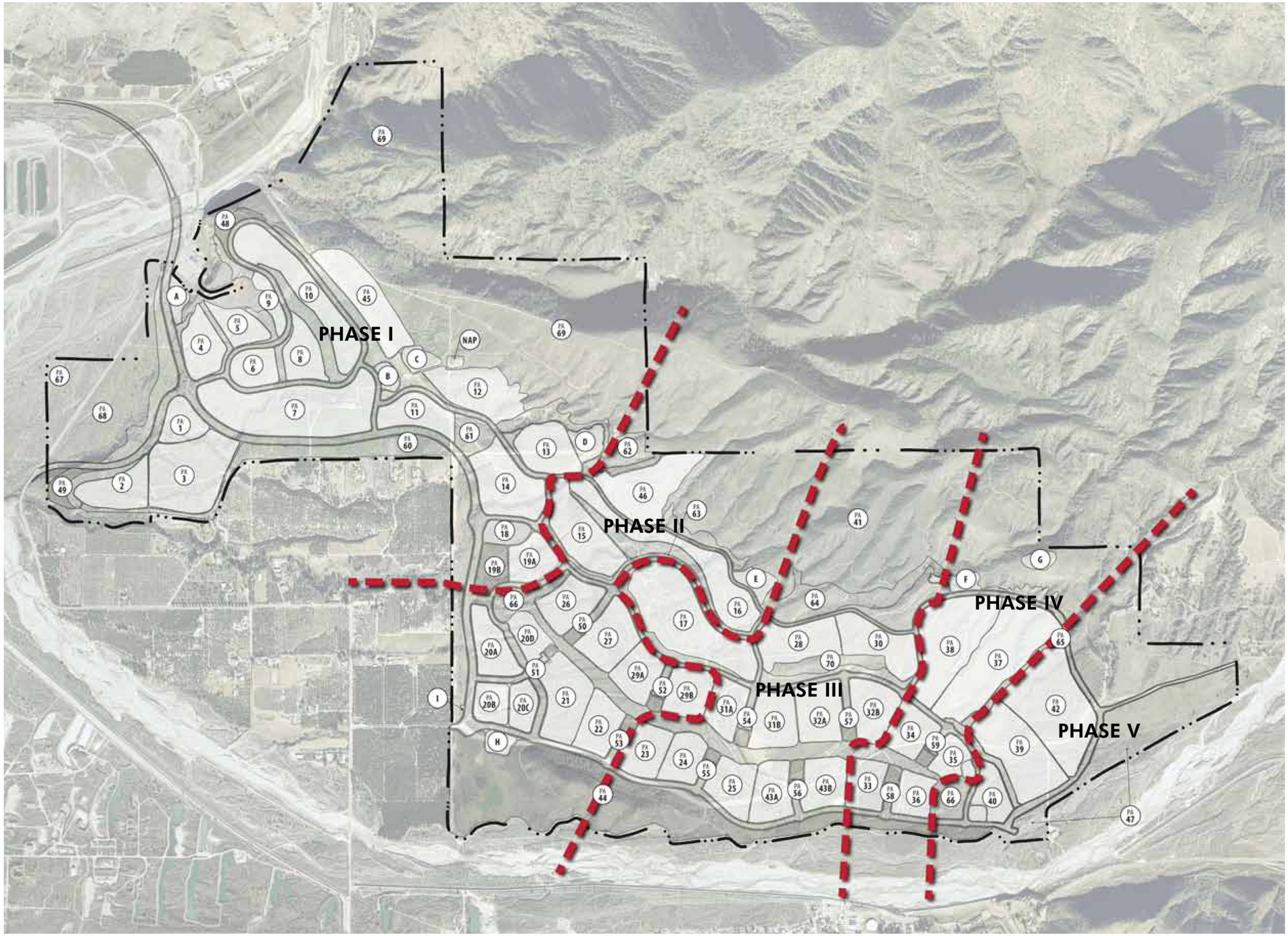
Applications for a development entitlement submitted after approval by the City of Highland of the Specific Plan shall be reviewed by the City of Highland for conformity with the Harmony Specific Plan and for compliance with the California Environmental Quality Act (CEQA), Public Resources Code Section 2100 et.seq. The determination of whether the requested subsequent development entitlement is consistent with the Specific Plan and whether the Specific Plan EIR considered the project specific effects of the proposed application will be made through the Subsequent Conformity Review process.

11.18.1 Subsequent Conformity Review Process

In conjunction with the submittal of any application for approval of a subsequent development entitlement within the Specific Plan area, the applicant shall submit a completed "Subsequent Conformity Review Questionnaire" to enable the City of Highland to determine whether the proposed project is consistent with the Specific Plan and whether or not there are project specific effects that are particular to the proposed project or its site that were not considered in the Specific Plan EIR and whether an event as described in Section 15162 of the State CEQA Guidelines has occurred. The City of Highland may require the submittal of additional information to make such a determination, including but not limited to the following:

1. Preliminary Grading Plan,
2. Preliminary Geotechnical Report,
3. Preliminary Drainage Report,
4. Conceptual Water Management Plan,
5. Traffic Circulation Plan,
6. Traffic Study,
7. Tentative Subdivision Map,
8. Acoustical Analysis,
9. Hazards Study (Phase I Environmental Site Assessments and Phase II limited soils investigation.),
10. Water Quality Related Studies
11. Mosquito Control Design Features,
12. Utility Will Serve Letters,
13. Water Supply Assessment Information (per SB 221),
14. Hazardous Materials Usage Information,
15. Biological and Cultural Resources Studies,
16. Public Safety Assessment

In the event the proposed project is determined to have project specific effects that were not considered in the Specific Plan EIR and additional environmental review is required by the City of Highland, the cost of preparing the additional studies or information required by the City of Highland shall be borne by the project applicant.



PHASE I		
	Without NC Overlay	With NC Overlay
Adjusted Gross Acreage	212.4	
Units	909	909
Sq. Ft.	72,310	72,310

PHASE II		
	Without NC Overlay	With NC Overlay
Adjusted Gross Acreage	142.5	
Units	949	810
Sq. Ft.	70,785	212,355

PHASE III		
	Without NC Overlay	With NC Overlay
Adjusted Gross Acreage	141.1	
Units	923	923
Sq. Ft.	-	-

PHASE IV		
	Without NC Overlay	With NC Overlay
Adjusted Gross Acreage	80.3	
Units	284	278
Sq. Ft.	-	10,890

PHASE V		
	Without NC Overlay	With NC Overlay
Adjusted Gross Acreage	58.3	
Units	567	547
Sq. Ft.	-	10,890

TOTAL		
	Without NC Overlay	With NC Overlay
Adjusted Gross Acreage	634.6	
Units	3,632	3,467
Sq. Ft.	143,095	306,445

RELATIONSHIP TO THE GENERAL PLAN

Chapter 12

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12.1 INTRODUCTION

The Harmony Specific has a direct relationship to the City of Highland 2006 General Plan and provides site-specific, detailed descriptions of regulations, standards, and guidelines for implementing General Plan goals and policies. To achieve this, the Specific Plan must demonstrate that it is consistent with the General Plan. The California Government Code states that a "Specific Plan shall include a statement of the relationship of the Specific Plan to the General Plan, and further, that it may not be adopted or amended unless found to be consistent with the General Plan."

Consistency with the General Plan is achieved when the various land uses within the Specific Plan are compatible with the goals, policies, and general pattern of land uses contained in the General Plan. Consistency is defined as follows: "An 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 and not obstruct their attainment." This statement from the Governor's Office of Planning and Research (OPR) describes how a Specific Plan should be consistent with the General Plan.

A detailed discussion of the conformance of this Specific Plan with applicable goals and policies in the elements of the General Plan is contained in this Appendix.

12.2 LAND USE ELEMENT

12.2.1 Goals

Goal 2.3 – Provide a variety of urban, suburban and rural housing opportunities that are adequate to meet the City's share of regional housing needs.

Goal 2.4 – Provide lands for retail and service commercial uses in sufficient quantity to meet the needs of Highland residents.

Goal 2.6 – Maintain an organized pattern of land use that minimizes conflicts between adjacent land uses.

Goal 2.15 – Create a one-of-a kind, high quality, master-planned estate community in the Seven Oaks area that incorporates substantial scenic, open space, recreation and trail amenities.

1. Ensure trail connections to existing or planned local and regional open space and trail systems.
2. Provide extensive open space linkages within the site to connect to adjacent open space resources.
3. Continue to collaborate with the City of Redlands, the County of San Bernardino and adjacent property owners.
4. Ensure that sufficient access, including emergency access, is provided to support future development.
5. Ensure that adequate public services and facilities keep pace with future development.
6. Provide appropriate habitat corridor linkages in collaboration with applicable habitat conservation planning.
7. Implement future development guidance of the Seven Oaks area by means of a specific plan or similar mechanism.
8. Require that hillside development minimize alteration of the natural landforms and natural vegetation, while maximizing viewshed protection.
9. Limit grading to the amount necessary to provide stable areas for structural foundations, street rights-of-way, parking facilities and other intended uses.
10. Minimize import/export associated with grading.
11. Consider clustered development, especially in connection with such recreation amenities as a golf course, in future planning activities for the site.
12. Maintain the Greenspot Agricultural Preserve until such time future development is proposed or more detailed planning is initiated. In the event that proposed development would impact the Agricultural Preserve, the City shall evaluate the viability of incorporating the Preserve into the development, consistent with the City adopted Rules and Procedures for the *Administration of Agricultural Preserves and Contracts.*

12.2.2 Specific Plan Response:

The Harmony Specific Plan site is located in the City of Highland's General Plan Seven Oaks Dam Policy Area, which directs the area to be developed as a high quality, master-planned community. The Harmony Specific Plan provides the framework for the organized and comprehensive development of 1,657 acres of the 1,900-acre Policy Area. Providing a variety of housing, recreational, and open space opportunities, and supported by a neighborhood commercial site and key public facilities, Harmony is linked together by a thoughtful circulation system and extensive trail network. Eight goals have been identified for the Harmony Specific Plan:

- Create a livable environment
- Develop a land use plan responding to the unique environmental conditions of the area
- Provide for a range of housing to meet the needs of a variety of economic segments
- Create traditional residential neighborhoods
- Meet residential needs for commercial, public facilities and other services
- Plan for a circulation system serving motorists, bicyclists, and pedestrians (referred to as "complete streets")
- Create a strong community identity for Harmony
- Incorporate sustainable features into all aspects of the community

These goals, along with detailed objectives and policies, will direct the development of a cohesive community called Harmony.

The General Plan Land Use Element assumes a minimum density of 1 dwelling unit per 5 acres for the entire Seven Oaks Dam Policy Area. The Land Use Element will be amended to reflect the development potential in the Harmony Specific Plan, which includes up to 3,632 homes, 225,423 square feet of neighborhood commercial space, 834 acres of recreation and open space, and 160acres of public community facilities.

The Specific Plan is consistent with and implements Goals 2.3, 2.4, 2.6 and 2.15, which call for a variety of housing, supported by services, in a well-planned environment. The Specific Plan accommodates 3,632 residential units on 658 acres within 49 distinct residential planning areas. Residential neighborhoods are sited to maximize open space and to preserve sensitive habitat areas, ridges, and canyons. Harmony incorporates a variety of housing types into its land use plan in order to address lifestyle considerations of singles, families, and empty nesters. The diversity of allowed densities, from 1 unit per acre up to 30 units per acre, facilitates the development of an assortment of residential product types, including estates, traditional single-family detached homes, clustered single-family detached homes, single-family attached condominiums, townhomes, and multifamily homes. This variation from the original vision for an estate-only community reflects current and projected needs for a greater variety of housing opportunities and can help the City of Highland meet state housing requirements.

Harmony designates a 5.7-acre site in the community's northwest area for neighborhood commercial uses; this site allows up to 62,073 square feet of neighborhood commercial building space and will provide neighborhood serving retail goods and services to Harmony and the surrounding community. An additional one acre of the Community Greenway (PA 66) has been designated with an Agriculture Overlay; this unique area is envisioned to provide space for local farmers to grow and sell their produce. An additional 15.9 acres of neighborhood commercial are allowed in residential areas designated with a Neighborhood Commercial Overlay, allowing for a additional 163,350 square feet of neighborhood commercial building space.

As envisioned in the General Plan, the Specific Plan includes recreational facilities and open space amenities to support the planned development. Harmony's recreation and open space uses include 110 acres of parkland, 4.3 acres of private recreation space, 112 acres for a community greenway, 535 acres of natural open space, and 72 acres of manufactured slopes. Parks will be improved as active and passive recreational areas; active parks could include soccer fields and baseball fields as well as open play areas, basketball courts, picnic tables, and informal gathering areas, while passive parks will be designed for activities such as walking, hiking, and quiet reflection and contemplation. A system of hiking trails and walking paths will connect Harmony's neighborhoods to each other and to nearby areas of scenic beauty.

In addition to an array of recreational facilities, the project site will accommodate several key community facilities. An 8.3-acre site has been designated for the development of an elementary school, and 20 acres are planned for various other important public facilities, including a 1.5-acre fire station.

Harmony's circulation system has been carefully planned to address both on- and off-site circulation requirements. The layout of the backbone circulation system provides direct, safe, and convenient access to and within the community. Emergency access will be maintained at all times. The circulation plan also reinforces the goal of creating a pedestrian-friendly environment by providing a comprehensive system of sidewalks and multipurpose trails.

A conceptual grading plan for Harmony has been developed to ensure that the site balances as development is phased over time. The final grading plans take into account four major considerations: 1) the site generally slopes upward from the west to the east starting at 7% to 10% until reaching a hinge point where the slope rapidly steepens, 2) grading for development is focused in the flatter terrain, 3) steeper terrain is preserved as natural open space and 4) critical sensitive environmental habitat is protected. Following these provisions will allow grading plans to be developed that minimize alteration of the landform.

Design guidelines and development standards within this Specific Plan address aesthetic integration of uses within the site and with surrounding areas. The focus is to provide architectural, landscape, streetscape, and site design enhancements to ensure quality development and while recognizing the area's unique history and natural resources. Detailed development standards, design guidelines, and use restrictions ensure high quality buildings, public areas, and community facilities for Harmony's residents and visitors to enjoy.

The Seven Oaks Area contains a policy of coordination with adjacent agencies and property owners as development is planned. The Specific Plan preparation and adoption process includes public noticing, neighborhood meetings, and public hearings, bringing the vision to the public and inviting impacted agencies to comment. Adjacent property owners, adjacent cities, and the County of San Bernardino were all formally invited to participate in the review of this Specific Plan and the associated environmental impact report.

12.3 CIRCULATION ELEMENT

12.3.1 Goals

Goal 3.1 – Provide a comprehensive transportation system that facilitates current and long-term circulation in and through the City.

Goal 3.3 – Preserve and enhance uniquely scenic or special visual resource areas along appropriate routes for the enjoyment of all travelers.

Goal 3.4 – Provide a safe circulation system.

Goal 3.7 – Protect and encourage bicycle travel.

12.3.2 Specific Plan Response:

Development within Harmony will be served by a network of major highways, secondary highways, and collector roads, all of which have been modified from the typical sections provided in the City of Highland's General Plan. Street typologies and development standards are provided in the circulation plan. Roadways in Harmony have been designed as green streets where possible, where curbs and gutters have been replaced by swales to handle water runoff. The General Plan Circulation Element Roadway Network Map will be amended to show the final alignment of Greenspot Road through the project.

One of the goals of the Specific Plan is to have a circulation system serving motorists, bicyclists, and pedestrians. The circulation plan for Harmony provides a comprehensive network for bicyclists, pedestrians, as well as motorists. Side paths connecting residential neighborhoods with parks and community facilities are planned within the public rights-of-way of roadways within the Specific Plan area. An off-street multi-use trail connects residential areas to open space areas within the community and to outside regional trails and natural amenities. Certain trails are designed to take advantage of scenic vistas such as Mill Creek and the impressive slopes of the San Bernardino National Forest.

The circulation plan was carefully designed to ensure safety for all modes of transportation in the Specific Plan area. The network of sidewalks and multi-use trails planned for Harmony create a pedestrian- and bicycle-friendly circulation system that encourages walking and biking while providing for the safe and efficient movement of automobiles through the community.

12.4 PUBLIC SERVICES AND FACILITIES ELEMENT

12.4.1 Goals

Goal 4.1 – Coordinate and balance the provision of public services with development activity to eliminate service gaps, maximize the use of public facilities, provide efficient and economical public services, achieve the equitable and legally defensible sharing of costs of such services and facilities, and maintain adequate service systems capable of meeting the needs of Highland residents.

Goal 4.4 – Maintain an effective drainage system that protects people and property from overflows and flood disasters.

Goal 4.8 – Ensure the provision of adequate staffing, equipment and facilities to support effective fire protection and emergency medical services that keep pace with growth.

Goal 4.9 – Maintain cooperative school and public facility planning to ensure the provision of adequate school facilities and quality educational programs in a manner consistent with other City goals and policies on facility location, use, timing, funding, recreational and social joint use programs.

12.4.2 Specific Plan Response

A specific plan is a tool for ensuring the coordinated development of a site so it has appropriate and timely public services, community facilities, and infrastructure. The Harmony Specific Plan calls for the creation of services and facilities to meet many needs of future residents. One of the goals of the Specific Plan is to meet residential needs for commercial, public facilities, and other services.

A site for a fire station is proposed on 1.5-acres to meet emergency response and fire suppression demand in Harmony and the surrounding area. It has been strategically located to serve the entire community as well as provide emerging back-up service to nearby rural areas. An 8.3-acre site adjacent to a 5-acre park is planned for a public elementary school. The park is proposed to be joint-use so that students and community at large will benefit. The Specific Plan directs the developer to collaborate with the school district in the planning of school facilities. In addition to this traditional educational facility, the Specific Plan also calls for nature and agricultural education through a series of interpretive signs along the trail network and at the Santa Ana River woolly star set aside area. Additional public facilities, such as water storage, are identified in Exhibit 4-1, "Community Plan."

Infrastructure improvements are proposed to adequately serve the types and amount of development described in the Specific Plan. The stormwater management system generally consists of inlets, outlets, underground conduits, and soft-bottom channels to collect, convey, and deliver storm flows in accordance with City of Highland requirements to prevent flooding. The Specific Plan includes requirements for drainage plan approval, including a detailed Runoff Management Plan, and compliance with the latest County of San Bernardino MS4 permit.

12.5 CONSERVATION AND OPEN SPACE

12.5.1 Goals

Goal 5.1 – Preserve, maintain and create views and vistas throughout the community to enhance the visual experience of Highland.

Goal 5.2 – Achieve an orderly transition from agricultural uses to low-density residential/equestrian uses.

Goal 5.5 – Continue to reduce urban runoff.

Goal 5.7 – Maintain, protect and preserve biologically significant habitats, including riparian areas, woodlands and other areas of natural significance.

Goal 5.10 – Maintain a high-quality system of parks that meet the needs of all segments of the community.

Goal 5.11 – Provide excellent opportunities and facilities for hiking, equestrian and bicycle use through the Multi-Use Trail Master Plan.

12.5.2 Specific Plan Response

Highland's location in the foothills of the San Bernardino Mountains offers residents spectacular views each day. Views of the mountains and other scenic open spaces are assets to the City of Highland and the Harmony community and, as such, should be protected. Neighborhood design principles include promoting and framing the natural vistas that the community has to offer. The neighborhood planning design guidelines call for careful building placement and street orientation to protect views and visual quality. The guidelines also state that where feasible, plotting and building placement shall consider views of the mountains, as well as creating vistas to Mill Creek and adjacent valleys. The landscape design guidelines include a section dedicated to views (9.9, View Preservation and Enhancement). Landscape planning for the community shall consider views into Harmony from surrounding areas, including the city below and the mountains above; internal views within the community; and views from the community into surrounding areas. The landscape guidelines provide several strategies to enhance view corridors through strategic plantings.

The transition from agricultural use to residential is managed by the provisions of the Harmony Specific Plan to ensure that development is orderly; adequately served by services, facilities, and infrastructure; and respects critical areas of natural resources. The Specific Plan was designed with sustainable principles in mind to reduce potential impacts. One of the goals of the Harmony Specific Plan is to incorporate sustainable features into all aspects of the community.

The project is also consistent with the City's goals for mitigating urban runoff. Harmony generally receives stormwater runoff from the foothills lying to the north and northeast. A conceptual drainage master plan has been prepared by RBF Consulting. Exhibit 5-6, "Drainage Master Plan," illustrates the drainage system planned to serve Harmony.

The Santa Ana River woolly star is the only federally and state listed plant species observed during biological resources monitoring of the Specific Plan area in April and June of 2011. Other sensitive species were observed in generally concentrated areas. The developable areas were generally sited to avoid sensitive habitat areas. However, several disturbed areas, primarily small wetlands, are planned to be replaced and maintained as mitigation onsite.

Parks within Harmony are planned to provide a range of activities and passive spaces to meet the needs of a diverse community. Approximately 834 acres of Harmony are reserved for parks, recreation, and open space combined. This represents over 50 percent of the entire community. Parkland alone includes 111 acres for both active and passive recreation. Active park amenities could include sports fields, ball courts, informal playing fields, playgrounds, tot lots, picnic and barbecue areas, a dog park, and restrooms and parking. Passive parks will focus on providing spaces for relaxing, walking, and appreciating scenic beauty. Children, adults, and seniors alike will have a great selection of recreation amenities to choose from.

Harmony's trail network will provide additional recreational opportunities for bicyclists, hikers, and equestrians. Various types of trails offer a wide range of experiences, from hiking/trekking equestrian trails trails in the natural areas to paved multi-use trails in urban areas. The Specific Plan states that trails in Harmony will connect to existing and planned trail systems where possible.

12.6 PUBLIC HEALTH AND SAFETY ELEMENT

12.6.1 Goals

Goal 6.1 – Minimize the risk to public health and safety and disruption to social, economic, and environmental welfare resulting from seismic and geologic activities.

Goal 6.3 – Reduce the risk to life and minimize physical injury, property damage, and public health hazards from the effects of a 100-year storm or 500-year storm and associated flooding.

Goal 6.5 – Protect life and property from wildland–urban interface fires.

12.6.2 Specific Plan Response

One of the goals of the Harmony Specific Plan is to develop a land use plan responding to the unique environmental conditions of the area. Geologic site constraints and fire hazards were considered during the land use planning process. The project is subject to the California Environmental Quality Act (CEQA), and therefore the accompanying Environmental Impact Report (EIR) identifies mitigation measures to address potentially significant impacts related to a host of environmental issues, including biological and seismic activities. Furthermore, several self-mitigating features are built into the Specific Plan for dealing with potential geologic issues. The conceptual grading plan for Harmony focuses on building on flatter terrain, preserving the steeper slopes for natural open space or agriculture. The Specific Plan requires a detailed geotechnical study to be performed prior to initial grading activities to analyze onsite soil conditions and slope stability.

Harmony is located on the wildland–urban interface, an area with unique fire protection needs. Fuel modification zones—landscape areas that reduce the threat of fire through vegetation and maintenance—are required in Harmony and are called Fire Protection Zones. The Specific Plan requires a 200-foot Fire Protection Zone on the northwest, north, northeast, and east perimeter exposures, as well as any slopes with a grade of 10 percent or more, and a 150-foot zone on the west, southwest, south, and southeast perimeter exposures and any slopes in those areas with a grade of 10 percent or more. The first 100 feet of a fuel modification area must be irrigated, and plantings must be selected from the master plant palette fuel modification list.

A Fire Protection Plan was prepared for Harmony and is on file at the City of Highland. The final fire mitigation measures will be confirmed with the City of Highland during the filing of tentative tract maps for development parcels. Development within Harmony will include an appropriate number of access points to each village to serve emergency personnel. Projects within each planning area are required to obtain approval from the City of Highland Fire Department.

The response to the goals of the Public Services and Facilities Element outlines the comprehensive plan for ensuring proper flood mitigation throughout Harmony. Additional information about drainage and runoff planning is provided in the response to the goals of the Conservation and Open Space Element.

12.7 NOISE ELEMENT

12.7.1 Goals

Goal 7.1 – Protect sensitive land uses and the citizens of Highland from annoying and excessive noise through diligent planning and regulation.

Goal 7.3 – Protect residents from the effects of "spill over" or nuisance noise.

12.7.2 Specific Plan Response

Performance standards for noise, vibration, light and glare, odors, and electromagnetic interference shall comply with the regulations of the City of Highland. Additional performance standards may be included in the project's covenants, conditions and restrictions. Construction and maintenance activities shall be limited to the times and noise levels allowed by the City of Highland.

Development within Harmony will include several features to reduce potential noise pollution. Buffer areas are proposed to physically separate land uses from one another and to shield noise, light, and other possible nuisances. In residential areas walls may exceed 6 feet in height for noise attenuation purposes, subject to an approved acoustical study.

12.8 HOUSING ELEMENT

12.8.1 Goals

Goal 8.2 – Facilitate the development of housing suitable for the diverse needs of current and future Highland residents.

Goal 8.3 – Identify land uses and available land resources available to provide a variety of housing types.

12.8.2 Specific Plan Response

The City of Highland 2006–2014 Housing Element does not rely upon the Harmony site to meet its lower or moderate income housing production goals. Rather, the Seven Oaks Dam Policy Area of which Harmony is a part is only referred to as a future land resource for housing. The site is currently zoned Planned Development, a designation that requires development to occur through a master planning process such as a specific plan. The Housing Element, adopted in 2011, acknowledges that the Planned Development designation allows for greater development potential than the low density buildout assumption provided in the General Plan Land Use Element. The Harmony Specific Plan requires a General Plan Amendment to reflect the new development potential and assumed density. Two goals of the Harmony Specific Plan directly relate to housing: to provide a range of housing to meet the needs of a variety of economic segments and to create traditional residential neighborhoods.

The Harmony Specific Plan provides the foundation for several high quality residential neighborhoods that could appeal to many different households, including seniors, families, and singles. The land use plan features the following types of homes: 81 Estate Residential, 1,630 Low Density Residential, 1,188 Medium Density Residential, 518 Medium High Density Residential, and 215 High Density Residential. The High Density designation is a minimum of 20.1 du/ac and allows up to 30 du/ac. A total of 3,632 new homes are proposed. Although the majority of the project is single-family, there is a range of product types that gives Harmony the potential to serve numerous segments of the Highland community. State law assumes that higher density housing, provided by right on sites that can accommodate at least 16 units, has the potential to be affordable to lower and moderate income households at the market rate (without financial assistance from the City or other public agency). Single-family attached and multifamily homes in Harmony could contribute to the City's efforts to identify adequate sites to meet the Regional Housing Needs Assessment in the next housing element, which has to be adopted and certified by October 2013, per state requirements.

12.9 ECONOMIC DEVELOPMENT ELEMENT

12.9.1 Goals

Goal 9.1 – Maintain a balance of land uses that generates consistent and sufficient revenue for public services now and in the future.

12.9.2 Specific Plan Response

One of the goals of the Harmony Specific Plan is to meet residential needs for commercial retail, community facilities, and public services. This includes providing appropriate growth and comprehensive planning of Neighborhood Commercial land uses accompanied by adequate infrastructure to serve Harmony residents. The Specific Plan includes a 5.7-acre retail and service village. Approximately 62,073 square feet of commercial space can be developed there, and an addition 8,712 square feet can be developed as part of the Agriculture Overlay in PA 66. Additional opportunities for commercial development are provided through the application of a Neighborhood Commercial overlay on an additional 15.9 acres of residential uses (with the potential for 163,350 more square feet of commercial space). The Harmony Specific Plan is an implementation tool for a community that incorporates a balance of land uses and is adequately served by public facilities, community services, and an internal and external circulation system.

12.10 COMMUNITY DESIGN ELEMENT

12.10.1 Goals

Goal 10.5 – Encourage the development of attractive, vibrant and convenient commercial centers through careful application of design policies and development standards.

Goal 10.10 – Guide the development of a variety of attractive, engaging and convenient public spaces, including plazas, pedestrian areas and recreational open space.

Goal 10.12 – Encourage development that is energy efficient and environmentally sustainable.

12.10.2 Specific Plan Response

A specific plan provides unique standards tailored to a specific site and a specific vision. One of the Harmony Specific Plan's goals is to create a strong community identity. The Specific Plan establishes unique development standards and design guidelines to ensure the aesthetic quality and appropriate scale of future Neighborhood Commercial development. The standards and guidelines created for commercial development in Harmony are intended to facilitate architectural compatibility between a variety of buildings and tenants. The guidelines are comprehensive, covering building orientation, visible edges, mechanical and functional equipment, massing and articulation, building entries, pedestrian access, architectural detailing, material and color use, landscaping, signage, bus shelters, walls and fences, and lighting. These and other standards for Harmony will create an aesthetically pleasing community identity with a distinct "sense of place" and internal community connectivity. Neighborhood Commercial uses are planned to provide convenient access for residents, thus becoming hubs of neighborhood activity.

The Specific Plan proposes several opportunities for public gathering spaces, primarily oriented around recreation. A network of roads, pedestrian paths, and multi-use trails will connect commercial centers to residential neighborhoods, recreational facilities, and open spaces. Potential attractive, engaging, and convenient public spaces include shopping center plazas, enhanced entries, courtyards, picnic areas, or even a farmer's market at the agriculture park (PA66). These types of spaces serve all segments of the population, from young to old, and create opportunities for social interaction. Public gathering spaces, whether in the Neighborhood Commercial area, residential neighborhoods, or at recreational facilities, foster a greater sense of community and therefore pride in living in Harmony and the City of Highland.

Environmental stewardship is a guiding principle of design for Harmony, in commercial areas and all other land use designations. The innovative water conservation and recycling programs in the Specific Plan are at the forefront of a sustainable approach to protecting this critical natural resource. Sustainable project design features include developing and refurbishing wells; integrating a new water treatment, storage, and distribution system; using recycled (non-potable) water for irrigating planted areas; development practices consistent with the California Green Building Code; reducing dependency on the automobile through the construction of alternative modes of travel; and reducing the use of nonpervious materials as much as possible. These features reflect two of the Harmony Specific Plan goals, to develop a land use plan responding to the unique environmental conditions of the area and to incorporate sustainable features into all aspects of the community.

ARCHITECTURAL STYLE SHEETS

Appendix A

AN INTRODUCTION TO ARCHITECTURAL STYLES

The Architectural Style Sheets provided in this section should be used in conjunction with the residential design guidelines in Section 7.0 to guide home design. The massing, character, and detailing of the architectural styles should be as genuine to the selected styles as possible. However, the style sheets should be used with flexibility to allow contemporary adaptations of traditional vernaculars. Architects and designers are encouraged to exercise creativity and individual expression in conceiving and interpreting architectural form.

Furthermore, architectural styles should be honest and appropriate for the building typology. Where feasible, the choice of architectural expression should be derived from the respective building typology (i.e. row towns, courtyard buildings, single family homes, etc.)

California in its essence has often been represented by a sense of possibility, an atmosphere realized by its unique confluence of people, lifestyles, and natural environments. This region is remarkable for its cultural diversity and climate, which in turn create numerous ways in which to live and flourish. Consistent with this theme has been the evolution of the region's architecture, which encompasses virtually every style and construction technique and reinterprets them into a built fabric specifically attuned to locale while still retaining the character of its origin.

Southern California residential neighborhoods of the 1920's and 1930's captured this aesthetic particularly well, translating a vital mix of people and ideas into an architecture of variety and comfort. These communities can be said to have no inherent style, but instead are interpreted through a number of disciplines to form residences both singular and appropriate to the area. This method of architectural expression can be loosely referred to as "revival," yet is perhaps more aptly described by its atmosphere, which is relaxed and casual. As a result, these areas manage to retain the romance of their stylistic roots yet remain relatively free of their basic cultural idioms.

Examples of this vernacular can be found throughout the Southland, from central Los Angeles to the foothills of Pasadena, and to farther outlying suburban reaches such as Claremont, Riverside, and Hollywood, which thrived during the early periods of the 20th century.

It is no coincidence then that we can find in these neighborhoods a true evocation of the Southern California aesthetic; one which represents creativity, diversity, imagination, and openness.

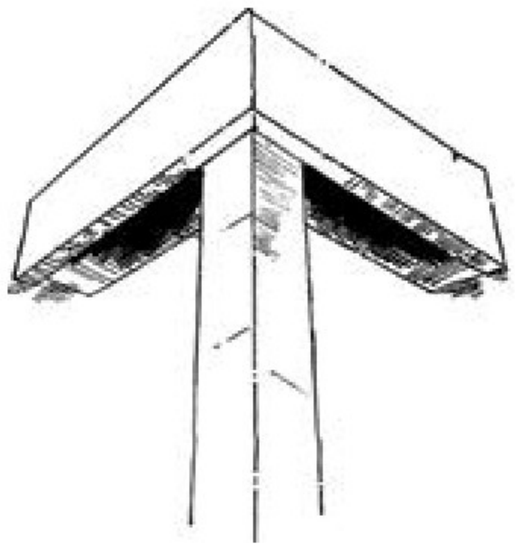
In an effort to meet the rising demand for purchasing single family homes, affordability by design is an important consideration for home builders in Harmony. Homes that feature simple structural forms such as building massing and roof forms will not only provide an aesthetically pleasing neighborhood but will also be economically feasible for the builder and buyer alike.

COTTAGE

Quaint and charming, the American Cottage has become the ideal image for small-scale residential living. Designed to appear small in stature, these cottages often include a steeply pitched gable roof element at the entry porch.

Goal

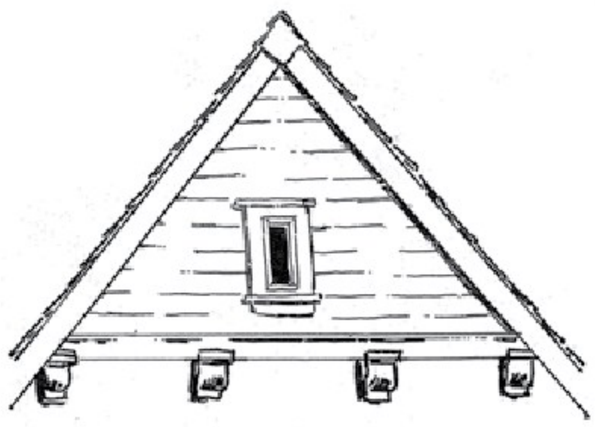
To craft a small, simple house that exudes charm while remaining true to the Cottage's past and present role in American residential architecture.



Simple Posts

Front Porch with Simple Railings

Front Gabled Massing



Gable End Detailing with Brackets

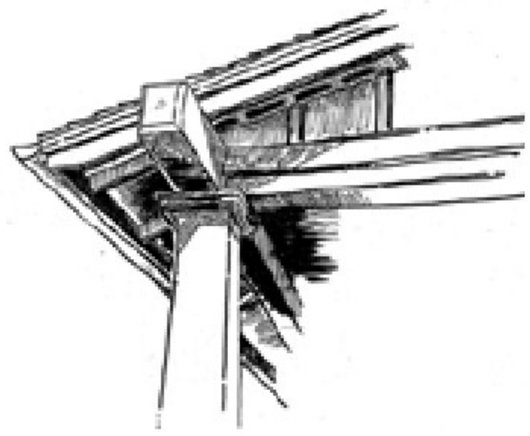
ELEMENTS	MINIMUM STANDARDS	ENCOURAGED ENHANCEMENTS
FORM	◦ *Simple plan form with prominent entry*	
ROOF	◦ *Front facing gable with intersecting gable* ◦ *6:12 to 8:12 primary roof pitch* ◦ *12" overhangs* ◦ *Architectural-grade composition, flat, or shake concrete tiles*	◦ *Simplified cornice returns*
WALLS	◦ *Stucco*	◦ *Siding accents*
WINDOWS	◦ *Window trim surrounds proportionate to window size* ◦ *Louvered shutters*	◦ *Single-hung windows*
DETAILS	◦ *Gable end detailing*	◦ *Gable end detailing with decorative brackets*

CRAFTSMAN

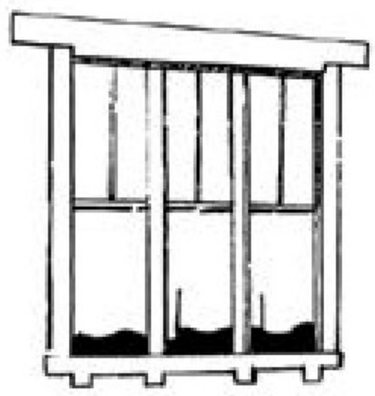
The Craftsman style was strongly influenced by the English Arts and Crafts movement. It is truly an American style which originated in Southern California, and spread across the country during the 1920's and '30's through pattern books and catalogues. Like the Bungalow, Craftsman architecture sought the elimination of superfluous ornamentation, creating beauty through the simplified lines and masses of the building itself.

Goal

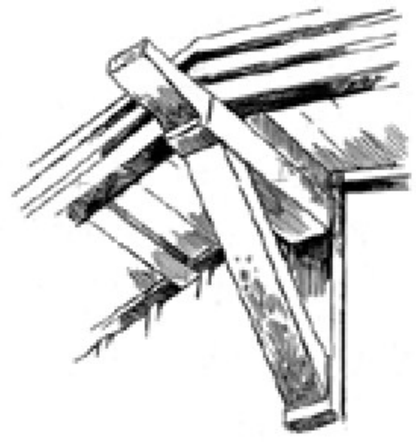
To emphasize a strong integration of the structure to the landscape through horizontal massing and the use of rustic materials and exposed roof and window details.



Overhangs



Ribbon Windows



Outlookers

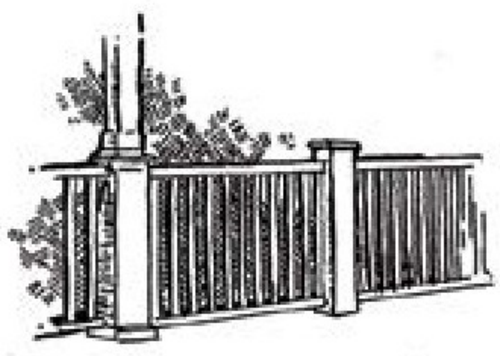
ELEMENTS	MINIMUM STANDARDS	ENCOURAGED ENHANCE-MENTS
FORM	◦ *Simple boxed massing with vertical and horizontal breaks* ◦ *Front porch integral to plan form*	◦ *Varied plan shapes*
ROOF	◦ *Basic side-to-side gable with cross gables* ◦ *4:12 to 5:12 roof pitch* ◦ *16" to 24" overhangs* ◦ *Flat concrete tiles*	◦ *Varied shed or gabled porch roofs* ◦ *16" to 36" overhangs* ◦ *Exposed rafter tails*
WALLS	◦ *Horizontal siding accents on elevations with prominent public visibility* ◦ *Stucco*	◦ *Stone base accents on walls and/or porch* ◦ *Stone and brick base accents* ◦ *Plain texture shingle siding, vertical, or horizontal siding*
WINDOWS	◦ *Windows with inserts on elevations with prominent and moderate public visibility* ◦ *Window trim surrounds with headers and sills proportionate to window size* ◦ *Windows used individually or grouped*	◦ *Ribbon windows, generally in groupings of three*
DETAILS	◦ *Outlookers at front gable* ◦ *Entry porches with heavy square columns or posts* ◦ *Shaped header trim at windows and doors* ◦ *Simple knee braces* ◦ *Lighting fixtures to complement style* ◦ *Entry door patterns should reflect architectural style of the building*	◦ *Porches with heavy square columns or posts on stone piers* ◦ *Tapered or battered columns* ◦ *Layered trims at doors and windows* ◦ *Decorative ridge beams and purlins* ◦ *Triangulated knee braces*

FARMHOUSE

The American Farmhouse represents a practical and picturesque country house. Its beginnings are traced to Colonial styles from New England and later the Mid-west. As railroads expanded across America's heartland, building materials became more readily available. In addition, technological advancements such as balloon framing made two-story house construction quicker and less expensive.

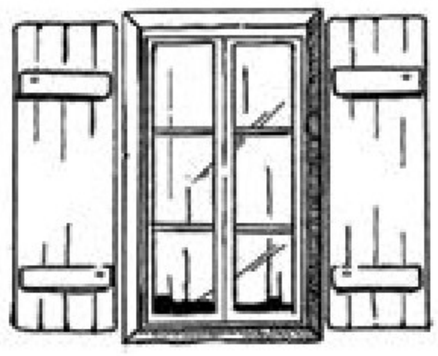
Goal

To develop an architectural style that blends the New England and Midwestern Farmhouse derivatives, combining a dominant front facing gable feature with two-story massing, and incorporating a front porch designed with simple brackets, posts, and railing.

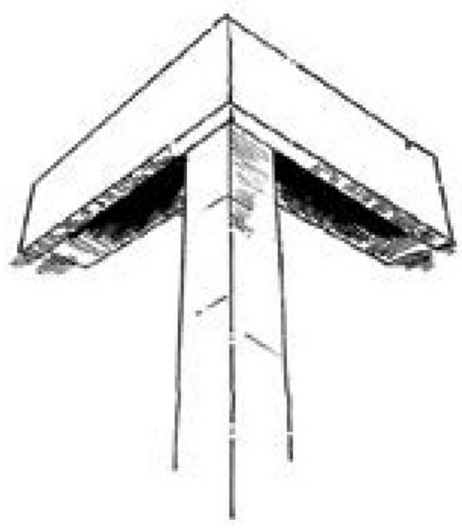


Simple Railings

Dormer Windows



Shutters



Square Posts

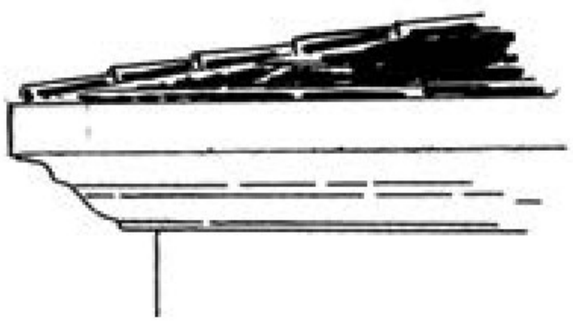
ELEMENTS	MINIMUM STANDARDS	ENCOURAGED ENHANCEMENTS
FORM	◦ *Simple plan form massing*	◦ *Dormers* ◦ *Front porch integral to plan form*
ROOF	◦ *Steep front-facing gable at front elevation with moderate cross gable* ◦ *5:12 to 7:12 primary roof pitch* ◦ *12" overhangs with open eaves* ◦ *Architectural grade composition or flat concrete tiles*	◦ *Main gable roof with one or two intersecting gable roofs* ◦ *Steeper secondary roof pitch* ◦ *12" to 18" overhangs with open eaves*
WALLS	◦ *Vertical or horizontal siding on elevations with prominent public visibility* ◦ *Stucco*	◦ *Vertical or horizontal siding on elevations with moderate public visibility* ◦ *Shingle accent materials*
WINDOWS	◦ *Windows with inserts on elevations with prominent and moderate public visibility* ◦ *Window trim surrounds proportionate to window size*	◦ *Bay windows* ◦ *Built up header trim at front windows* ◦ *Single hung windows at front elevation* ◦ *Enhanced sills or shutters*
DETAILS	◦ *Simple door trim surrounds proportionate to door size* ◦ *Lighting fixtures to complement style* ◦ *Entry door patterns should reflect architectural style of the building*	◦ *Porches with simple square wood-like posts and railings* ◦ *Shaped columns* ◦ *Layered header trims at front elevation* ◦ *Louvered vents*

ITALIANATE

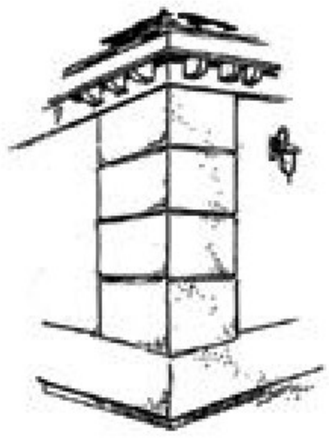
The Italianate style as interpreted and conceived by architects of the early 20th century adapted the grand formal elegance of the Italian Renaissance estate with a localized approach to detailing and scale. Composed primarily of stacked two-story forms, the front elevations of these homes display a distinct organization of windows and doors, with a centrally located, articulated entry. Key identifying features of this style include low-pitched hip roofs, decorative eave brackets, horizontal banding, round columns, and arched elements, particularly above rectangular windows. Awnings and wrought iron can also be used as architectural accents.

Goal

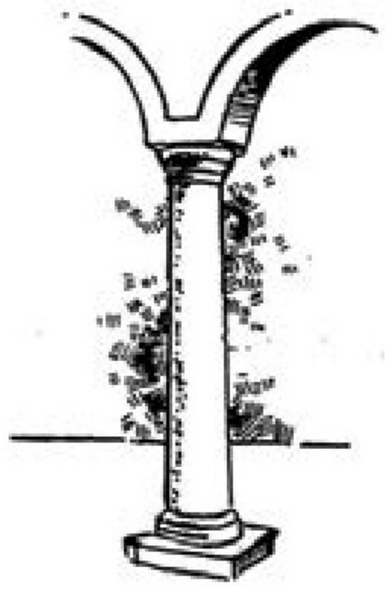
To maintain the symmetry and simplicity of the Italianate style through the restrained use of decorative ornamentation such as cornice details, sculpted sills, quoins, and capitals.



Stucco Cornice



Stacked Quoins



Columns

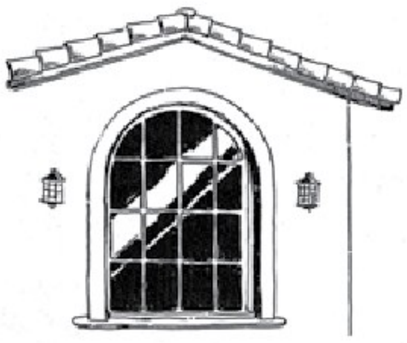
ELEMENTS	MINIMUM STANDARDS	ENCOURAGED ENHANCEMENTS
FORM	◦ *Stacked two-story massing*	◦ *Front courtyard*
ROOF	◦ *Main hip roof* ◦ *Low, 4:12 to 5:12 primary roof pitch* ◦ *12" to 16" overhangs with shaped stucco eaves* ◦ *'S'-shape concrete tiles*	◦ *Stucco cornice, closed eaves*
WALLS	◦ *Stucco*	◦ *Concrete or concrete-like stacked quoins on corners at the front elevation* ◦ *Horizontal banding*
WINDOWS	◦ *Vertical windows with inserts on elevations with prominent and moderate public visibility* ◦ *Feature windows with pre-cast or simulated pre-cast trim*	◦ *Panel shutters with hardware*
DETAILS	◦ *Entry door patterns to complement style* ◦ *Simple round or square stucco columns*	◦ *Arched recesses or curved windows above rectangular windows* ◦ *Shallow recessed windows (2")* ◦ *Windows ganged together*

MEDITERRANEAN

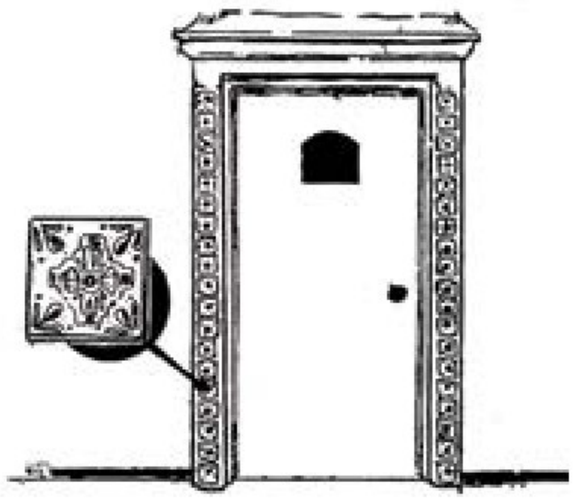
The use of recessed windows and doors, colorful stucco walls, and low-pitched, "S"-tiled roofs directly reflect this architectural style's response to the warm sun of the Mediterranean climate.

Goal

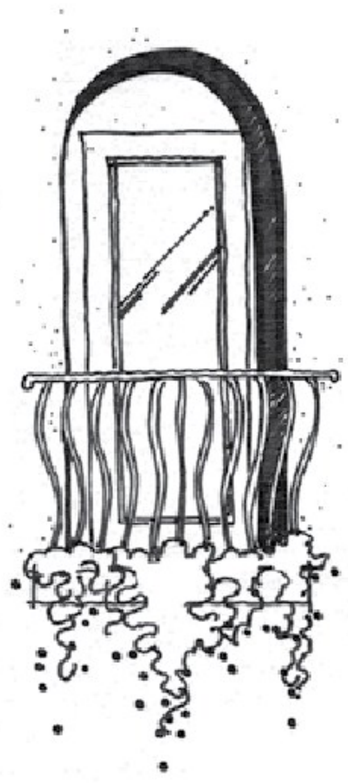
To create dynamic Mediterranean architecture through the use of style-appropriate design elements, blocky massing, and colorful stucco walls, while remaining complementary with the rest of the Mediterranean architectural style family.



Arched Windows



Decorative Tile



Arched Balcony

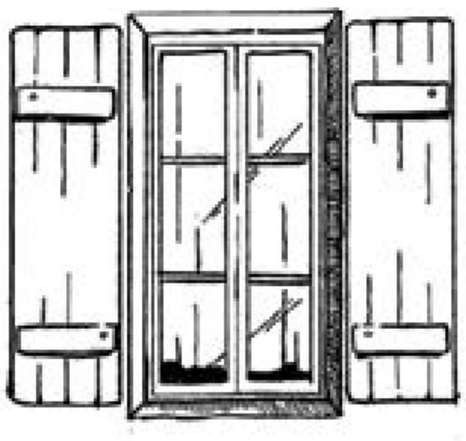
ELEMENTS	MINIMUM STANDARDS	ENCOURAGED ENHANCEMENTS
FORM	◦ *Simple massing* ◦ *Recessed front entry*	
ROOF	◦ *Low-pitched hip and gable roofs* ◦ *4:12 to 5:12 primary roof pitch* ◦ *16" to 24" overhangs* ◦ *"S"-shape concrete tiles*	◦ *Simplified cornice*
WALLS	◦ *Stucco*	◦ *Decorative tile surrounds*
WINDOWS	◦ *Arched recessed windows* ◦ *Window trim proportionate to window size*	◦ *Wood or wood-like window headers*
DETAILS	◦ *Arched elements* ◦ *Horizontal banding*	◦ *Balconies with wrought iron railings* ◦ *Round columns with capitals*

MONTEREY

The Monterey style emerged in the mid-nineteenth century when a Boston merchant, Thomas Larkin, came to Monterey, California. The original style combined the two-story New England colonial house with an Adobe brick exterior. Later, the Monterey style was merged with elements from the Spanish Eclectic and Colonial Revival styles. Regardless of this evolution, the defining feature of the Monterey style remained the same: a prominent second-floor balcony.

Goal

To successfully blend elements of Spanish Colonial materials and the New England massing by creating a unique architectural style that is easily identified by its rectilinear form, symmetrical massing, and substantial second-story balcony.



Board and Batten Shutters

Wide Balcony and Covered Porch

Pedimented Entry

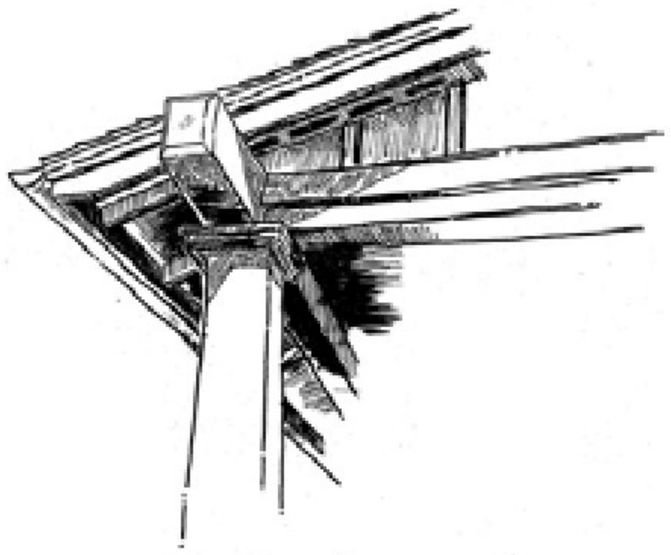
ELEMENTS	MINIMUM STANDARDS	ENCOURAGED ENHANCEMENTS
FORM	◦ *Rectilinear plan form* ◦ *Symmetrical* ◦ *Front balcony integral to plan form (could be cantilevered or with posts extending to the ground plane)*	◦ *Simple plan with one story break or gable* ◦ *Front-facing balcony over porch*
ROOF	◦ *3.5:12 to 5:12 primary roof pitch* ◦ *12" to 24" overhangs* ◦ *"S"-shape concrete or flat concrete tiles*	◦ *Main gable roof front to back with intersecting gable* ◦ *Shed roof break over balcony with 3:12 to 4:12 roof pitch* ◦ *Exposed rafter tails*
WALLS	◦ *Stucco*	◦ *Brick or slump block accents at base* ◦ *Vertical siding accents on second story*
WINDOWS	◦ *Windows with inserts on elevations with prominent and moderate public visibility* ◦ *Window trim surrounds proportionate to window size*	◦ *Enhanced window and door trim* ◦ *Recessed accent windows* ◦ *Layered trim at doors and windows* ◦ *Shutters on primary windows*
DETAILS	◦ *Wood or wood-like balcony with square posts and simple railing* ◦ *Entry door patterns should reflect architectural style of the building*	◦ *Brackets* ◦ *Pedimented entry or simple entry located under second story balcony* ◦ *Decorative wrought iron accents*

RANCH

Representing one of California's true vernacular styles, the Ranch style evolved from the large ranches developed by early Californians in the late nineteenth century when cattle raising was the principal occupation. In the mid-1930's, Cliff May began adapting the ranch house design and layout to the contemporary family lifestyle. His designs maintained much of the character of the early "ranchos" but incorporated contemporary materials, thus initiating the acceptance of the style in today's communities.

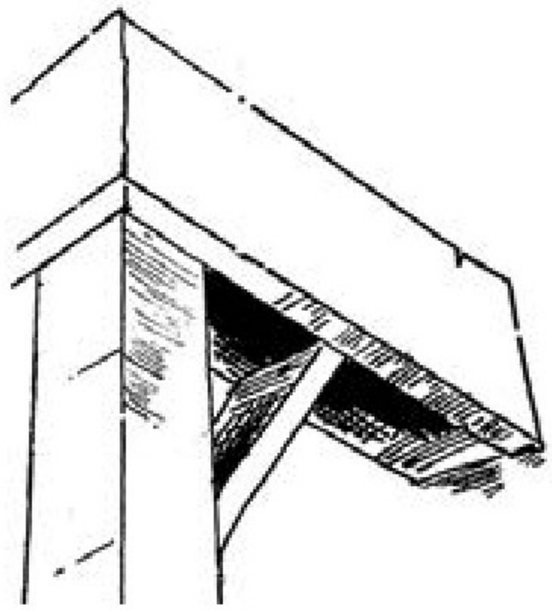
Goal

To design a home with a low-lying profile and horizontal building form, and provide a strong relationship of indoor and outdoor living spaces through front porch design.



Deep Eaves

Porch



Square Post with Simple Brackets

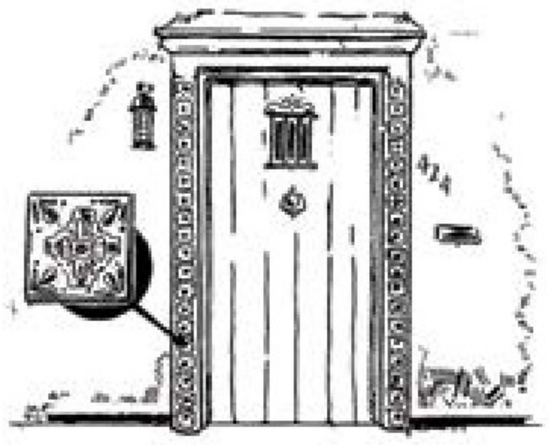
ELEMENTS	MINIMUM STANDARDS	ENCOURAGED ENHANCEMENTS
FORM	◦ *Horizontal profile arranged linearly and relating to outdoor spaces*	◦ *Some one story massing* ◦ *Roofed porte cochere integral with porch* ◦ *Front porch integral to plan form*
ROOF	◦ *Hip and gable roof forms* ◦ *4:12 to 5:12 primary roof pitch* ◦ *16" to 24" overhangs* ◦ *Flat concrete tiles*	◦ *Broken pitch over porch* ◦ *Roof dormers* ◦ *24" to 36" overhangs* ◦ *Exposed rafter tails in select areas*
WALLS	◦ *Vertical or horizontal siding accents on elevations with prominent public visibility* ◦ *Stucco*	◦ *Siding, stone or masonry elements* ◦ *Shingle siding used as an accent treatment*
WINDOWS	◦ *Windows with inserts on elevations with prominent and moderate public visibility* ◦ *Window trim surrounds proportionate to window size*	◦ *Focal or picture window at front elevation* ◦ *Shutters on primary windows* ◦ *Enhanced sills*
DETAILS	◦ *Simple square posts and brackets* ◦ *Surface mounted fixtures to complement architectural style* ◦ *Entry door patterns should reflect architectural style of the building*	◦ *Simple knee braces at porch and/or porte cochere* ◦ *Porches and verandas roofed or trellised with simple post and beam construction*

SANTA BARBARA

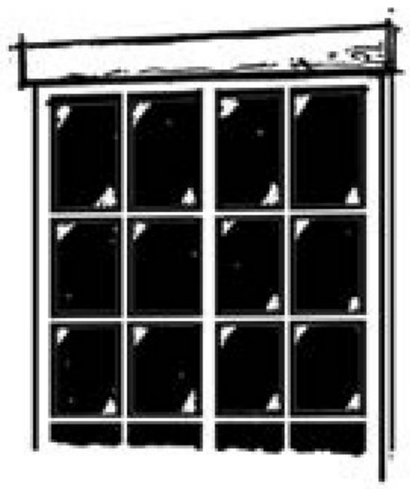
White-washed stucco walls are inherent to the Santa Barbara style, which also features boxy, simple forms, low-pitched gable roof form, and the use of wood and tile as accent details.

Goal

To distinguish the Santa Barbara style apart from other stucco-based styles in the California architectural family through the use of key design elements not found elsewhere.



Decorative Tile



Window Headers

Arches and Arcades

Balcony

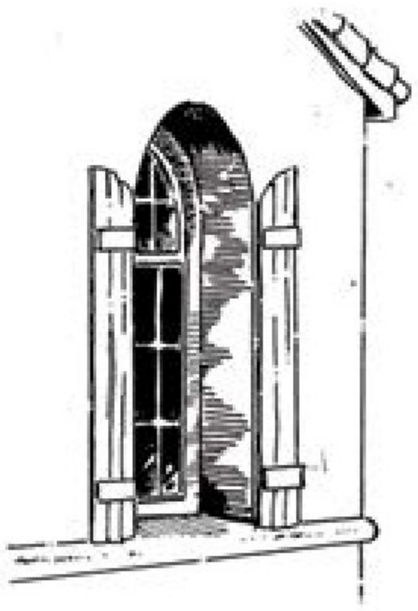
ELEMENTS	MINIMUM STANDARDS	ENCOURAGED ENHANCEMENTS
FORM	◦ *Boxy, simple massing* ◦ *One- and two-story stacked elements* ◦ *Recessed entry or covered porch*	
ROOF	◦ *Hip or intersecting gable roof* ◦ *3.5:12 to 5:12 primary roof pitch* ◦ *0" to 12" overhang* ◦ *"S"-shape concrete tiles* ◦ *Minimal breaks in roof form*	◦ *Semi-tight rake at gable ends*
WALLS	◦ *Stucco*	
WINDOWS	◦ *Vertical windows with inserts on elevations with prominent and moderate public visibility*	◦ *Wood or wood-like window headers* ◦ *Focal window* ◦ *Accent shallow recessed windows (2")*
DETAILS	◦ *Simple door trim* ◦ *Arches and arcades* ◦ *Decorative wrought iron accent details*	◦ *Decorative tiles* ◦ *Exposed wood or wood-like beams*

SPANISH COLONIAL

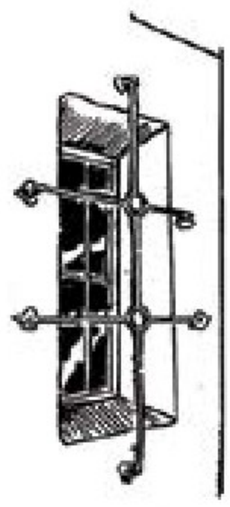
Because of the rich Spanish heritage of the early California settlers, along with the mild Mediterranean climate of the area, the Spanish Colonial style of architecture was very popular in Southern California during the early twentieth century. It is a style which uses decorative details borrowed from historic Spanish architecture. This architectural style lends itself well to the temperate California climate.

Goal

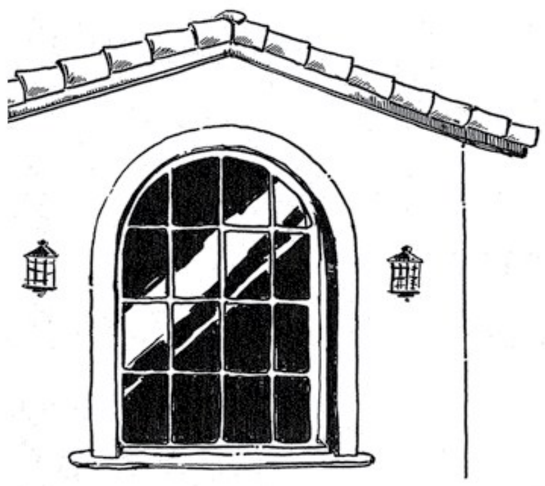
To uphold the charm of the Spanish Colonial style through informal plan forms and simply detailed elevations, including an identifiable feature window on the front elevation, as well as the use of arches, and other historic Spanish vernacular elements.



Shallow Recessed Window



Decorative Wrought Iron



Feature Window

ELEMENTS	MINIMUM STANDARDS	ENCOURAGED ENHANCEMENTS
FORM	◦ *One- and two-story massing*	◦ *Two-story massing with one-story element*
ROOF	◦ *Simple hip or gable roof intersecting gable* ◦ *3.5:12 to 5:12 primary roof pitch* ◦ *0" to 12" overhang with tight rake on gable ends* ◦ *"S"-shape concrete tiles*	◦ *Shed roof over porch* ◦ *Shaped rafter tails at feature areas* ◦ *Barrel or Mission style concrete tiles*
WALLS	◦ *Stucco*	
WINDOWS	◦ *Windows with inserts on elevations with prominent and moderate public visibility* ◦ *Window trim surrounds proportionate to window size* ◦ *Shutters on primary windows*	◦ *Feature window on front elevation* ◦ *Shallow recessed window (2")* ◦ *Single or grouped round top windows*
DETAILS	◦ *Pipe vents* ◦ *Arched column porches* ◦ *Simple door trim proportionate to door size* ◦ *Entry door patterns should reflect architectural style of the building*	◦ *Wrought iron or wood-like balconies* ◦ *Decorative wrought iron accent details* ◦ *Decorative tile* ◦ *Stucco or decorative vents* ◦ *Front courtyards or enclosed patios* ◦ *Round or octagonal feature at corner entries* ◦ *Sculptured wing walls*

HARMONY SPECIFIC PLAN DEVELOPMENT AGREEMENT

Appendix B