

Fiscal Impact Analysis of Park & Lee City of Falls Church, Virginia

Prepared for NVUrban | May 3, 2018



TABLE OF CONTENTS

STUDY OBJECTIVE AND KEY FINDINGS.....1

ASSUMPTIONS AND METHODOLOGY3

 Revenues 3

 Real Property Tax Revenues and RCLCO’s Pricing Analysis..... 3

 Personal Property Tax Revenues..... 3

 Sales and Meals Taxes..... 3

 BPOL Tax 4

 Recordation Tax..... 4

 Other Licenses and Permits 4

 Miscellaneous Revenues 4

 Expenditures..... 4

 Operating Expenditures 4

 Student Generation Rates..... 5

GENERAL LIMITING CONDITIONS.....6

CRITICAL ASSUMPTIONS.....7

APPENDIX: SUPPORTING EXHIBITS.....8

STUDY OBJECTIVE AND KEY FINDINGS

NVUrban ("Client") engaged RCLCO (Robert Charles Lesser & Co.), a national real estate advisory firm based in Bethesda, Maryland, to analyze the fiscal impact on the City of Falls Church, Virginia, of its proposed development, Park & Lee. Assuming the property is rezoned according to the Client's application, the revised development program would consist of 4,000 square feet of retail and 68 condominium units. Four of the condominium units will be affordable dwelling units. We have assumed that the retail-type space will be occupied by service providers and will therefore not generate any sales or meals taxes. RCLCO analyzed the fiscal impact of this revised development program for the site under the proposed rezoning.

Between 2018 and 2037, the typical 20-year time period for which RCLCO conducts fiscal impact analyses, RCLCO estimates that the property will generate tax revenues of approximately \$13.57 million against operating expenditures of \$5.03 million, resulting in a positive net fiscal operating impact of \$8.55 million. (See Figure 1 and Exhibit 1.) Exhibit 2 shows the total revenues and expenditures and net fiscal impact by year, as well as the cumulative net fiscal impact. Exhibit 3 graphs the cumulative net fiscal impact.

Without taking account of inflation or the fiscal benefits from construction, the annual gross fiscal impact after stabilization of the development will be \$579,000 and the annual net fiscal impact will be \$361,000.

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Summary of Fiscal Impact Analysis
Park & Lee, 2018-2037

Figure 1

City of Falls Church		
ESTIMATED REVENUES		DISTRIBUTION
Real Property Tax	\$11,436,000	84%
Personal Property Tax	\$785,000	6%
Sales Tax	\$56,000	0%
Meals Tax	\$51,000	0%
BPOL Tax	\$173,000	1%
Licenses and Permits	\$133,000	1%
Recordation Tax	\$125,000	1%
Miscellaneous Revenues	\$814,000	6%
Total	\$13,574,000	100%
ESTIMATED EXPENDITURES		
Total Expenditures	\$5,029,000	
Net Fiscal Impact	\$8,545,000	

ASSUMPTIONS AND METHODOLOGY

All of the assumptions are shown on Exhibit 4 and discussed below.

Revenues

Real Property Tax Revenues and RCLCO's Pricing Analysis

RCLCO determined the site's land value from the City of Falls Church Property Assessment database. RCLCO estimated the sale prices and assessed values for the various types of condo units planned for the site based on the pricing analysis shown in Exhibits 9 and 10. We began with resale prices in 2016 and 2017 and unit sizes for condominium units at three Falls Church condo developments: Spectrum (built in 2008), Byron (built in 2006), and Broadway (built in 2004). We conducted a regression analysis to determine what the prices would have been for the unit sizes planned for Park & Lee if they were priced directly in line with resale prices at the older developments (see Exhibit 9). We then evaluated three situations where similar product was built recently in one development and in the last cycle in a nearby development (see Exhibit 10). Based on recent sales prices at these six developments, we calculated that the premiums for the new developments relative to the older developments were 25.8%, 38.2%, and 47.8%. To be conservative, we applied only a 20% premium to the prices derived from the regression analysis based on the older Falls Church condos.

The current assessed value of the land is included until the development is assumed to be completed, but no credit has been taken for other taxes on the existing development. The city's tax rate of \$1.330 per \$100 in assessed value was applied to the estimated assessed value to estimate the real property tax in each year. The proposed development was assumed to come on line by 2021.

Personal Property Tax Revenues

RCLCO estimated that each household in the city pays, on average, \$334 per person per year in personal property tax. RCLCO also estimated that businesses pay, on average, \$79 per employee in personal property tax. Annual tax revenues were calculated by multiplying the annual estimated population and employment by the appropriate factors, which were assumed to increase by 2.5% annually.

Sales and Meals Taxes

RCLCO estimated the generation of sales taxes from retail spending by residents in the city. RCLCO determined annual household retail spending from the BLS Consumer Expenditure Survey, with 25% of retail spending and 20% of restaurant spending estimated to be in the city. The estimates of annual taxable retail sales in the city were multiplied by the city sales tax rate of 1% to determine the actual sales tax receipts, and the restaurant sales were also multiplied by the 4% meals tax rate. Retail sales were assumed to increase at the 2.5% rate of inflation every year.

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BPOL Tax

RCLCO assumed BPOL tax generation from three sources. The first is receipts of contractors involved in the construction of the project. RCLCO estimated construction costs based on typical construction costs. The BPOL tax rate of \$0.16 per \$100 of gross receipts was applied to the estimate of construction costs. The second source is retail sales receipts in the city generated by residents. The total receipts amount is assumed to equal the amount estimated for purposes of the sales tax calculation described above. The BPOL tax rate of \$0.19 per \$100 in gross receipts was applied to these receipts. Finally, we estimated that retail-type space would generate gross receipts of \$375 per square foot and would pay BPOL taxes at the repair and personal services rate of \$0.36 per \$100 in gross receipts.

Recordation Tax

RCLCO took account of recordation taxes that would be generated from the original sales and resales of condominium units.

Other Licenses and Permits

Anticipated licenses and permit payments other than BPOL were estimated by RCLCO based on experience with other developments.

Miscellaneous Revenues

To forecast miscellaneous revenues, which include a variety of revenue items, such as utility taxes, cigarette taxes, charges for services, and fines and forfeitures, RCLCO typically identifies the total amount collected in a given year and estimates the portion of those revenues that are likely attributable to workers in the city and the portion attributable to residents. On that basis, an average amount of miscellaneous revenue per resident and per worker can be calculated. RCLCO followed a similar approach for this report. Details are shown on Exhibit 6. RCLCO relied on the city fiscal impact model for assumptions regarding residents per condo unit. Miscellaneous revenues were assumed to increase by 2.5% per year.

Expenditures

Operating Expenditures

The estimation of operating expenditures follows a similar methodology to that of miscellaneous revenues. The total city general fund expenditures, as shown in the FY 2018 budget, that were judged to vary with new development were divided among the estimated number of residents, employees, and students in the city to arrive at average expenditure estimates per resident, per employee, and per student. To be conservative, we assumed that the entire school

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budget is allocated on a per-student basis, even though in reality a certain portion of the school budget does not vary by the number of students. Details are shown on Exhibit 7. RCLCO relied on the city fiscal impact model for assumptions regarding residents per condo unit. RCLCO estimated the number of students per unit as discussed in the following section. Average operating expenditures per resident, per employee, and per student were assumed to increase by 2.5% per year.

Student Generation Rates

RCLCO applied student generation rates by number of bedrooms (including accounting for dens), based on the newer condo developments in the city, as shown on Exhibit 8. Using these rates and the unit mix planned for the development, the pupil generation rate at Park & Lee will be 0.103, or seven students.

* * * * *

This engagement was conducted by Leonard Bogorad, Managing Director. If you have any questions regarding the conclusions and recommendations included herein, or wish to learn about other RCLCO advisory services, please call (240) 644-1300.

GENERAL LIMITING CONDITIONS

Reasonable efforts have been made to ensure that the data contained in this study reflect accurate and timely information and are believed to be reliable. This study is based on estimates, assumptions, and other information developed by RCLCO from its independent research effort, general knowledge of the industry, and consultations with the client and its representatives. No responsibility is assumed for inaccuracies in reporting by the client, its agent, and representatives or in any other data source used in preparing or presenting this study. This report is based on information that to our knowledge was current as of the date of this report, and RCLCO has not undertaken any update of its research effort since such date.

Our report may contain prospective financial information, estimates, or opinions that represent our view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by RCLCO that any of the projected values or results contained in this study will be achieved.

Possession of this study does not carry with it the right of publication thereof or to use the name of "Robert Charles Lesser & Co." or "RCLCO" in any manner without first obtaining the prior written consent of RCLCO. No abstracting, excerpting, or summarization of this study may be made without first obtaining the prior written consent of RCLCO. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the client without first obtaining the prior written consent of RCLCO. This study may not be used for any purpose other than that for which it is prepared or for which prior written consent has first been obtained from RCLCO.

CRITICAL ASSUMPTIONS

Our conclusions are based on our analysis of the information available from our own sources and from the client as of the date of this report. We assume that the information is correct, complete, and reliable.

We made certain assumptions about the future performance of the global, national, and local economy and real estate market, and on other factors similarly outside either our control or that of the client. We analyzed trends and the information available to us in drawing these conclusions. However, given the fluid and dynamic nature of the economy and real estate markets, as well as the uncertainty surrounding particularly the near-term future, it is critical to monitor the economy and markets continuously and to revisit the aforementioned conclusions periodically to ensure that they are reflective of changing market conditions.

We assume that the economy and real estate markets will grow at a stable and moderate rate to 2020 and beyond. However, stable and moderate growth patterns are historically not sustainable over extended periods of time, the economy is cyclical, and real estate markets are typically highly sensitive to business cycles. Further, it is very difficult to predict when an economic and real estate upturn will end.

With the above in mind, we assume that the long term average absorption rates and price changes will be as projected, realizing that most of the time performance will be either above or below said average rates.

Our analysis does not consider the potential impact of future economic shocks on the national and/or local economy, and does not consider the potential benefits from major "booms" that may occur. Similarly, the analysis does not reflect the residual impact on the real estate market and the competitive environment of such a shock or boom. Also, it is important to note that it is difficult to predict changing consumer and market psychology.

As such, we recommend the close monitoring of the economy and the marketplace, and updating this analysis as appropriate.

Further, the project and investment economics should be "stress tested" to ensure that potential fluctuations in revenue and cost assumptions resulting from alternative scenarios regarding the economy and real estate market conditions will not cause failure.

In addition, we assume that the following will occur in accordance with current expectations:

- Economic, employment, and household growth.
- Other forecasts of trends and demographic and economic patterns, including consumer confidence levels.
- The cost of development and construction.
- Tax laws (i.e., property and income tax rates, deductibility of mortgage interest, and so forth).
- Availability and cost of capital and mortgage financing for real estate developers, owners and buyers.
- Competitive projects will be developed as planned (active and future) and that a reasonable stream of supply offerings will satisfy real estate demand.
- Major public works projects occur and are completed as planned.

Should any of the above change, this analysis should be updated, with the conclusions reviewed accordingly (and possibly revised).

APPENDIX: SUPPORTING EXHIBITS

LIST OF EXHIBITS

<i>Exhibit 1</i>	Net Fiscal Impact Summary; Park & Lee; 2018-2037
<i>Exhibit 2</i>	Total Revenues and Expenditures by Year; Park and Lee; 2018-2037
<i>Exhibit 3</i>	Cumulative Net Fiscal Impact; Park & Lee; 2018-2037
<i>Exhibit 4</i>	Assumptions; Falls Church, Virginia; 2017
<i>Exhibit 5</i>	Fiscal Impact Analysis – Broad & Washington; City of Falls Church; 2017-2036
<i>Exhibit 6</i>	Allocation of City Revenues - General Fund; Falls Church, Virginia
<i>Exhibit 7</i>	Allocation of City Expenditures; Falls Church, Virginia
<i>Exhibit 8</i>	Calculation of Student Generation Rates; City of Falls Church, Virginia
<i>Exhibit 9</i>	Condominium Sales and Pricing Analysis; Falls Church, VA; July 2017
<i>Exhibit 10</i>	Age Adjustment Analysis; Falls Church, VA; July 2017

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Exhibit 1

**NET FISCAL IMPACT SUMMARY
PARK & LEE
2018-2037**

City of Falls Church		
ESTIMATED REVENUES		DISTRIBUTION
Real Property Tax	\$11,436,000	84%
Personal Property Tax	\$785,000	6%
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Total	\$13,574,000	100%
ESTIMATED EXPENDITURES		
Total Expenditures	\$5,029,000	
Net Fiscal Impact	\$8,545,000	

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Exhibit 2

**TOTAL REVENUES AND EXPENDITURES BY YEAR
PARK AND LEE
2018-2037**

	Total Revenues	Total Expenditures	Net Fiscal Impact	Cumulative Net Fiscal Impact
2018	\$30,000	\$0	\$30,000	\$30,000
2019	\$147,000	\$0	\$147,000	\$177,000
2020	\$42,000	\$0	\$42,000	\$219,000
2021	\$675,000	\$241,000	\$434,000	\$653,000
2022	\$654,000	\$247,000	\$407,000	\$1,060,000
2023	\$671,000	\$253,000	\$417,000	\$1,477,000
2024	\$687,000	\$260,000	\$428,000	\$1,905,000
2025	\$705,000	\$266,000	\$439,000	\$2,344,000
2026	\$722,000	\$273,000	\$450,000	\$2,793,000
2027	\$740,000	\$280,000	\$461,000	\$3,254,000
2028	\$759,000	\$286,000	\$472,000	\$3,726,000
2029	\$778,000	\$294,000	\$484,000	\$4,210,000
2030	\$797,000	\$301,000	\$496,000	\$4,707,000
2031	\$817,000	\$309,000	\$509,000	\$5,215,000
2032	\$838,000	\$316,000	\$521,000	\$5,736,000
2033	\$858,000	\$324,000	\$534,000	\$6,271,000
2034	\$880,000	\$332,000	\$548,000	\$6,818,000
2035	\$902,000	\$341,000	\$561,000	\$7,380,000
2036	\$924,000	\$349,000	\$575,000	\$7,955,000
2037	\$948,000	\$358,000	\$590,000	\$8,545,000
TOTAL	\$13,574,000	\$5,029,000	\$8,545,000	\$8,545,000

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Exhibit 3

CUMULATIVE NET FISCAL IMPACT PARK & LEE 2018-2037

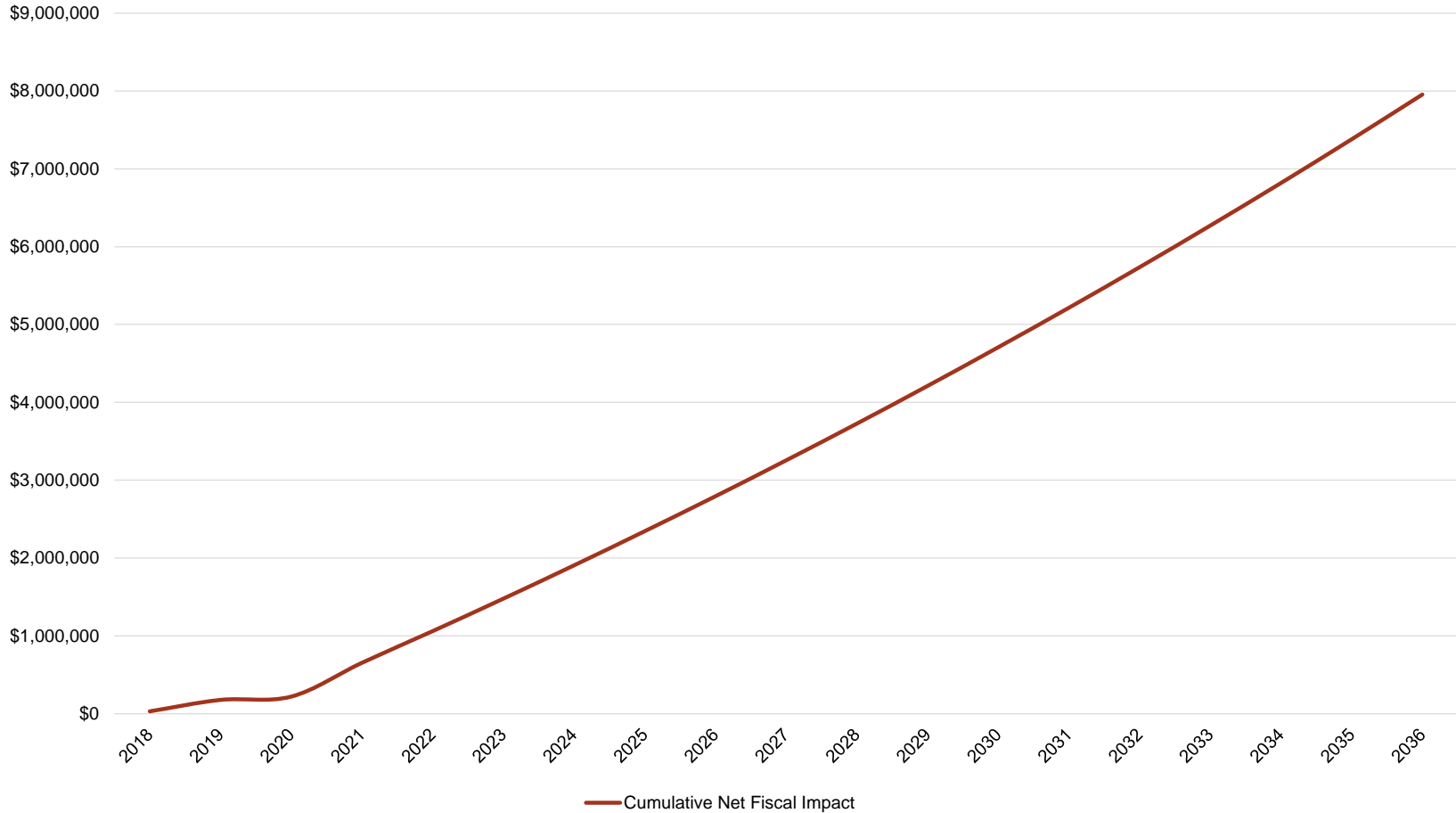


Exhibit 4

ASSUMPTIONS FALLS CHURCH, VIRGINIA 2017

ASSUMPTION		SOURCE	DEVELOPMENT PROGRAM		SOURCE
Inflation Rate	2.5%	RCLCO			
Real Property Taxes			Avg. Price per Unit Incl. Options		
Real Property Tax Rate	\$1.330 per \$100 AV	Falls Church Tax Rate eff. Jan. 1, 2018	Residential Units		
Site's Current Assessed Land Value	\$1,599,500	Assessment Database	Studio	0	
Est. Property Value per Unit	\$520,240	RCLCO	1-BR	0	
Personal Property Taxes			1-BR Den	12	\$419,000
Personal Property Tax Rate	\$5.00 per \$100 AV	Falls Church FY 2018 Tax Rates	2-BR	43	\$547,419 incl 4 ADU
			2-BR Den	0	
			3-BR	13	\$661,000
			Total	68	\$546,471 Client and RCLCO
			Assessed Value per Unit	\$520,240	95.20% Condo assessment ratio
			Stabilized Occupancy	99%	calculated by RCLCO
			Total Restaurant/Retail:	4,000 SF	Rent per SF
			Restaurant	0 SF	\$45 Client
			Other Retail	4,000 SF	\$40 Client's Brokers
			Grocery	0 SF	\$27 Client
			Office	0 SF	\$29 Client
			Retail Avg. Assessed Value per SF	\$435	City Model
			Office Avg. Assessed Value per SF		City Model
			Hard Construction Cost	\$12,000,000	RCLCO
			Grocery Sales per SF	\$0	
			Other Retail Sales per SF	\$375	City Model
			Restaurant Sales per SF		
			FTE Grocery Employees	0	
			SF/FTE Rest./Other Retail Empl.	350	City Model
			SF/FTE Office Empl.	256	City Model
			Meals as % of Grocery Sales	0%	Client
			Licenses & Permits		Client
				2017	\$0
				2018	\$8,000
				2019	\$125,000
			Recordation Tax		
			Recordation Tax, Effective Rate		0.200%
			Recordation Tax: Deeds		0.133%
			Recordation Tax: Mortgages		0.083%
			Average Down Payment		20.00%
			Annual Turnover	3% turnover/yr	ACS 2015 1 year data - Fairfax Owner Households
BPOL					
BPOL Tax Rate: Rental by Owner - Commercial	\$0.52 per \$100 Gross Receipts	Falls Church FY 2018 Tax Rates			
BPOL Tax Rate: Rental by Owner - Residential	\$0.38 per \$100 Gross Receipts	Falls Church FY 2018 Tax Rates			
BPOL Tax Rate: Repair & Personal Service	\$0.36 per \$100 Gross Receipts	Falls Church FY 2018 Tax Rates			
BPOL Tax Rate: Wholesale	\$0.08 per \$100 Gross Receipts	Falls Church FY 2018 Tax Rates			
BPOL Tax Rate: Public Utilities	\$0.50 per \$100 Gross Receipts	Falls Church FY 2018 Tax Rates			
BPOL Tax Rate: Professional Services	\$0.52 per \$100 Gross Receipts	Falls Church FY 2018 Tax Rates			
BPOL Tax Rate: Retail Sales	\$0.19 per \$100 Gross Receipts	Falls Church FY 2018 Tax Rates			
BPOL Tax Rate: Contracting Services	\$0.16 per \$100 Gross Receipts	Falls Church FY 2018 Tax Rates			
BPOL Tax Rate: Specialized Occupations	\$0.36 per \$100 Gross Receipts	Falls Church FY 2018 Tax Rates			
State/Shared Tax					
Sales and Use Tax	1.00%	Falls Church FY 2018 Tax Rates			
Restaurant Food Tax	4.00%	Falls Church FY 2018 Tax Rates			
Misc. Revenues					
Per Resident (Excl. Personal Property Tax)	\$312	See Exhibit 6			
Per Employee (Excl. Personal Prop. Tax)	\$170	See Exhibit 6			
Operating Expenditures					
Per Resident	\$1,029	See Exhibit 7			
Per Employee	\$340	See Exhibit 7			
Persons per Unit (condos)					
Studios	1.00	City Model			
1-Bedrooms	1.00	City Model			
1-Bedroom Den	1.00	City Model			
2-Bedrooms	1.70	City Model			
2-Bedroom-Den	1.70	City Model			
3-Bedrooms	1.70	City Model			
Overall Persons per Unit	1.58	City Model			
Pupils per Unit					
Studios	0.000	See Exhibit 8 based on City Data			
1-Bedrooms	0.100	See Exhibit 8 based on City Data			
1-Bedroom Den	0.000	See Exhibit 8 based on City Data			
2-Bedrooms	0.124	See Exhibit 8 based on City Data			
2-Bedroom-Den	0.171	See Exhibit 8 based on City Data			
3-Bedrooms	0.125	See Exhibit 8 based on City Data			
Overall Avg. per Unit	0.103	Weighted Average			

Exhibit 5

FISCAL IMPACT ANALYSIS - BROAD & WASHINGTON CITY OF FALLS CHURCH 2017-2036

Year	Assumption	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Inflation	2.50%	1.000	1.000	1.025	1.051	1.077	1.104	1.131	1.160	1.189	1.218	1.249
Undeveloped Site Value	\$1,599,500	\$1,599,500	\$1,599,500	\$1,639,488	\$1,680,475	\$1,722,487	\$0	\$0	\$0	\$0	\$0	\$0
Avg. Value per Residential & Live Work Unit	\$520,240	\$520,240	\$520,240	\$533,246	\$546,577	\$560,242	\$574,248	\$588,604	\$603,319	\$618,402	\$633,862	\$649,708
Average Value per Retail SF	\$435	\$435	\$435	\$446	\$457	\$468	\$480	\$492	\$504	\$517	\$530	\$543
Average Value per Office SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Units	68	0	0	0	0	0	68	0	0	0	0	0
Cumulative Units	68	0	0	0	0	0	68	68	68	68	68	68
Unit Occupancy	Stabilized Occupancy 99%						99%	99%	99%	99%	99%	99%
Occupied Units		0	0	0	0	0	67	67	67	67	67	67
New Grocery	Square Feet 0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Grocery		0	0	0	0	0	0	0	0	0	0	0
New Restaurant	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative New Restaurant		0	0	0	0	0	0	0	0	0	0	0
New Other Retail	4,000	0	0	0	0	0	4,000	0	0	0	0	0
Cumulative Other Retail	4,000	0	0	0	0	0	4,000	4,000	4,000	4,000	4,000	4,000
New Office	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative New Office	0	0	0	0	0	0	0	0	0	0	0	0
Real Property Tax												
Total Assessed Real Property Value		\$1,599,500	\$1,599,500	\$1,639,488	\$1,680,475	\$1,722,487	\$40,969,472	\$41,993,709	\$43,043,552	\$44,119,641	\$45,222,632	\$46,353,198
Real Property Tax Revenue	\$1.330 per \$100 AV	\$21,273	\$21,273	\$21,805	\$22,350	\$22,909	\$544,894	\$558,516	\$572,479	\$586,791	\$601,461	\$616,498
Personal Property Tax												
Non-Resid. Personal Property Tax	\$79	\$0	\$0	\$0	\$0	\$0	\$1,001	\$1,027	\$1,052	\$1,078	\$1,105	\$1,133
Residential Personal Property Tax	\$334 per Resident	\$0	\$0	\$0	\$0	\$0	\$39,496	\$40,483	\$41,495	\$42,533	\$43,596	\$44,686
Total Personal Property Tax		\$0	\$0	\$0	\$0	\$0	\$0	\$40,497	\$41,510	\$42,547	\$43,611	\$44,701
Sales and Meals Tax												
Est. Avg. HH Income of Residents	\$103,117	\$103,117	\$103,117	\$105,695	\$108,338	\$111,046	\$113,822	\$116,668	\$119,584	\$122,574	\$125,638	\$128,779
Res. Retail Spending as % of Income	17.5%	\$18,096	\$18,096	\$18,548	\$19,012	\$19,487	\$19,975	\$20,474	\$20,986	\$21,510	\$22,048	\$22,599
Total Retail Spending by Residents		\$0	\$0	\$0	\$0	\$0	\$1,344,687	\$1,378,304	\$1,412,762	\$1,448,081	\$1,484,283	\$1,521,390
Spending Off-site and in Falls Church	20%	\$0	\$0	\$0	\$0	\$0	\$268,937	\$275,661	\$282,552	\$289,616	\$296,857	\$304,278
Res. Restaurant Spending as % of Income	4.0%	\$4,139	\$4,139	\$4,243	\$4,349	\$4,457	\$4,569	\$4,683	\$4,800	\$4,920	\$5,043	\$5,169
Total Res. Restaurant Spending		\$0	\$0	\$0	\$0	\$0	\$307,580	\$315,269	\$323,151	\$331,230	\$339,511	\$347,998
Restaurant Spending in Falls Church	20%	\$0	\$0	\$0	\$0	\$0	\$61,516	\$63,054	\$64,630	\$66,246	\$67,902	\$69,600
Restaurant Tax Revenue	4%	\$0	\$0	\$0	\$0	\$0	\$2,461	\$2,522	\$2,585	\$2,650	\$2,716	\$2,784
Grocery Sales per SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grocery Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Retail Sales per SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retail Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Restaurant Sales per SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Restaurant Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxable Retail Sales		\$0	\$0	\$0	\$0	\$0	\$268,937	\$275,661	\$282,552	\$289,616	\$296,857	\$304,278
Total Taxable Restaurant Sales Incl. Groc@	25%	\$0	\$0	\$0	\$0	\$0	\$61,516	\$63,054	\$64,630	\$66,246	\$67,902	\$69,600
Total Sales Tax Revenue	Sales Tax Rate 1.00%	\$0	\$0	\$0	\$0	\$0	\$2,689	\$2,757	\$2,826	\$2,896	\$2,969	\$3,043
Total Meals Tax Revenue	4.00%	\$0	\$0	\$0	\$0	\$0	\$2,461	\$2,522	\$2,585	\$2,650	\$2,716	\$2,784

Exhibit 5

FISCAL IMPACT ANALYSIS - BROAD & WASHINGTON CITY OF FALLS CHURCH 2017-2036

Year	Assumption	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Inflation	2.50%	1.280	1.312	1.345	1.379	1.413	1.448	1.485	1.522	1.560	1.599	1.639
Undeveloped Site Value	\$1,599,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Avg. Value per Residential & Live Work Unit	\$520,240	\$665,951	\$682,600	\$699,665	\$717,157	\$735,086	\$753,463	\$772,299	\$791,607	\$811,397	\$831,682	\$852,474
Average Value per Retail SF	\$435	\$557	\$571	\$585	\$600	\$615	\$630	\$646	\$662	\$678	\$695	\$713
Average Value per Office SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
New Units	68	0	0	0	0	0	0	0	0	0	0	0
Cumulative Units	68	68	68	68	68	68	68	68	68	68	68	68
Unit Occupancy	Stabilized Occupancy 99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%	99%
Occupied Units		67	67	67	67	67	67	67	67	67	67	67
New Grocery	Square Feet 0	0	0	0	0	0	0	0	0	0	0	0
Cumulative Grocery		0	0	0	0	0	0	0	0	0	0	0
New Restaurant	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative New Restaurant		0	0	0	0	0	0	0	0	0	0	0
New Other Retail	4,000	0	0	0	0	0	0	0	0	0	0	0
Cumulative Other Retail	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
New Office	0	0	0	0	0	0	0	0	0	0	0	0
Cumulative New Office	0	0	0	0	0	0	0	0	0	0	0	0
Real Property Tax												
Total Assessed Real Property Value		\$47,512,028	\$48,699,828	\$49,917,324	\$51,165,257	\$52,444,388	\$53,755,498	\$55,099,386	\$56,476,870	\$57,888,792	\$59,336,012	\$60,819,412
Real Property Tax Revenue	\$1,330 per \$100 AV	\$631,910	\$647,708	\$663,900	\$680,498	\$697,510	\$714,948	\$732,822	\$751,142	\$769,921	\$789,169	\$808,898
Personal Property Tax												
Non-Resid. Personal Property Tax	\$79	\$1,161	\$1,190	\$1,220	\$1,251	\$1,282	\$1,314	\$1,347	\$1,381	\$1,415	\$1,450	\$1,487
Residential Personal Property Tax	\$334 per Resident	\$45,803	\$46,948	\$48,122	\$49,325	\$50,558	\$51,822	\$53,117	\$54,445	\$55,806	\$57,202	\$58,632
Total Personal Property Tax		\$45,819	\$46,964	\$48,138	\$49,342	\$50,575	\$51,840	\$53,136	\$54,464	\$55,826	\$57,221	\$58,652
Sales and Meals Tax												
Est. Avg. HH Income of Residents	\$103,117	\$131,999	\$135,299	\$138,681	\$142,148	\$145,702	\$149,345	\$153,078	\$156,905	\$160,828	\$164,849	\$168,970
Res. Retail Spending as % of Income	17.5%	\$23,164	\$23,743	\$24,337	\$24,945	\$25,569	\$26,208	\$26,864	\$27,535	\$28,224	\$28,929	\$29,652
Total Retail Spending by Residents		\$1,559,425	\$1,598,410	\$1,638,370	\$1,679,330	\$1,721,313	\$1,764,346	\$1,808,454	\$1,853,666	\$1,900,007	\$1,947,508	\$1,996,195
Spending Off-site and in Falls Church	20%	\$311,885	\$319,682	\$327,674	\$335,866	\$344,263	\$352,869	\$361,691	\$370,733	\$380,001	\$389,502	\$399,239
Res. Restaurant Spending as % of Income	4.0%	\$5,299	\$5,431	\$5,567	\$5,706	\$5,849	\$5,995	\$6,145	\$6,298	\$6,456	\$6,617	\$6,783
Total Res. Restaurant Spending		\$356,698	\$365,616	\$374,756	\$384,125	\$393,728	\$403,571	\$413,661	\$424,002	\$434,602	\$445,467	\$456,604
Restaurant Spending in Falls Church	20%	\$71,340	\$73,123	\$74,951	\$76,825	\$78,746	\$80,714	\$82,732	\$84,800	\$86,920	\$89,093	\$91,321
Restaurant Tax Revenue	4%	\$2,854	\$2,925	\$2,998	\$3,073	\$3,150	\$3,229	\$3,309	\$3,392	\$3,477	\$3,564	\$3,653
Grocery Sales per SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grocery Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Retail Sales per SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retail Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Restaurant Sales per SF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Restaurant Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxable Retail Sales		\$311,885	\$319,682	\$327,674	\$335,866	\$344,263	\$352,869	\$361,691	\$370,733	\$380,001	\$389,502	\$399,239
Total Taxable Restaurant Sales Incl. Groc@	25%	\$71,340	\$73,123	\$74,951	\$76,825	\$78,746	\$80,714	\$82,732	\$84,800	\$86,920	\$89,093	\$91,321
Total Sales Tax Revenue	Sales Tax Rate 1.00%	\$3,119	\$3,197	\$3,277	\$3,359	\$3,443	\$3,529	\$3,617	\$3,707	\$3,800	\$3,895	\$3,992
Total Meals Tax Revenue	4.00%	\$2,854	\$2,925	\$2,998	\$3,073	\$3,150	\$3,229	\$3,309	\$3,392	\$3,477	\$3,564	\$3,653

Exhibit 5

**FISCAL IMPACT ANALYSIS - BROAD & WASHINGTON
CITY OF FALLS CHURCH
2017-2036**

Year	Assumption	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
BPOL Tax												
Average Rental Rate per Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue (Gross Receipts)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BPOL Rate on Apartment Rental	\$0.38 per \$100 Gross Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grocery Rental Rate	\$27 per SF	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27
Retail Rental Rate	\$40 per SF	\$40	\$40	\$41	\$42	\$43	\$44	\$45	\$46	\$48	\$49	\$50
Office Rental Rate	\$29 per SF	\$29	\$29	\$30	\$30	\$31	\$32	\$33	\$34	\$34	\$35	\$36
Total Rental Revenue		\$0	\$0	\$0	\$0	\$0	\$176,610	\$181,025	\$185,551	\$190,190	\$194,944	\$199,818
BPOL Rate on Commercial Landlord Revenue	\$0.52 per \$100 Gross Receipts	\$0	\$0	\$0	\$0	\$0	\$918	\$941	\$965	\$989	\$1,014	\$1,039
Retail Spending in Falls Church		\$0	\$0	\$0	\$0	\$0	\$268,937	\$275,661	\$282,552	\$289,616	\$296,857	\$304,278
BPOL Rate on Retail Gross Receipts	\$0.19 per \$100 Gross Receipts	\$0	\$0	\$0	\$0	\$0	\$511	\$524	\$537	\$550	\$564	\$578
Services in Retail Space (SF)		0	0	0	0	0	4,000	4,000	4,000	4,000	4,000	4,000
Gross Receipts per SF	\$375	\$375	\$375	\$384	\$394	\$404	\$414	\$424	\$435	\$446	\$457	\$468
Taxable Gross Receipts		\$0	\$0	\$0	\$0	\$0	\$1,655,719	\$1,697,112	\$1,739,540	\$1,783,029	\$1,827,604	\$1,873,294
BPOL Rate on Personal Services	\$0.36 per \$100 Gross Receipts	\$0	\$0	\$0	\$0	\$0	\$5,961	\$6,110	\$6,262	\$6,419	\$6,579	\$6,744
Construction Cost	\$12,000,000	\$0	\$0	\$0	\$0	\$12,000,000	\$0	\$0	\$0	\$0	\$0	\$0
BPOL Rate on Building/Development	\$0.16 per \$100 Gross Receipts	\$0	\$0	\$0	\$0	\$19,200	\$0	\$0	\$0	\$0	\$0	\$0
Total BPOL Revenue	\$162,419	\$0	\$0	\$0	\$0	\$19,200	\$7,390	\$7,575	\$7,764	\$7,958	\$8,157	\$8,361
Licenses and Permits												
		\$0	\$8,000	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recordation Tax Revenues (For-Sale Residential Only, excluding clerk fees)												
Effective Recordation Tax Rate		0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
Total Value of New Construction		\$0	\$0	\$0	\$0	\$0	\$39,048,838	\$0	\$0	\$0	\$0	\$0
Total Value of Resale	3% turnover/yr						\$1,200,752	\$1,230,771	\$1,261,540	\$1,293,078	\$1,325,405	\$1,325,405
Total For Sale Value		\$0	\$0	\$0	\$0	\$0	\$39,048,838	\$1,200,752	\$1,230,771	\$1,261,540	\$1,293,078	\$1,325,405
Recordation Tax Revenues		\$0	\$0	\$0	\$0	\$0	\$78,074	\$2,401	\$2,461	\$2,522	\$2,585	\$2,650
Miscellaneous Revenues												
Per Resident	\$312	\$312	\$312	\$320	\$327	\$336	\$344	\$353	\$361	\$371	\$380	\$389
Per Employee	\$170	\$170	\$170	\$175	\$179	\$184	\$188	\$193	\$198	\$203	\$208	\$213
Residents	1.58 per Unit	0	0	0	0	0	107	107	107	107	107	107
Employees	350 Occ. SF per Emp.	0	0	0	0	0	11	11	11	11	11	11
Total Miscellaneous Revenues		\$0	\$0	\$0	\$0	\$0	\$39,036	\$40,012	\$41,012	\$42,038	\$43,089	\$44,166
Total Revenues by Source (2018-2037)												
Real Property Tax	\$11,436,131	\$21,273	\$21,273	\$21,805	\$22,350	\$22,909	\$544,894	\$558,516	\$572,479	\$586,791	\$601,461	\$616,498
Personal Property Tax	\$784,845	\$0	\$0	\$0	\$0	\$0	\$0	\$40,497	\$41,510	\$42,547	\$43,611	\$44,701
Sales Tax	\$56,113	\$0	\$0	\$0	\$0	\$0	\$2,689	\$2,757	\$2,826	\$2,896	\$2,969	\$3,043
Meals Tax	\$51,341	\$0	\$0	\$0	\$0	\$0	\$2,461	\$2,522	\$2,585	\$2,650	\$2,716	\$2,784
BPOL Tax	\$173,389	\$0	\$0	\$0	\$0	\$19,200	\$7,390	\$7,575	\$7,764	\$7,958	\$8,157	\$8,361
Recordation Tax	\$124,602	\$0	\$0	\$0	\$0	\$0	\$78,074	\$2,401	\$2,461	\$2,522	\$2,585	\$2,650
Licenses and Permits	\$133,000	\$0	\$0	\$8,000	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous Revenues	\$814,482	\$0	\$0	\$0	\$0	\$0	\$39,036	\$40,012	\$41,012	\$42,038	\$43,089	\$44,166

NVURBAN

Exhibit 5

FISCAL IMPACT ANALYSIS - BROAD & WASHINGTON CITY OF FALLS CHURCH 2017-2036

Year	Assumption	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
BPOL Tax												
Average Rental Rate per Unit	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue (Gross Receipts)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BPOL Rate on Apartment Rental	\$0.38 per \$100 Gross Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grocery Rental Rate	\$27 per SF	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27
Retail Rental Rate	\$40 per SF	\$51	\$52	\$54	\$55	\$57	\$58	\$59	\$61	\$62	\$64	\$66
Office Rental Rate	\$29 per SF	\$37	\$38	\$39	\$40	\$41	\$42	\$43	\$44	\$45	\$46	\$48
Total Rental Revenue		\$204,814	\$209,934	\$215,182	\$220,562	\$226,076	\$231,728	\$237,521	\$243,459	\$249,545	\$255,784	\$262,179
BPOL Rate on Commercial Landlord Revenue	\$0.52 per \$100 Gross Receipts	\$1,065	\$1,092	\$1,119	\$1,147	\$1,176	\$1,205	\$1,235	\$1,266	\$1,298	\$1,330	\$1,363
Retail Spending in Falls Church		\$311,885	\$319,682	\$327,674	\$335,866	\$344,263	\$352,869	\$361,691	\$370,733	\$380,001	\$389,502	\$399,239
BPOL Rate on Retail Gross Receipts	\$0.19 per \$100 Gross Receipts	\$593	\$607	\$623	\$638	\$654	\$670	\$687	\$704	\$722	\$740	\$759
Services in Retail Space (SF)		4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
Gross Receipts per SF	\$375	\$480	\$492	\$504	\$517	\$530	\$543	\$557	\$571	\$585	\$599	\$614
Taxable Gross Receipts		\$1,920,127	\$1,968,130	\$2,017,333	\$2,067,767	\$2,119,461	\$2,172,447	\$2,226,758	\$2,282,427	\$2,339,488	\$2,397,975	\$2,457,925
BPOL Rate on Personal Services	\$0.36 per \$100 Gross Receipts	\$6,912	\$7,085	\$7,262	\$7,444	\$7,630	\$7,821	\$8,016	\$8,217	\$8,422	\$8,633	\$8,849
Construction Cost	\$12,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
BPOL Rate on Building/Development	\$0.16 per \$100 Gross Receipts	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total BPOL Revenue	\$162,419	\$8,570	\$8,784	\$9,004	\$9,229	\$9,460	\$9,696	\$9,939	\$10,187	\$10,442	\$10,703	\$10,970
Licenses and Permits												
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Recordation Tax Revenues (For-Sale Residential Only, excluding clerk fees)												
Effective Recordation Tax Rate		0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%	0.20%
Total Value of New Construction		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Value of Resale	3% turnover/yr	\$1,358,540	\$1,392,504	\$1,427,317	\$1,462,999	\$1,499,574	\$1,537,064	\$1,575,490	\$1,614,878	\$1,655,250	\$1,696,631	\$1,739,047
Total For Sale Value		\$1,358,540	\$1,392,504	\$1,427,317	\$1,462,999	\$1,499,574	\$1,537,064	\$1,575,490	\$1,614,878	\$1,655,250	\$1,696,631	\$1,739,047
Recordation Tax Revenues		\$2,716	\$2,784	\$2,854	\$2,925	\$2,998	\$3,073	\$3,150	\$3,229	\$3,310	\$3,392	\$3,477
Miscellaneous Revenues												
Per Resident	\$312	\$399	\$409	\$419	\$430	\$440	\$451	\$463	\$474	\$486	\$498	\$511
Per Employee	\$170	\$218	\$224	\$229	\$235	\$241	\$247	\$253	\$259	\$266	\$272	\$279
Residents	1.58 per Unit	107	107	107	107	107	107	107	107	107	107	107
Employees	350 Occ. SF per Emp.	11	11	11	11	11	11	11	11	11	11	11
Total Miscellaneous Revenues		\$45,270	\$46,402	\$47,562	\$48,751	\$49,970	\$51,219	\$52,499	\$53,812	\$55,157	\$56,536	\$57,950
Total Revenues by Source (2018-2037)												
Real Property Tax	\$11,436,131	\$631,910	\$647,708	\$663,900	\$680,498	\$697,510	\$714,948	\$732,822	\$751,142	\$769,921	\$789,169	\$808,898
Personal Property Tax	\$784,845	\$45,819	\$46,964	\$48,138	\$49,342	\$50,575	\$51,840	\$53,136	\$54,464	\$55,826	\$57,221	\$58,652
Sales Tax	\$56,113	\$3,119	\$3,197	\$3,277	\$3,359	\$3,443	\$3,529	\$3,617	\$3,707	\$3,800	\$3,895	\$3,992
Meals Tax	\$51,341	\$2,854	\$2,925	\$2,998	\$3,073	\$3,150	\$3,229	\$3,309	\$3,392	\$3,477	\$3,564	\$3,653
BPOL Tax	\$173,389	\$8,570	\$8,784	\$9,004	\$9,229	\$9,460	\$9,696	\$9,939	\$10,187	\$10,442	\$10,703	\$10,970
Recordation Tax	\$124,602	\$2,716	\$2,784	\$2,854	\$2,925	\$2,998	\$3,073	\$3,150	\$3,229	\$3,310	\$3,392	\$3,477
Licenses and Permits	\$133,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous Revenues	\$814,482	\$45,270	\$46,402	\$47,562	\$48,751	\$49,970	\$51,219	\$52,499	\$53,812	\$55,157	\$56,536	\$57,950

Exhibit 5

**FISCAL IMPACT ANALYSIS - BROAD & WASHINGTON
CITY OF FALLS CHURCH
2017-2036**

Year	Assumption	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	
Total Revenues		\$13,573,902	\$21,273	\$21,273	\$29,805	\$147,350	\$42,109	\$674,544	\$654,280	\$670,637	\$687,403	\$704,588	\$722,203
Expenditures													
Operating Expenditures per Resident	\$1,029	\$1,029	\$1,029	\$1,055	\$1,081	\$1,109	\$1,136	\$1,165	\$1,194	\$1,224	\$1,254	\$1,286	
Operating Expenditures per Employee	\$340	\$340	\$340	\$349	\$357	\$366	\$375	\$385	\$395	\$404	\$414	\$425	
Total Non-Educational Operating Expenditures		\$0	\$0	\$0	\$0	\$0	\$126,101	\$129,253	\$132,485	\$135,797	\$139,192	\$142,672	
Avg. Students per Total Units	0.103 per Unit	0	0	0	0	0	7	7	7	7	7	7	
Educational Expenditures per Student	\$14,921	\$0	\$0	\$0	\$0	\$0	\$114,920	\$117,793	\$120,738	\$123,756	\$126,850	\$130,021	
Total Operating Expenditures		\$5,028,835	\$0	\$0	\$0	\$0	\$241,021	\$247,046	\$253,223	\$259,553	\$266,042	\$272,693	
Net Fiscal Impact		\$8,545,067	\$21,273	\$21,273	\$29,805	\$147,350	\$42,109	\$433,524	\$407,234	\$417,414	\$427,850	\$438,546	\$449,510

Exhibit 5

**FISCAL IMPACT ANALYSIS - BROAD & WASHINGTON
CITY OF FALLS CHURCH
2017-2036**

Year	Assumption	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	
Total Revenues		\$13,573,902	\$740,258	\$758,764	\$777,733	\$797,177	\$817,106	\$837,534	\$858,472	\$879,934	\$901,932	\$924,480	\$947,592
Expenditures													
Operating Expenditures per Resident	\$1,029	\$1,318	\$1,351	\$1,384	\$1,419	\$1,454	\$1,491	\$1,528	\$1,566	\$1,605	\$1,646	\$1,687	
Operating Expenditures per Employee	\$340	\$435	\$446	\$458	\$469	\$481	\$493	\$505	\$518	\$531	\$544	\$557	
Total Non-Educational Operating Expenditures		\$146,238	\$149,894	\$153,642	\$157,483	\$161,420	\$165,455	\$169,592	\$173,831	\$178,177	\$182,632	\$187,197	
Avg. Students per Total Units	0.103 per Unit	7	7	7	7	7	7	7	7	7	7	7	
Educational Expenditures per Student	\$14,921	\$133,272	\$136,604	\$140,019	\$143,519	\$147,107	\$150,785	\$154,555	\$158,418	\$162,379	\$166,438	\$170,599	
Total Operating Expenditures		\$5,028,835	\$279,510	\$286,498	\$293,660	\$301,002	\$308,527	\$316,240	\$324,146	\$332,250	\$340,556	\$349,070	\$357,797
Net Fiscal Impact		\$8,545,067	\$460,747	\$472,266	\$484,073	\$496,175	\$508,579	\$521,293	\$534,326	\$547,684	\$561,376	\$575,410	\$589,796

NVURBAN

Exhibit 6

ALLOCATION OF CITY REVENUES - GENERAL FUND FALLS CHURCH, VIRGINIA

Population:	14,123	52.8%	Esri 2016
Employment:	12,608	47.2%	Esri 2016
Total	26,731	100.0%	

Department	FY 2018 Approved Revenues	Percentage Allocation			Budget Allocation		Revenue/ Employee	Revenue/ Resident
		Unallocated	Employment	Residents	Employment	Residents		
Property Taxes (incl. Personal Property)	\$53,256,100	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Personal Property Taxes	\$5,713,900	0.0%	17.5%	82.5%	\$999,933	\$4,713,968	\$79	\$334
Non-Assessed Property Taxes	\$380,000	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Local Sales and Use Taxes	\$4,649,000	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Utility Tax	\$2,170,000	0.0%	47.2%	52.8%	\$1,023,507	\$1,146,493	\$81	\$81
Cigarette Tax	\$330,000	20.0%	37.7%	42.3%	\$124,519	\$139,481	\$10	\$10
Meals Tax	\$3,094,750	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Other Sales and Use Taxes	\$589,000	0.0%	47.2%	52.8%	\$277,809	\$311,191	\$22	\$22
Gross Receipts Business Taxes	\$4,263,000	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Other Taxes	\$1,024,000	60.0%	30.0%	10.0%	\$307,200	\$102,400	\$24	\$7
Total Taxes	\$75,469,750						\$217	\$454
Building and Inspection Fees	\$1,297,746	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Other Licenses, Fees, and Permits	\$194,600	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Federal, State, and Developer Contributions	\$4,507,653	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Charges for Services	\$3,505,896	25.0%	10.0%	65.0%	\$350,590	\$2,278,832	\$28	\$161
Fines and Forfeitures	\$652,100	25.0%	10.0%	65.0%	\$65,210	\$423,865	\$5	\$30
Use of Property and Money (Rental Income)	\$290,000	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Miscellaneous	\$64,000	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Interfund Transfers	\$1,114,567	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Debt Proceeds	\$269,000	100.0%	0.0%	0.0%	\$0	\$0	\$0	\$0
Total General Fund Revenues Incl. Personal Property	\$87,365,312						\$250	\$645
Total Excl Personal Property							\$170	\$312

SOURCE: City of Falls Church FY 2018 Budget

NVURBAN

Exhibit 7

ALLOCATION OF CITY EXPENDITURES FALLS CHURCH, VIRGINIA

Population:	14,123	52.8%	Students:	2,760	FCPS 2/28/17
Employment:	12,608	47.2%			
Total	26,731	100.0%			

Department	FY 2018 Budgeted Expenditures	Percentage Allocation				Budget Allocation			Expenditure/ Employee	Expenditure/ Resident	Expenditure/ Student
		Unallocated	Employment	Residents	Students	Employment	Residents	Students			
Legislative	\$1,104,630	75%	12%	13%	0%	\$130,253	\$145,904	\$0	\$10	\$10	\$0
Executive	\$3,467,259	65%	10%	25%	0%	\$346,726	\$866,815	\$0	\$28	\$61	\$0
Finance	\$1,501,656	65%	10%	25%	0%	\$150,166	\$375,414	\$0	\$12	\$27	\$0
Commissioner of the Revenue	\$787,914	87%	3%	10%	0%	\$23,637	\$78,791	\$0	\$2	\$6	\$0
Treasurer	\$862,280	87%	3%	10%	0%	\$25,868	\$86,228	\$0	\$2	\$6	\$0
Registrar	\$303,319	87%	3%	10%	0%	\$9,100	\$30,332	\$0	\$1	\$2	\$0
Sheriff	\$1,466,671	78%	2%	20%	0%	\$29,333	\$293,334	\$0	\$2	\$21	\$0
Clerk of the Court	\$41,543	30%	0%	70%	0%	\$0	\$29,080	\$0	\$0	\$2	\$0
Public Safety	\$9,438,948	45%	20%	35%	0%	\$1,887,790	\$3,303,632	\$0	\$150	\$234	\$0
Public Works	\$6,064,911	40%	24%	36%	0%	\$1,455,579	\$2,183,368	\$0	\$115	\$155	\$0
Human Services	\$3,768,170	20%	0%	80%	0%	\$0	\$3,014,536	\$0	\$0	\$213	\$0
Recreation and Parks	\$3,200,044	35%	0%	65%	0%	\$0	\$2,080,029	\$0	\$0	\$147	\$0
Library	\$2,090,714	35%	0%	65%	0%	\$0	\$1,358,964	\$0	\$0	\$96	\$0
Development Services	\$2,305,032	60%	10%	30%	0%	\$230,503	\$691,510	\$0	\$18	\$49	\$0
Education and Transfers to Schools	\$41,181,003	0%	0%	0%	100%	\$0	\$0	\$41,181,003	\$0	\$0	\$14,921
Non-Departmental	\$9,182,118	100%	0%	0%	0%	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$86,766,212								\$340	\$1,029	\$14,921

SOURCE: City of Falls Church FY 2018 Budget

NVURBAN

Exhibit 8

CALCULATION OF STUDENT GENERATION RATES CITY OF FALLS CHURCH, VIRGINIA

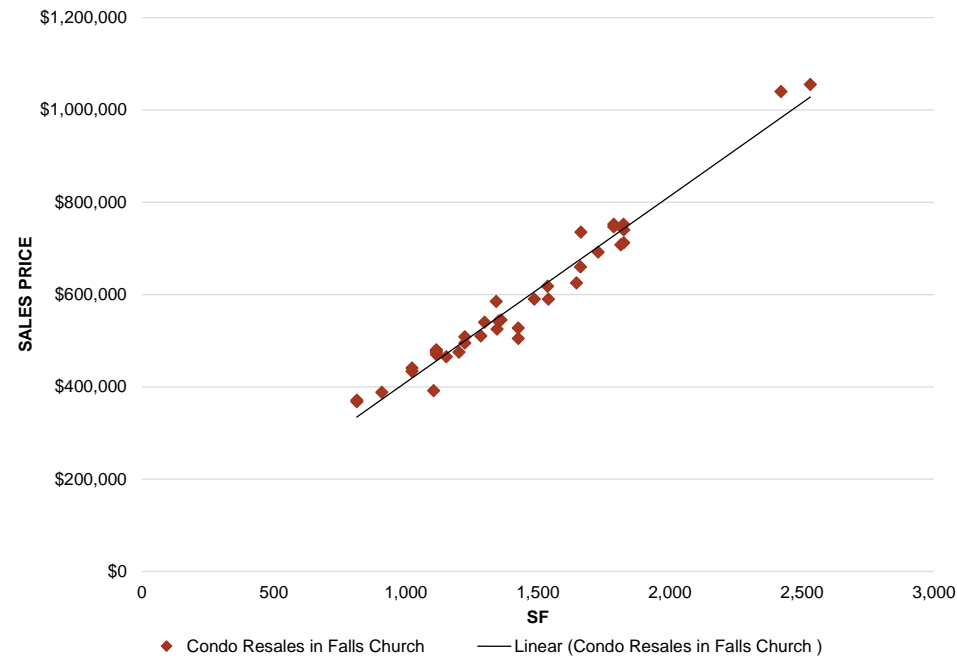
	UNIT DISTRIBUTION						STUDENTS						STUDENTS PER UNIT								
	Total	Studio	1BR	1BR Den	2BR	2BR Den	3BR	Total	Studio	1BR	1BR Den	2BR	2BR Den	3BR	Total	Studio	1BR	1BR Den	2BR	2BR Den	3BR
Falls Church Condo Developments																					
Broadway	80	0	0	0	66	0	14	11	0	0	0	10	0	1	0.138				0.152		0.071
Byron	90	0	20	0	60	0	10	9	0	2	0	5	0	2	0.100		0.100		0.083		
Spectrum	189	0	0	39	115	35	0	21	0	0	0	15	6	0	0.111			0.000	0.130		
TOTAL	359	0	20	39	241	35	24	41	0	2	0	30	6	3	0.114	0.100	0.000	0.124	0.171	0.125	
Park & Lee @ Weighted Average	68	0	0	12	43	0	13	7.0	0.0	0.0	0.0	5.4	0.0	1.6	0.103	0	0.100	0.000	0.124	0.171	0.125

SOURCE: Falls Church Public Schools and Economic Development; RCLCO

NVURBAN

Exhibit 9

CONDOMINIUM SALES AND PRICING ANALYSIS FALLS CHURCH, VA JULY 2017



RCLCO PRICE ESTIMATE FOR MARKET RATE UNITS			
UNIT TYPE	SF	PRICE BASED ON REGRESSION	AGE PREMIUM
1BR	850	\$349,089	20%
2BR	1185	\$484,285	\$581,000
3BR	1350	\$550,874	\$661,000

SOURCE: RCLCO; Zillow

NVURBAN

Exhibit 10

**AGE ADJUSTMENT ANALYSIS
FALLS CHURCH, VA
JULY 2017**

AGE ADJUSTMENT					
YEAR BUILT	RECENT SALE PRICE	SF	PRICE PER SF	PREMIUM FOR NEW	COMMENTS
Alcova Row					
4001 Columbia Pike, Arlington					
2006	\$600,000	2,337	\$257		
	\$560,000	2,374	\$236		
	\$568,500	2,334	\$244		
Average			\$245		
Pike 3400					
3400 Columbia Pike, Arlington					
2015	\$914,770	2,031	\$450	47.8%	Similar location
	\$775,000	2,487	\$312		
	\$825,940	2,527	\$327		
	\$838,417	2,773	\$302		
	\$807,790	1,827	\$442		
	\$837,114	1,827	\$458		
	\$805,730	2,416	\$333		
	\$795,742	2,511	\$317		
	\$864,665	2,511	\$344		
	\$898,899	1,835	\$490		
	\$797,319	1,852	\$431		
	\$835,708	2,527	\$331		
	\$785,021	2,527	\$311		
	\$819,159	2,487	\$329		
	\$872,585	2,487	\$351		
\$879,767	2,773	\$317			
\$881,780	2,751	\$321			
Average			\$363		

NVURBAN

Exhibit 10

**AGE ADJUSTMENT ANALYSIS
FALLS CHURCH, VA
JULY 2017**

AGE ADJUSTMENT					
YEAR BUILT	RECENT SALE PRICE	SF	PRICE PER SF	PREMIUM FOR NEW	COMMENTS
504 S. Fayette St. Townhomes, Alexandria					
2001	\$880,000	2,265	\$389		
Majesty West Townhomes 425 S. Payne St., Alexandria					
2016	\$1,275,000	2,494	\$511	25.8%	Similar location
	\$1,191,700	2,494	\$478		
	\$1,189,000	2,494	\$477		
	Average		\$489		
James Wren Estate, Hillwood Ave. and Smallwood Way, Falls Church					
2000	\$900,000	2,697	\$334		
NVHomes at Chestnut Place Towns 7121 Leesburg Pike, Falls Church					
2016	\$1,103,125	2,448	\$451	38.2%	Older development is farther east
	\$1,154,430	2,448	\$472		
	Average		\$461		

SOURCE: RCLCO; Zillow