



ANALYSIS OF MARKET ABSORPTION POTENTIALS
AND RELATED SOCIOECONOMIC IMPACTS,
MEREDITH INTERNATIONAL CENTRE SPECIFIC PLAN



Prepared for:

City of Ontario, CA

January 26, 2015

SUBMITTED BY:



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Table of Contents

INTRODUCTION ES-1

EXECUTIVE SUMMARY ES-2

**SUMMARY OF CURRENT AND FUTURE MARKET DEMAND INDICATORS FOR OFFICE,
INDUSTRIAL, HOTEL, RETAIL, AND RESIDENTIAL SPACE AT THE MEREDITH INTERNATIONAL
CENTRE SPECIFIC PLAN AREA IN ONTARIO 1**

1 OFFICE/INDUSTRIAL 2

2 HOTEL 15

3 RETAIL 18

4 RESIDENTIAL 21

5 APPENDICES 25

APPENDIX A: MEREDITH SITE REPORTS MATRIX

APPENDIX B: FISCAL MODEL

APPENDIX C: RETAIL MODEL

Introduction

This report summarizes an analysis of: 1) market conditions that pertain to Retail, Office, Hotel, Industrial, and Residential land uses for the Meredith International Centre Specific Plan area in Ontario; and 2) the long-term socioeconomic impacts of future development of combinations of these land uses within the Meredith site. The analysis compares the proposed Specific Plan Amendment (Proposed Project) to the land use mix and quantities planned for the project area under two other scenarios: The Ontario Plan (General Plan) and the 1981 Specific Plan. The essential difference between the Proposed Project and the General Plan scenario for the site is that the Proposed Project would have substantially less residential, retail, office and hotel development, and would largely replace these land uses with industrial development.

For purposes of this report, the long-term socioeconomic impacts of future development within the project area are framed in terms of the following major issues:

- Recurring fiscal impacts to the City's General Fund;
- Permanent employment opportunities (i.e., jobs based in the commercial and industrial facilities developed on site); and
- The project area's contribution to broader measures of community "balance," including housing diversity/affordability, jobs/housing ratio, and expanded availability of retail goods and services.

For all of the above issues, it is critical that potential impacts be evaluated in the context of the *likely timing of future development* under each of the land use scenarios under consideration. While the allowable land uses associated with a particular planning scenario may theoretically yield substantial fiscal benefits and employment opportunities, the actual benefits to the City and the community will depend on the depth and timing of market demand for the planned land uses. If there is limited demand for certain land uses, the associated socioeconomic benefits may be much less significant (or much further in the future) than the theoretical calculations would suggest. To address this fundamental tradeoff, The Natelson Dale Group, Inc. (TNDG) has completed the following analyses, documented in this report:

- A real estate market analysis to forecast the potential timing of demand (i.e., development absorption rates for the site) for each of the land uses under consideration;
- A time-phased fiscal impact analysis, which takes into consideration the potential buildout periods associated with each planning scenario for the site; and
- A time-phased analysis of the site's employment generation potentials under each planning scenario.

Executive Summary

The Basic “Tradeoff” Under Consideration

The analyses summarized in this report compare the proposed Specific Plan Amendment (Proposed Project) to the land uses planned for the project area under The Ontario Plan (General Plan). As an additional point of reference, the land uses associated with the 1981 Specific Plan for the area are also evaluated. The essential difference between the Proposed Project and the General Plan scenario for the site is that the Proposed Project would have substantially less residential, retail, office and hotel development, and would largely replace these land uses with industrial development.

The larger amounts of commercial development under the General Plan scenario would theoretically generate substantial fiscal and employment benefits, but – as described in greater detail below – the projected timing of market demand for commercial development on site would result in a very prolonged buildout timeframe for the General Plan land uses. In contrast, the industrial land uses that would constitute a large portion of the Proposed Project are typically associated with lower employment generation but could be built out much sooner based on projected demand. Thus, the basic “tradeoff” under consideration is that the General Plan scenario offers the theoretical, longer-term opportunity of creating substantial employment opportunities and fiscal benefits, whereas the Proposed Project offers benefits that would be lower but would occur much sooner.

To address this fundamental tradeoff, The Natelson Dale Group, Inc. (TNDG) has completed the following analyses, which are summarized in this Executive Summary and further documented in the report appendices:

- A real estate market analysis to forecast the potential timing of demand (i.e., development absorption rates for the site) for each of the land uses under consideration;
- A time-phased fiscal impact analysis, which takes into consideration the potential buildout periods associated with each planning scenario for the site;
- A time-phased analysis of the site’s employment generation potentials under each planning scenario.

The intent of the time-phased analyses is to balance the theoretical nature of buildout calculations with market-based realities regarding development demand and timing. Specifically, the analysis considers potential impacts for two “levels of completion” for each scenario:

- Theoretical buildout; and
- Projected market-based development over the next 20 years.

In TNDG’s opinion, the 20-year timeframe represents the most relevant point of discussion/comparison for purposes of the EIR socioeconomic impact studies. Economic projections beyond a 20-year period are typically highly speculative (due to unpredictable shifts in demand, potential changes in the

competitive environment, etc.) and therefore would not provide a reliable basis for current decision making.

Land Use Assumptions and Projected Absorption Rates

Table ES-1 (below) shows the land uses assumed for each of the three development scenarios under consideration (1981 Specific Plan, General Plan and Proposed Project). The analysis assumes that the industrial space in the proposed project would be occupied by the following tenant types:

- General warehousing (50%)
- E-commerce fulfillment centers for which Ontario would be the “point of sale” for sales tax purposes (10%)
- Other industrial, including manufacturing and “flex” space (40%)

The above percentage allocations represent current demand patterns based on comparable industrial developments/markets recently evaluated by TNDG.

Table ES-1 (below) also shows the assumed absorption rates (and corresponding buildout years) for each land use on the site. These numbers represent average annual absorption over the 20-year analysis period and are based on TNDG’s market analysis (as documented later in this report). The somewhat higher residential and retail absorption rates for the General Plan scenario reflect the assumption that the much larger scale of residential and retail development for this scenario would potentially allow the site to achieve higher market penetration.

For some land uses (especially the large amounts of planned office development under the 1981 Specific Plan and the General Plan), the buildout periods would be extremely prolonged (e.g., 136 years for the office space planned for the site under the General Plan). These long buildout periods represent theoretical extrapolations of the 20-year absorption rate until the maximum allowable development is fully absorbed. As noted previously, however, market forecasts extending beyond 20 years are highly speculative and should be regarded as general indicators of potential demand.

Employment Generation Potentials

Table ES-1 (below) also summarizes the employment generation potentials associated with each scenario. In terms of theoretical buildout, both the 1981 Specific Plan and the General Plan would generate substantially more onsite jobs than the Proposed Project (17,746 jobs, 30,285 jobs and 4,693 jobs, respectively). However, within the more relevant/realistic 20-year analysis horizon, the differences would be much less pronounced. Whereas projected market demand would allow the Proposed Project to be fully built out well before the end of the 20-year analysis period, the 1981 Specific Plan and General Plan development programs would be only 28% and 22% built out, respectively, by the end of the 20-year horizon. Total employment generation by Year 20 is projected at 5,011 jobs, 6,611 jobs and 4,693 jobs, respectively for the three scenarios.

Jobs Housing Balance

Table ES-1 (below) also forecasts the buildout and 20-year jobs/housing ratios within the project area. The City of Ontario is recognized regionally as an employment center or “jobs rich” community. Based on data from the Southern California Association of Governments (SCAG)¹, Ontario’s current (2012) jobs/housing ratio is 2.30, which compares extremely favorably with the ratio (1.17) for the overall southern California region. At theoretical buildout, all three of the development scenarios for the subject site would have jobs/housing ratios that exceed the already-high citywide average (22.18 for the 1981 Specific Plan, 10.24 for the General Plan, and 6.18 for the Proposed Project). Thus, development of the proposed site would increase the City’s overall jobs/housing ratio. For the more realistic 20-year forecast, the jobs/housing ratio for the 1981 Specific Plan (6.26) and the Proposed Project (6.18) would exceed the existing citywide average, but the ratio for the General Plan (2.24) would be slightly lower than the existing average.

¹ SCAG Profile of the City of Ontario, May 2013.

TABLE ES-1. LAND USE ASSUMPTIONS FOR FISCAL IMPACT ANALYSIS, MEREDITH INTERNATIONAL CENTRE

	1981 Specific Plan	General Plan	Proposed Project
Residential Units	800	2,958	800
Non-Residential (square feet)			
Retail	400,000	2,178,000	228,690
Office	2,850,000	4,422,000	464,310
Hotel	900,000	900,000	450,000
Warehousing	-	-	1,503,500
E-Commerce	-	-	300,700
Other Industrial	-	-	1,202,800
Non-residential Total	4,150,000	7,500,000	4,150,000
Overnight Lodging (Rooms)	1,200	1,200	600
Assumed Absorption Rates			
Residential (units per year)	220	345	220
Retail (square feet per year)	30,000	60,000	30,000
Office (SF per year)	33,000	33,000	33,000
Hotel (rooms per year)	40	40	40
Warehousing (SF per year)	N/A	N/A	777,500
E-Commerce (SF per year)	N/A	N/A	155,500
Other Industrial (SF per year)	N/A	N/A	622,000
Years to Buildout			
Residential	4	9	4
Retail	13	36	8
Office	86	134	14
Hotel	30	30	15
Warehousing	-	-	2
E-Commerce	-	-	2
Other Industrial	-	-	2
Theoretical Employment at Buildout	17,746	30,285	4,944
Projected Employment in Year 20	5,011	6,611	4,944
Percent of theoretical employment reached by Year 20	28%	22%	100%
Jobs Housing Balance (within project)			
Theoretical buildout	22.18	10.24	6.18
Year 20	6.26	2.24	6.18

Source: The Natelson Dale Group, Inc. (TNDG)

Summary of Fiscal Impact Analysis

Tables ES-2A, 2B and 2C (below) summarize the fiscal impact analysis for the three project scenarios. Table ES-2A (below) provides a detailed breakdown of annual General Fund revenues and costs associated with theoretical buildout of each scenario. Table ES-2B (below) provides revenue and cost projections associated with the 20-year (market-driven) development scenarios. Table ES-2C (below) summarizes the net fiscal impact of each scenario in terms of the following measures:

- Net annual benefit at theoretical buildout
- Net annual benefit in Year 20
- Cumulative net cash flow for Years 1-20
- Net Present Value (NPV) of the projected 20-year cash flow to the General Fund

The NPV calculations reflect the concept of the “time value of money” (i.e., a dollar today is worth more than a dollar 20 years from now). This component of the analysis is based on year-by-year cash flow projections (provided in Appendix B) associated with each development scenario.

Whereas the General Plan scenario would theoretically yield a significantly larger fiscal benefit to the City than the 1981 Specific Plan or Proposed Project scenarios, the Proposed Project would fiscally outperform the other scenarios in the more realistic (market-based) 20-year analysis. The Proposed Project’s superior fiscal impacts are especially pronounced in the NPV cash flow comparison, reflecting the fact that much of the potential commercial development for the 1981 Specific Plan and General Plan scenarios would occur late in the 20-year period (compared to more immediate industrial development under the Proposed Project).

Analysis of Broader Measures of Community “Balance”

The City’s General Plan incorporates a number of policies that relate to the overall economic balance of the community. For purposes of this report, these issues are briefly discussed in terms of the following measures:

- Jobs/housing balance (discussed above);
- Housing diversity and affordability; and
- Availability of retail goods and services in the community.

Housing. Since the specific housing development program that would be pursued under each scenario is not defined, it is not possible to provide a definitive analysis of housing issues in this report. However, allowable development densities (per the relevant planning documents) and current market trends allow for general conclusions about the types of housing products that are likely to be developed on the site. Per TNDG’s market analysis, it is assumed that housing within the project area would be developed at a density of approximately 40 dwelling units per acre and in Type III (stick frame) buildings not exceeding five stories in height. Based on current market patterns, rental housing is more likely than for-

sale housing, although this could change over the course of the buildout period (especially for the General Plan scenario which has a much larger number of residential units).

As a general conclusion (in the absence of specific information about housing product types to be developed), higher-density rental housing is more likely to meet affordability standards (even at market rent levels) than lower-density single-family development. As such, the project is likely to contribute to the City’s overall supply of affordable housing, and this conclusion would especially apply to the General Plan scenario since it would include nearly four times as many residential units as the other scenarios.

Retail Goods and Services. Ontario is regionally recognized as a destination for retail shopping. TNDG’s market study indicates that the potential exists for the City to continue to expand its retail base in the future. Although the potential land use mixes for the project area do not include substantial (regional-scale) amounts of retail development (with the potential exception of the General Plan), they would potentially enhance community “balance” in the following ways: (a) providing onsite shopping opportunities for project area residents, and (b) taking advantage of the site’s strategic freeway location to serve specific market niches (i.e., showroom retail, possibly related to office and industrial firms in the project area). The General Plan scenario would potentially allow for a much larger amount of retail development in the project area (over 2 million square feet, per the assumptions of this report). However, TNDG’s market analysis indicates that this amount of retail space would likely require an extremely long buildout period (over 35 years), and as such the potential enhancement to the City’s retail mix under the General Plan scenario should be considered speculative.

TABLE ES-2A. SUMMARY OF ANNUAL IMPACTS TO THE CITY OF ONTARIO’S GENERAL FUND AT THEORETICAL BUILDOUT, MEREDITH INTERNATIONAL CENTRE

General Fund	1981 Specific Plan Impact	General Plan Impact	Specific Plan Amendment Impact
Revenues			
Property Tax	\$ 1,539,361	\$ 3,594,522	\$ 1,083,460
Property Tax in lieu of MVL	647,272	1,511,428	455,574
Transient Occupancy Tax	3,460,455	3,460,455	1,730,228
On-Site Sales and Use Tax	1,324,800	7,213,536	3,745,176
Utility Franchise Tax	87,886	186,341	45,961
Business License Fees	48,801	83,283	13,596
<i>Total Revenues</i>	\$ 7,108,575	\$ 16,049,566	\$ 7,073,994
Expenditures			
Police Department	\$ 2,024,899	\$ 4,293,295	\$ 1,058,928
Fire Services	1,204,395	2,553,621	629,842
Community & Public Services	966,981	2,050,243	505,686
<i>Total Expenditures</i>	\$ 4,196,275	\$ 8,897,160	\$ 2,194,456
Net Fiscal Impact	\$ 2,912,301	\$ 7,152,406	\$ 4,879,539

Source: The Natelson Dale Group, Inc. (TNDG)

**TABLE ES-2B. SUMMARY OF ANNUAL IMPACTS TO THE CITY OF ONTARIO'S GENERAL FUND
IN YEAR 20, MEREDITH INTERNATIONAL CENTRE**

General Fund	1981 Specific Plan Impact	General Plan Impact	Specific Plan Amendment Impact
Revenues			
Property Tax	\$ 735,274	\$ 1,933,943	\$ 1,083,460
Property Tax in lieu of MVL	309,169	813,186	455,574
Transient Occupancy Tax	2,306,970	2,306,970	1,730,228
On-Site Sales and Use Tax	1,324,800	4,007,520	3,745,176
Utility Franchise Tax	49,075	119,144	45,961
Business License Fees	13,825	18,236	13,596
<i>Total Revenues</i>	<i>\$ 4,739,112</i>	<i>\$ 9,198,999</i>	<i>\$ 7,073,994</i>
Expenditures			
Police Department	\$ 1,130,680	\$ 2,745,073	\$ 1,058,928
Fire Services	672,521	1,632,750	629,842
Community & Public Services	539,951	1,310,897	505,686
<i>Total Expenditures</i>	<i>\$ 2,343,152</i>	<i>\$ 5,688,720</i>	<i>\$ 2,194,456</i>
<i>Net Fiscal Impact</i>	<i>\$ 2,395,960</i>	<i>\$ 3,510,280</i>	<i>\$ 4,879,539</i>

Source: The Natelson Dale Group, Inc. (TNDG)

**TABLE ES-2C. SUMMARY OF POTENTIAL IMPACTS TO CITY OF ONTARIO'S GENERAL FUND,
MEREDITH INTERNATIONAL CENTRE**

	1981 Specific Plan	General Plan	Specific Plan Amendment
Theoretical annual impact at buildout	\$ 2,912,301	\$ 7,152,406	\$ 4,879,539
Projected annual impact in Year 20	\$ 2,395,960	\$ 3,510,280	\$ 4,879,539
<i>Percent of theoretical impact reached by Year 20</i>	<i>82%</i>	<i>49%</i>	<i>100%</i>
Cumulative Net Cash Flow to General Fund, Years 1-20	\$ 23,698,599	\$ 22,193,335	\$ 84,567,289
Net Present Value (NPV) of 20-year net cash flow (1)	\$ 11,797,939	\$ 10,017,626	\$ 50,235,583

(1) NPV calculation based on 5% discount rate.

Source: The Natelson Dale Group, Inc. (TNDG)

Summary of current and future market demand indicators for Office, Industrial, Hotel, Retail, and Residential space at the Meredith International Centre Specific Plan area in Ontario

The purpose of this section of the report is to summarize various indicators of demand for Office, Industrial, Hotel, Retail, and Residential space at the Meredith site in Ontario, based on readily available data and adaptations of TNDG demand models, calibrated to those data. The analysis is focused on the site configuration represented by the Specific Plan Amendment scenario, but also addresses the two previous plan configurations for the site, the 1981 Specific Plan and the General Plan.

The following prior studies pertaining to the site were reviewed:

Keyser Marston: Draft Memorandum to City of Ontario, May 3, 2013

The Concord Group: *Market Absorption and Economic/Fiscal Revenue Impact Analysis for the Meredith Property in Ontario, California*, July 17, 2012

Beacon Economics: *An Economic Analysis, Meredith Site Options in Ontario, California*, 2013

Findings relevant to this analysis are summarized in Appendix A. The review indicated that the bases for projecting demand varied widely among the reports. For example:

- Keyser Marston figures, for which they cite Beacon Economics as a source (from a document other than the Beacon study cited above) show very aggressive growth in the Ontario area (including areas outside the City) in future time segments (beyond 2020) for both office and Industrial uses. For example, office-related employment is projected to more than double from 2013 to 2033, and industrial employment more than triple. In contrast, official projections from the California Employment Development Department reflect a 42 percent increase in total employment in the Inland Empire from 2012-2035, and projections of total employment for Ontario by the Southern California Association of Governments (SCAG) indicate total employment and industrial-space-using employment approximately doubling for the 23-year period of 2012 to 2035.
- Among the reports, employee density factors by uses varied from as low as 80 square feet per worker for office space to over 8,000 square feet for one type of industrial use.
- Both Keyser Marston and Concord expect residential absorption at the site to be 1,000 units or less over 10 years. Beacon recommends 1,535 units for the site, which it expects to be absorbed in 5-7 years.

The reports were essentially in agreement that Ontario has an "oversupply" of retail. However, this does not necessarily mean that Ontario should not have more retail. If city businesses are doing a good job of serving residents outside city boundaries, perhaps this trend should continue or even accelerate.

1 Office/Industrial

A particular challenge of this study is to interpret the space-demand implications of two critical factors: 1) the mix of Industrial land use types anticipated in Ontario and at the site, and 2) the changing nature of warehouse use (and manufacturing also although this is less of an issue here) and especially the density of employees at typical facilities. For purposes of TNDG’s demand analysis model, and the related estimated fiscal impacts, the following industrial-use mix and employment-density factors were applied (the table also appears below in the discussion of the TNDG demand-projection model), based on TNDG’s review of numerous indicators:²

Use type	Square feet per worker ³	% allocation of ind. space
Office	175	
<i>Industrial mix:</i>		
Warehousing	3,000	50%
E-Commerce	1,500	10%
Manufacturing and other Industrial	1,500	40%

Data for recent absorption activity for the land uses analyzed were not readily available but could be inferred by means of published reports by the real estate brokerage firm Voit (a four- to five-year history). These kinds of reports are intended primarily to inform brokerage clientele of *current* market conditions and *general* trends; consequently their use as a “research” source is limited. Historic data from these sources are very limited, generally to what is included here. The data are most useful for relative comparisons, for example comparing Ontario with the Inland Empire, the level of office activity compared to industrial, and occupancy rates and other factors – all of which help sensitize the forecasting. Given that absorption data cited here cover a timeframe (2010 through mid-2014) roughly corresponding to the prolonged recovery period for the Great Recession (and therefore may not be

² Which included, among other procedures, calibrating the following within the TNDG demand model: employment density factors, mix of industrial-space-use activities among economic sectors, figures for total industrial space inventory and absorption from other sources, and data for industrial development factors from other TNDG projects.

³ The square-feet-per-worker factors applied in this analysis vary from those utilized in The Ontario Plan (TOP) buildout calculations. The TOP calculations assumed 350 square feet per employee for office and 1,538 square per employee for all industrial land uses. Based on extensive research on this issue over the past 15 years (including a widely-cited study completed for the Southern California Association of Governments), TNDG believes that, *historically*, an “industry standard” factor for office absorption was 200-250 square feet per employee. However, recent studies on changing office-use trends strongly suggest that, for new space particularly, 175 square feet per employee is more realistic. Figures for industrial use are more problematic due to widening variations in how buildings are used, the degree of automation, changing trends in logistics, etc. This analysis uses figures that TNDG believes to be most realistic from a forecasting point of view; although with all the variables of use mix, activities in individual buildings, and other conditions, actual experience could be different from the projections.

reflective of future trends), this analysis does not use historic absorption data as the primary basis for future demand forecasts. The actual office/industrial space forecasting in TNDG's analysis is based on employment projections. Notwithstanding these limitations, the available VOIT reports do provide the following insights:

- Annual net absorption of office space in Ontario ranged from 86,000 to 192,000 square feet, for 2010 through 2013 (and figures for the first half of 2014 suggest that that space absorption will be at the high end of the range).
- Annual net absorption of industrial space in Ontario ranged from a negative 1.8 million square feet to a positive 4.3 million square feet, for 2009 through 2013 (and figures for the first half of 2014 suggest that that space absorption will be about 2 million square feet).
- Vacancy rates for both office and industrial decreased from 2009-10 through 2014, and Ontario's rates were higher than the Inland Empire's for office space and generally lower for industrial. Office vacancy rates were consistently higher than industrial space over the time period; in 2014 Ontario's industrial vacancy rate was under 4 percent, while the office rate was under 20 percent.
- Ontario had about 11 percent of the regional (Inland Empire) total inventory of office building area, and 11 to over 50 percent of the net office absorption for the years 2010-2014. In other words, Ontario appears to be capturing a disproportionate share of absorption activity in the total region for all of the years shown. In terms of square feet planned, Ontario's share, at 35 to 47 percent, is also disproportionately higher. For most years, the same is true of space under construction.
- Ontario had about 21-22 percent of the regional (Inland Empire) total inventory of industrial building area, and, except for 2 years of negative net absorption (in which the Inland Empire total was also low for one of the years), 28 to 35 percent of the net absorption for the years 2009-2014. In other words, Ontario is capturing a disproportionate share of net absorption activity in the total region for most of the years shown. However, in terms of square feet planned, Ontario's share is relatively low, which at least in part could be due to limited supply of developable land.

TNDG prepared an assessment of demand for office and industrial space using a demand model with the following components:

- Existing employment, and projected employment growth, by economic sector, for the Inland Empire (San Bernardino and Riverside Counties), as prepared by the California Employment Development Department (EDD), and existing sectoral employment and projected growth in total employment for Ontario, from the Southern California Association of Governments (SCAG). Because of the level of detail for the two geographic areas differed among the two data sources (SCAG and EDD), and the two sources are not directly comparable, it was necessary to reconcile the source data for analysis purposes.
- Ontario's estimated share of the Inland Empire's projected space demand, and the Meredith site's estimated share of Ontario's projected development demand.

- Assignments of employment by sector into office, industrial, and “other” land uses types (TNDG model).
- Allocations of industrial space and employment density by industrial sub-type (Warehousing, E-Commerce, and Other Industrial), as discussed above.

The model results are summarized in the following series of tables.

1.1 Employment Forecasts by Industry

Table 1-1 (below) shows employment projections for the Inland Empire, which formed the basis for the Ontario forecasts, shown on Table 1-2 (below).

**TABLE 1-1. EMPLOYMENT FORECASTS BY INDUSTRY GROUP,
RIVERSIDE AND SAN BERNARDINO COUNTIES (INLAND EMPIRE)**

Industry Group	2010	2014	2020	2035
Natural Resources, Mining, & Construction	60,700	64,500	70,200	92,396
Manufacturing	85,100	86,420	88,400	116,350
Wholesale Trade	48,600	53,360	60,500	79,629
Retail Trade	155,500	169,620	190,800	251,127
Transportation & Utilities	66,600	74,080	85,300	112,270
Information	15,800	15,720	15,600	20,532
Financial Activities	41,000	42,760	45,400	59,755
Professional & Business Services	123,400	136,640	156,500	205,982
Educational & Health Services	133,800	148,200	169,800	223,487
Leisure & Hospitality	122,800	134,200	151,300	199,138
Other Services	38,200	40,240	43,300	56,991
Government	234,300	238,020	243,600	320,622
Total Nonfarm	1,125,800	1,203,760	1,320,700	1,738,280

Source: The Natelson Dale Group, Inc. (TNDG) based on estimates and forecasts prepared by the California Employment Development Department (CEDD) and the Southern California Association of Governments (SCAG).

TABLE 1-2. EMPLOYMENT FORECASTS BY INDUSTRY GROUP, ONTARIO

Industry Group	2014	2020	2035
Natural Resources, Mining, & Constr.	4,826	5,851	8,779
Manufacturing	13,880	16,830	25,252
Wholesale Trade	9,429	11,433	17,154
Retail Trade	16,215	19,662	29,501
Transportation & Utilities	22,005	26,684	40,035
Information	1,296	1,572	2,359
Financial Activities	3,229	3,915	5,874
Professional & Business Services	19,481	23,622	35,441
Educational & Health Services	13,238	16,053	24,085
Leisure & Hospitality	8,072	9,788	14,686
Other Services	3,229	3,915	5,874
Government	2,947	3,573	5,361
Total	117,846	142,900	214,400

Source: TNDG, based on estimates and forecasts prepared by the CEDD and SCAG.

Distribution of Office and Industrial Employment by Industry

The next step in the analysis identifies the percentage of employment attributable to office or industrial space (i.e. as a type of use) by industry, shown in Table 1-3 (below). The distribution percentages were derived by TNDG based on long-term studies of office and industrial demand conditions, related to employment growth, across southern California.

TABLE 1-3. ALLOCATION OF OFFICE AND INDUSTRIAL EMPLOYMENT BY INDUSTRY

Industry Group	Percentage Distribution of Employees in Space Types by Industry:			
	Office	Industrial		
	Space	Space	Other (1)	Total
Natural Resources, Mining, & Construction	0.0%	50.0%	50.0%	100.0%
Manufacturing	0.0%	100.0%	0.0%	100.0%
Wholesale Trade	0.0%	100.0%	0.0%	100.0%
Retail Trade	0.0%	5.0%	95.0%	100.0%
Transportation & Utilities	0.0%	50.0%	50.0%	100.0%
Information	75.0%	25.0%	0.0%	100.0%
Financial Activities	90.0%	0.0%	10.0%	100.0%
Professional & Business Services	50.0%	20.0%	30.0%	100.0%
Educational & Health Services	50.0%	0.0%	50.0%	100.0%
Leisure & Hospitality	5.0%	0.0%	95.0%	100.0%
Other Services	5.0%	50.0%	45.0%	100.0%
Government (2)	0.0%	0.0%	100.0%	100.0%

1. "Other" category includes for example retail space, hotels, government buildings, and employment that occurs outdoors and in other non-specific locations.
2. The assumption applied within this allocation process is that only government uses in privately owned buildings would be included in the Office Space category.

Source: The Natelson Dale Group, Inc.

Projected Employment by Land Use Category

The projected office and industrial employment figures are a product of the "allocation" table (above) and the preceding employment-by-sector tables. The projections for Inland Empire are shown below in Table 1-4 (below). The data reveal that office-using employment in the entire Inland Empire is expected to increase from 201,416 in 2014 to 296,720 by 2035, an increase of 47 percent. Industrial-space-using employment is projected to increase from 268,929 in 2014 to 385,694 in 2035, representing a 43 percent increase. "Other" employment, representing all other nonfarm industries, is expected to increase at a slightly higher rate than Industrial, and a lower rate than Office, over this same period.

TABLE 1-4. PROJECTED EMPLOYMENT BY LAND USE CATEGORY, INLAND EMPIRE

Land Use Category	Total Employment			
	2010	2014	2020	2035
Office	185,400	201,416	225,440	296,720
Industrial	252,855	268,929	293,040	385,694
Other	687,545	733,415	802,220	1,055,866
Total Nonfarm Employment	1,125,800	1,203,760	1,320,700	1,738,280

Source: The Natelson Dale Group, Inc.

Table 1-5 (below) highlights the incremental change in Office, Industrial and Other employment in the Inland Empire by time interval. The largest absolute increases for each of the employment categories, even allowing for the longer interval, are projected to occur between 2020 and 2035.

TABLE 1-5. PROJECTED CHANGE IN OFFICE AND INDUSTRIAL EMPLOYMENT BY TIME PERIOD, INLAND EMPIRE

Land Use Category	2014-2020	2020-2035
Office	24,024	71,280
Industrial	24,111	92,654
Other	68,805	253,646
Total Change in Employment	116,940	417,580

Source: The Natelson Dale Group, Inc.

1.2 Projected Demand for New Office/Industrial Space

Given the projected Office and Industrial employment figures in Table 1-5 (above), the next portion of the analysis translates the employment estimates into supportable square footages for each use type. Table 1-6 (below) shows the square-feet-per-employee factors that were used in the conversion process. The right-hand column shows how three different categories of industrial-space use were allocated in the demand model. This allocation aligns with employment-by-sector projections as tabulated above.

TABLE 1-6. SQUARE FOOTAGE PER EMPLOYEE BY LAND USE TYPE

Use type	Square feet per employee	% allocation of industrial use
Office	175	
<i>Industrial</i>		
Warehousing	3,000	50%
E-Commerce	1,500	10%
Other Industrial	1,500	40%

Source: The Natelson Dale Group, Inc.

Based on the preceding factors, Table 1-7 (below) displays the estimated demand for new Office and Industrial space for the Inland Empire through 2035. New supportable office space is expected to increase by a total of 18.3 million square feet during the projection period, most of this within the 2020-2035 period. Demand for industrial space is projected to increase by 248.6 million square feet between 2014 and 2035, most of this within the 2020-2035 period.

TABLE 1-7. PROJECTED INCREASE IN DEMAND FOR NEW OFFICE AND INDUSTRIAL SPACE, INLAND EMPIRE

		2014-2020	2020-2035	Total, 2014-2035
Office Demand				
Demand for New Space		4,204,200	12,473,960	16,678,160
Construction Demand @	110%	4,624,620	13,721,356	18,345,976
Net Demand for New Space		4,624,620	13,721,356	18,345,976
Industrial Demand				
Demand for New Space		48,897,098	187,901,432	236,798,530
Construction Demand @	105%	51,341,953	197,296,504	248,638,457
Net Demand for New Space		51,341,953	197,296,504	248,638,457

Note that construction demand at 110-105% allows for a 90-95% stabilized occupancy rate, respectively for Office and Industrial space. The different occupancy levels reflect market trends.

Source: The Natelson Dale Group, Inc.

Projected Demand for New Office/Industrial Space, Ontario

The following table shows the estimated projected new demand for Industrial and Office space in Ontario. The space estimates were calculated based on Ontario’s proportion of Inland Empire space demand as of 2035: 9.6 percent for Office demand and 15.4 percent for Industrial space.

Table 1-8 (below) indicates a projected net increase of 1.8 million square feet of office space by 2035, and 38.4 million square feet of industrial space. Based on these projections, an average of 74,000 to 88,000 square feet of new office space could be added per year, and 1.3 million to 2.0 million square feet of industrial space, respectively during the two time intervals shown.

TABLE 1-8. PROJECTED DEMAND FOR NEW OFFICE AND INDUSTRIAL SPACE, CITY OF ONTARIO

		2014-2020	2020-2035	Total, 2014-2035
Office Demand				
Demand for New Space		404,931	1,201,439	1,606,370
Construction Demand @	110%	445,424	1,321,583	1,767,007
Net Demand for New Space		445,424	1,321,583	1,767,007
Average per year		74,237	88,106	
Industrial Demand				
Demand for New Space		7,553,495	29,026,520	36,580,015
Construction Demand @	105%	7,931,170	30,477,846	38,409,016
Net Demand for New Space		7,931,170	30,477,846	38,409,016
Average per year		1,321,862	2,031,856	

Note that construction demand at 110-105% allows for a 90-95% stabilized occupancy rate, respectively for Office and Industrial space. The different occupancy levels reflect market trends.

Source: The Natelson Dale Group, Inc.

Allocation of demand to the Meredith site

TNDG estimated the share of office and industrial space demand that could reasonably be expected to occur at the Meredith site, based on the estimated totals for Ontario. The estimated share was based on the following office and industrial market conditions in Ontario:

- Existing office development near the Citizens Business Bank Arena (CBBA). This location could be more advantageous than the Meredith site for the following reasons:
 - The established base of multi-story office buildings in an attractive office-park environment gives the area a professional-office image.
 - The retail, multi-family residential, and hotel development in and around this area enhances its “mixed use” functionality, giving office workers ample opportunities for close-by dining, shopping, housing.
 - The area has additional capacity for office and other development, and is also close to the Airport, with access from I-10 comparable to the Meredith site⁴.

⁴ Although the Meredith site is technically closer to the Airport, the CBBA area is close enough to the Airport that, as a practical matter, most office tenants for which convenient airport access is important will not make a significant distinction between the two locations.

- Few opportunities, comparable to the Meredith site in market orientation, appear to be available for additional industrial space development in other areas of Ontario. Several square miles of land are planned for industrial use (either as a designated use or by overlay designation) in the New Model Colony (NMC) area along the southern edge of the City in what is now a large agricultural area. However, industrial development in the NMC area will likely be many years in the build-out process. Given the level of current demand for industrial space, the Meredith site would likely be built out well before industrial development in the NMC area begins. In this regard, it should be noted that the two locations, from a market perspective, are not strongly competitive with each other and therefore would not directly impact each other's absorption potentials. An industrial user not choosing the Meredith site for one reason or another is more likely to go to another Inland Empire location (nearer the I-10/I-15 corridors) than to the NMC sites, especially in the near future. There may be strategic reasons for the City to promote industrial development in the NMC areas (e.g., to generate funding for needed NMC infrastructure), and this could eventually affect the competitive comparability of the two locations. However, the impact of such promotion efforts would probably not be enough, or soon enough, to deflect meaningful levels of demand from Meredith.

Based on the above observations, TNDG estimated the Meredith site's share of Ontario's potential new office space at 40 percent (with a lower rate for the 2014-2020 period while the property becomes established as an office location), and the site's share of the city's new industrial space (over the site's likely development period) at 85 percent. The results of this allocation are shown on Table 1-9 (below) for the time periods analyzed. The table shows that the Meredith site could potentially absorb an average of 26,000 square feet of office space annually up to 2020, and 35,000 square feet annually for the period 2020-2035, or 156,000 square feet total by 2020 and (theoretically) another 529,000 square feet by 2035.

According to the allocations on the table, the site could potentially absorb an average of over 1.1 million square feet of industrial space annually up to 2020, and 1.7 million square feet annually for the period 2020-2035, or 6.7 million square feet total by 2020 and another 26 million square feet by 2035.

**TABLE 1-9. PROJECTED MEREDITH SITE SHARE OF TOTAL ONTARIO DEMAND,
FOR OFFICE AND INDUSTRIAL SPACE, THROUGH 2035**

	2014-2020	2020-2035	Total
Office Demand			
Projected Ontario share of Inland Empire demand, square feet	445,424	1,321,583	1,767,007
Projected Meredith Site percentage share of Ontario demand, at:	35%	40%	
Meredith Site demand	155,898	528,633	684,532
Average per year	25,983	35,242	32,597
Industrial Demand			
Projected Ontario share of Inland Empire demand, square feet	7,931,170	30,477,846	38,409,016
Projected Meredith Site percentage share of Ontario demand, at:	85%	85%	
Meredith Site demand	6,741,495	25,906,169	32,647,664
Average per year	1,123,582	1,727,078	1,554,651

Source: The Natelson Dale Group, Inc.

2 Hotel

Potential long-term demand for new hotel rooms is described below. Following from data provided in the KMA study, Table 2-1 (below) provides a range of new hotel room demand projections at the Meredith project site. As shown in the Table, the *low* scenario indicates that the site would be able to potentially support development of approximately 461 new hotel rooms over the next 21 years, by 2035. Under slightly more aggressive assumptions, as discussed below, the *high* scenario projects that the site would be able to support development of approximately 910 new hotel rooms. The following bullet points summarize the assumptions and rationale for these new hotel room demand projections:

- Table 2-1 (below) provides existing hotel room demand and supply for the combined two-city market area of Ontario and Rancho Cucamonga, as provided in the KMA study.
- Similar to the KMA study, the low projections assume that annual room demand in the market area will increase at a 2.0% annual rate. This is a reasonable growth projection factor for these types of long-term projections, for the following reasons. First, annual room sales in Ontario have increased at real (inflation-adjusted) rate of 2.2% over the 20-year period from 1993 to 2035. Second, SCAG is forecasting a 2.7% annual increase in employment in Ontario between 2020 and 2035, and employment growth is a primary driver of hotel room demand. The high scenario assumes a 3.0% annual growth rate (in relative terms, 50% higher than the low scenario) in new hotel room demand in the market area. Similar to the findings in the KMA study, TNDG believes that the high scenario would be more likely if the City were to gain control of the Ontario Airport, thereby increasing regional air traffic from existing levels. Given the site's proximity to the airport, it would be in a favorable position to capture increased hotel room demand resulting from additional flight travelers to the area.
- Based on TNDG's previous discussions with various hotel operators, this analysis assumes that new hotel development would occur once the market reaches a stabilized occupancy rate of 75%.
- Based on the above factors, the long-term projections indicate that the total market area (Ontario/Rancho Cucamonga) would be able to support between 1,152 (low scenario) and 2,275 (high scenario) new hotel rooms by 2035.
- As shown in Table 2-1 (below), the demand projections assume that the Meredith site could capture approximately 40% of total new room demand in the market area. This site capture rate is equal to the office capture rate in this analysis. In addition, based on data from Dean Runyon Associates, Ontario accounts for approximately 80% of total hotel room receipts in the combined two city market area. Thus, if we assume that Ontario will capture 80% of total new room demand in the market area, the Meredith site – given its favorable location characteristics (proximity to airport and highway orientation) – would be a strong candidate to capture a

⁵ Dean Runyon Associates, California Travel Impacts, 2013.

significant portion of this demand. The 40% capture rate implies that the site would capture approximately 50% of the projected citywide demand for new hotel rooms.

TABLE 2-1. DEMAND FOR NEW HOTEL ROOMS, MEREDITH SITE, 2013-2035

Scenario	2013	2018	2020	2022	2024	2026	2028	2030	2035
Low Scenario									
Existing Room Supply	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435
Annual Room Demand	1,107,492	1,222,761	1,272,160	1,323,555	1,377,027	1,432,659	1,490,538	1,550,756	1,712,160
Room Occupancy Rate	64.3%	71.0%	73.9%	76.8%	79.9%	83.2%	86.5%	90.0%	99.4%
Cumulative Supported New Room Nights at 75% Occupancy	0	0	0	31,729	85,201	140,833	198,712	258,930	420,334
Cumulative Supported New Rooms	0	0	0	87	233	386	544	709	1,152
Meredith Site Capture at 40%	0	0	0	35	93	154	218	284	461
High Scenario									
Existing Room Supply	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435	1,722,435
Annual Room Demand	1,107,492	1,283,887	1,362,075	1,445,026	1,533,028	1,626,389	1,725,436	1,830,516	2,122,069
Room Occupancy Rate	64.3%	74.5%	79.1%	83.9%	89.0%	94.4%	100.2%	106.3%	123.2%
Cumulative Supported New Room Nights at 75% Occupancy	0	0	70,249	153,200	241,202	334,563	433,610	538,689	830,243
Cumulative Supported New Rooms	0	0	192	420	661	917	1,188	1,476	2,275
Meredith Site Capture at 40%	0	0	77	168	264	367	475	590	910
Average Meredith Site Capture, 2013-2035: 41 rooms per year									
Rounded Absorption Rate Used for Fiscal Impact Analysis: 40 rooms per year ⁶									

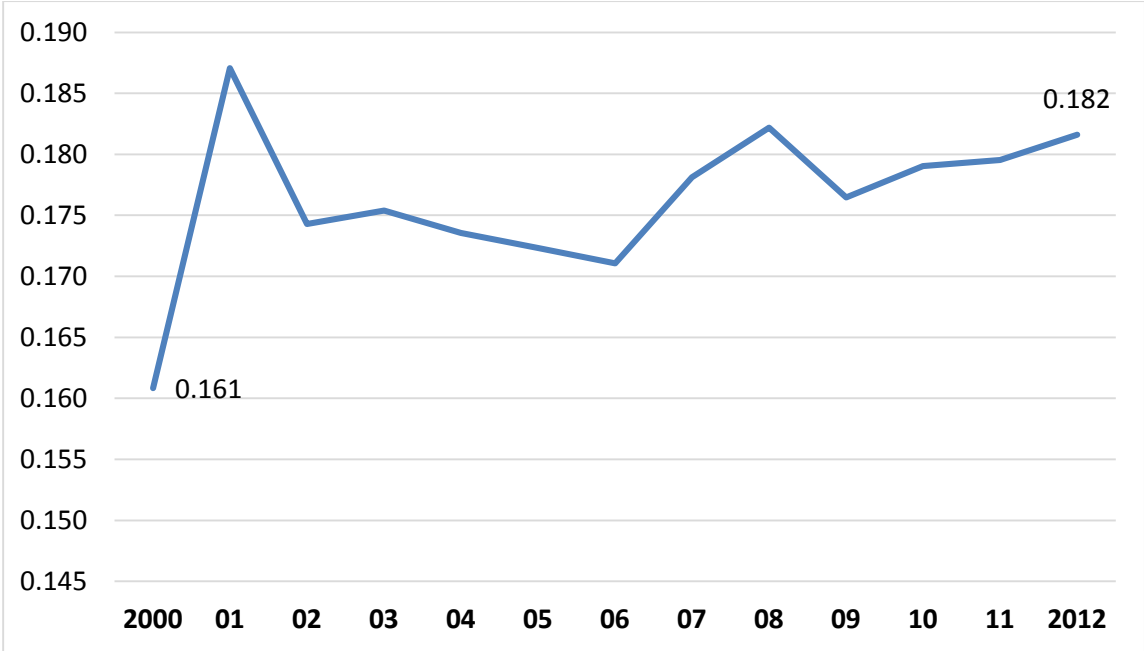
Source: KMA, Meredith Site Market Overview, May 3, 2013; TNDG.

⁶ Recent (2014) data from the Ontario Convention and Visitors Bureau (CVB) suggest that the local hotel market is recovering faster than TNDG’s projections suggest. Per the CVB, Ontario’s occupancy rate in 2014 had reached 72%. It should be noted, though, that TNDG’s analysis (based on the previous KMA analysis) covers a larger market area than just Ontario (the TNDG analysis evaluates the combined Ontario/Rancho Cucamonga area). Thus, the 72% factor from the CVB is not directly comparable to the occupancy rates shown on the table. Moreover, TNDG’s conclusion that the Meredith site could absorb an average of 40 hotel rooms per year reflects demand levels that approach the “high scenario” on the table. Thus, notwithstanding the recent uptick in occupancy levels, TNDG does not believe that the projected absorption rate for Meredith of 40 rooms per year is too low.

3 Retail

This analysis evaluates potential demand for new retail space based on long-term citywide population forecasts, as prepared by the Southern California Association of Governments (SCAG). In addition to resident-generated demand, Ontario retailers capture a significant amount of “external” (i.e., non-resident) retail demand, given the existing concentration of regional and super-regional retail space in the City (e.g., the 1.5 million square-foot Ontario Mills regional outlet center). This estimate of external retail demand is based on an evaluation of potential resident demand and actual retail sales in the City⁷. Based on this comparison of potential resident retail demand and actual sales in the City, TNDG developed “sales attraction factors” by retail category (see Appendix C, Table C-9) to account for external retail demand captured by City retailers. To account for future growth in retail demand, TNDG has assumed that the rate of growth in external demand will increase in proportion to future population growth in the City. This assumption is based on the fact that the City’s share of countywide of taxable sales has increased from 16.1% in 2000 to 18.2% in 2012 (the most recent year full-year taxable sales data are available from the California State Board of Equalization [BOE]), as shown in the chart below.

FIGURE 3-1. ONTARIO'S SHARE OF SAN BERNARDINO COUNTY TAXABLE SALES



Source: California State Board of Equalization (SBOE); TNDG.

Based on the above, Table 3-1 (below) shows potential demand for new retail space in the City of Ontario in 2020 and 2035 (see Appendix C for a derivation of these factors).

⁷Based on taxable sales data from the California State Board of Equalization (SBOE). See Appendix C, Table 8.

TABLE 3-1. DEMAND FOR NEW RETAIL SPACE, CITY OF ONTARIO – 2020 AND 2035

Retail Category	Square Feet	
	2020	2035
GAFO*	1,244,726	5,319,940
Food and Beverage	91,585	391,433
Food Services and Drinking	68,074	290,947
Bldg. Matrl. and Garden Equip. and Supplies	49,508	211,597
Auto Parts	22,562	96,428
Services Space at 10% of Total Space	164,051	701,149
Total Space	1,640,505	7,011,494

*GAFO = General Merchandise, Apparel, Furniture/Appliances, Other/Specialty
 Source: TNDG, See Appendix C.

Table 3-1 (above) shows that the City would be able to support approximately 1.64 million square feet of new retail/services space by 2020. In 2035, the buildout year of the adopted SCAG forecasts, the City would be theoretically able to support approximately 7.0 million square feet of new retail/services space.

While the above projections show potential citywide retail demand in 2020 and 2035, Table 3-2, below, shows the potential demand for new regional/showroom retail space at the Meredith site. As shown in Table 3-2, demand for new regional/showroom retail space at the site is projected to range from approximately 123,038 to 287,088 square feet by 2020. By 2035, potential demand for new regional/showroom retail at the site is projected to reach between approximately 525,862 and 1.2 million square feet⁸.

⁸ See "Total Space" line on Table 3-2.

TABLE 3-2. DEMAND FOR NEW REGIONAL/SHOWROOM RETAIL SPACE, MEREDITH SITE – 2020 AND 2035

Retail Category	Low Scenario – Sq. Ft.		High Scenario – Sq. Ft.	
	2020	2035	2020	2035
GAFO*	93,354	398,995	217,827	930,989
Food and Beverage	6,869	29,357	16,027	68,501
Food Services and Drinking	5,106	21,821	11,913	50,916
Bldg. Matrl. and Garden Equip. and Supplies	3,713	15,870	8,664	37,030
Auto Parts	1,692	7,232	3,948	16,875
Services Space at 10% of Total Space	12,304	52,586	28,709	122,701
Total Space	123,038	525,862	287,088	1,227,011
Average Absorption per Year, 2015-2035	26,293		61,350-	
Absorption Rates Assumed in Fiscal Impact Analysis:				
<ul style="list-style-type: none"> ■ Proposed Project – 30,000 square feet per year ■ 1981 Specific Plan – 30,000 square feet per year ■ General Plan Scenario – 60,000 square feet per year 				

*GAFO = General Merchandise, Apparel, Furniture/Appliances, Other/Specialty
 Source: TNDG, See Appendix C.

As shown above in Table 3-2, the low scenario assumes that the site would capture 7.5% of citywide retail demand, while the high scenario assumes it would capture 17.5%. Regional/showroom retail space typically accounts for approximately 15% to 20% of total retail demand in most retail markets. Thus, the low scenario assumes the site could capture roughly 50% of this regional/showroom retail demand. In contrast, the high scenario assumes that the site would capture the majority of City regional/showroom retail demand, given the favorable site location characteristics (e.g., highway orientation and visibility).

4 Residential

Housing development at the site is assumed to be at a density greater than single family; but the actual configuration of the developed housing is subject to the considerations listed below, among others. The configuration used will greatly influence the amount of land consumed for this purpose, absorption rates, and other conditions.

- New single family housing being developed in and around Ontario has average low and average high prices that range from \$527 thousand to \$593 thousand.⁹ Well-located condominium housing units priced at approximately \$250,000 should therefore be very marketable¹⁰. (Ontario also has a number of planned single family projects within its boundaries, with prices currently unknown.)
- Housing could, theoretically at least, be developed at higher density at the site than perhaps elsewhere in the city, assuming projects could be attractive enough in terms of general location, site amenities, reasonably accessible urban-support functions, and other considerations. However, costs per unit will tend to increase as densities increase beyond a certain base level, due to construction requirements if nothing else; although this will conserve land.
- Since the bulk of the site is intended to be developed in employment uses, having such uses close by can add to the attractiveness of housing, but could also detract depending on how the employment-use types are distributed and configured. In the same sense, the proximity of housing could make the employment areas more attractive to those users, but it could also detract if employers are concerned about residential-industrial compatibility issues.

Comprehensive consideration of all these issues would entail a fairly detailed analysis process; consequently for purposes of this report TNDG generated a residential analysis based on the following assumptions:

- The density of the residential product is similar for all scenarios: an average of 40 units per acre. This is reasonable for all scenarios, given that the site is a logical location for this kind of density, and the different mix of uses in the different scenarios can each accommodate this density.¹¹

⁹ Data from NewHomeSource.com, for 10-mile radius centered on Ontario.

¹⁰ The primary purpose of TNDG's market analysis is to forecast the number of units (rather than unit prices) that could potentially be absorbed at the Meredith site. Nevertheless, for purposes of the fiscal impact analysis, TNDG estimated an average condominium sales price of \$255,000, based on data/factors in the Concord Group study prepared for the Meredith property.

¹¹ For example, the General Plan scenario, the most densely developed, has 2,958 housing units, which would require 74 acres at 40 units/acre; the 4.4 million square feet of office space in this plan, the primary use, could be built on 41 acres at an average FAR (floor area ratio) of 2.5 (3 or more stories), the hotels on 7 acres at an average FAR of 3, and the 2.2 million square feet of retail space on the remaining 119 acres of the 241- (usable) acre site at an average density of 0.42 FAR, which would require that some of the retail space be serviced by parking garages.

This density assumption is compatible with the other studies done for the site and reviewed for this analysis.

- The assumed density allows projects to be built efficiently and cost-effectively, using economical construction techniques and configurations that are common within the market (e.g. 4-5 stories maximum in height). Consequently, the pricing of these units would be generally competitive within the local market.
- Both condominium and apartment projects are compatible with this type of density and would be developed at the site (including projects initially developed as apartments that are designed for eventual conversion to condos.). The assumed mix of apartments/condos for analysis purposes will reflect Ontario's current mix of rental/owner-occupied units and other housing data such as mix of units by type of configuration.
- Although housing of this density is not currently common in Ontario or the surrounding region, it will become increasingly so in response to the need for affordable housing and limited land supply in comparison to the demand in this growing area.

Average rents/prices of units were estimated based primarily on advertised apartment rental rates, for projects/units deemed to be reasonably comparable to those expected at the site. (Data on rentals were limited, and both Ontario and the surrounding region were investigated for comparable properties. No comparable condominium projects could be identified.) The average apartment rental rate used for analysis purposes was estimated to be \$1,500 per month, based on an assumed mix of studio, 1-bedroom, and 2-bedroom units of 25, 50, and 25 percent, respectively. To estimate an average condominium price of \$255,000, the estimated average rent was transposed to a net value, annualized, and capitalized, using the same factors employed by the Concord Group in their report for the Meredith site. (Data sources include: Concord Report, US Census, www.apartments.com, TNDG.)

4.1 Number and absorption of residential units at the site

Absorption of residential units at the site was considered from multiple factors. The three reports that previously addressed the Meredith site, referenced above, were reviewed for their findings and recommendations regarding housing units and absorption. Keyser Marston (using population projections from a Beacon Economics report) projected that 2,130 to 3,200 units could be absorbed at the site over 20 years, with 500 to 1,000 within 10 years. Beacon projected 1,535 units at the site within 5-7 years, and Concord 690 units in 10 years. The SCAG projections for the TAZ that matches the site area showed only modest population growth there, 262 additional households by 2035 (see Table 4-1, below).

TNDG projected absorption based on capture at the site of a fixed percentage of Ontario's projected citywide household growth according to SCAG. The estimated capture rate was based on consideration of a combination of factors including the current percentage of housing units in the city that are rentals (42%, relatively high), the current mix of housing units by single family or multi-family (30% multi-family), indications of pent-up demand for housing in the city (over 30,000 jobs housed within Ontario

must be filled by workers from outside the city; see Table 4-2), and the existence of the major competitive project, New Model Colony.

SCAG projections at both the city and TAZ (Transportation Analysis Zone) level were reviewed for the extent to which they could inform this analysis. Based on the SCAG 2012-2035 forecast data by TAZ, Table 4-1 (below) includes the projected households for the TAZ area that is in close alignment with the Meredith Site (shown below on Figure 4-1). According to SCAG projections, households within the Meredith Site are projected to increase from 122 in 2008 to only 254 in 2020 and 450 by 2035, which indicates that the allocations basically do not anticipate meaningful housing development in the site area.

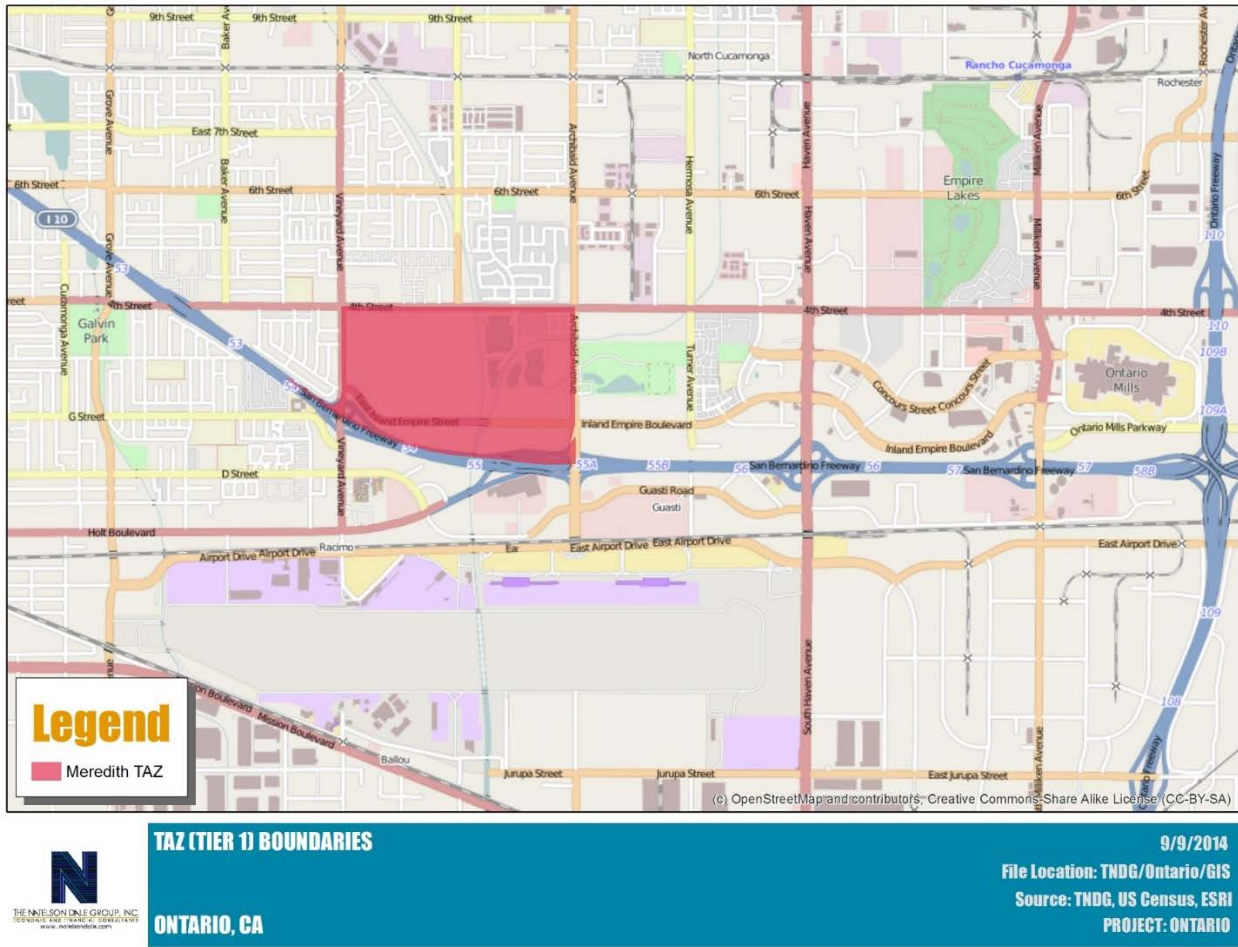
As shown on Table 4-1 (below), using a capture rate of 20% percent, which seems conservative, the Meredith site could add 1,310 units by 2020, and 395 units per year thereafter, through 2035.

TABLE 4-1. ONTARIO PROJECTED POPULATION, HOUSEHOLDS, AND EMPLOYMENT, AND SITE CAPTURE

Area		2014	2020	2035	Total New Growth, 2014-2020	Avg Annual Growth, 2014-20	Total New Growth, 2020-2035	Avg Annual Growth, 2020-35
City of Ontario								
Population		183,350	203,800	307,600	20,450	3,408	103,800	6,920
Households		51,150	57,700	87,300	6,550	1,092	29,600	1,973
Employment		128,600	142,900	214,400	14,300	2,383	71,500	4,767
Meredith Site								
Households, corresponding TAZ		188	254	450	66	11	196	13
Household capture @	20%	of City projections			1,310	218	5,920	395

Source: SCAG 2012 Growth Forecast, TNDG

FIGURE 4-1. SCAG TAZ ALIGNMENT WITH MEREDITH SITE



The following (Table 4-2, below) illustrates the employment-heavy conditions within Ontario. According to US Census OnTheMap data, the City has 87,073 jobs and 54,834 workers living in Ontario. That results in a net inflow of over 32,000 commuters into Ontario, for which housing could in theory be supplied within the city.

TABLE 4-2. ONTHEMAP EMPLOYMENT SUMMARY

	Count
Employed in the Selection Area	87,073
Workers Living in the Selection Area	54,834
Net Job Inflow (+) or Outflow (-)	+32,239

Source: Census OTM

5 Appendices

Appendix A – Meredith Site Reports Matrix

TOPIC	KEYSER MARSTON	BEACON ECON	CONCORD GROUP	NOTES
Demand Projections, Retail Space				
	Note (3) for all Keyser Marston retail figures			
2013-2018	0			
2013-2020		870,000	310,000	
2019-2023	270,597			
2024-2028	1,362,062			
2029-2033	3,245,126			
Other Factors				
Vacancy Rate		10%		
Annual Growth Rate		1.50%		
New SF (timeframe)	20 years	870,000 (9 years)	310,000	City proposed 400,000 SF
Taxable sales, annual increase 2012		4.60%		
Existing SF		9.9 M SF in Ontario/Rancho market		
Retail Leakage notes	(1)	(2)		
Demand Projection, Office Space				
	7,774,600 [4]			
2013-2018	1,193,200			
2019-2023	1,586,600			
2024-2028	2,125,800	440,000	440,000	
2029-2033	2,869,000			
Other Factors				
SF/Worker		80	250	
Vacancy Rate	23%	31%		
Sales/SF				
New SF (timeframe)	20 years	440,000 (16 years)	440,000	
Rental rate				
Capture rates	30-40%			
Demand Projections, Industrial Space				
Total	35,073,000			
2013-2018	5,992,500			
2019-2023	7,514,900	1,500,000	3,129,000	
2024-2028	9,487,300			
2029-2033	12,078,300			
Other Factors				
Vacancy Rate	6.90%	8.70%		
Rent/SF	\$0.40			
Direct Job Multiplier		1.35	1.50	
Indirect Jobs Induced		1,245	1,746	
\$/SF Construction		\$70-85	50	
New SF (time frame)	35,100,000 (20 years)	1,500,000 (5-yrs)		
Industrial Factors (6)				
Proposed SF		3,129,000	3,129,000	
SF/Worker		2,650	1,500	1,700
Job Creation		1,180	2,086	1,840
Difference from Concord		(906)	-	(246)

Appendix A notes:

- (1) The analysis indicates there is a significant surplus of retail sales in the market area. New residential units will help create additional demand; however, the demand from these units will support only a finite amount of retail.
- (2) New retail and residential space are significantly larger than envisioned by either of the two plans (City & Sares-Regis). Site will be absorbed 5- to 7-years
- (3) Based on retail leakage/surplus analysis projection data which accounts for retail expenditures, sales, opportunity gap/surplus and potential SF to capture retail opportunity. There is leakage in car sales but is not included in analysis.
- (4) Differs from total figure in report.
- (5) US Energy Information Administration (EIA), Concord referenced this.
- (6) Industrial - Factor comparison from Beacon Report and includes S-R report and the City's report. Source: Beacon Economics

Appendix B – Fiscal Model

**Summary Table B-1
Land Use Assumptions and Weighting Factors for Fiscal Impact Analysis
Meredith International Centre
City of Ontario**

LAND USES		1981 Specific Plan	General Plan	Specific Plan Amendment		
Total Residential Units		800	2,958	800		
	% Retail					
Retail Square Feet:	33%	400,000	2,178,000	228,690		
Office Square Feet:	67%	2,850,000	4,422,000	464,310		
Industrial Square Feet:		-	-	3,007,000		
Hotel Square Feet:		900,000	900,000	450,000		
Overnight Lodging Rooms:		1,200	1,200	600		
Total Non-Residential Square Feet:		4,150,000	7,500,000	4,150,000		
Warehousing	50%	-	-	1,503,500		
E-Commerce	10%	-	-	300,700		
Other Industrial	40%	-	-	1,202,800		
RESIDENTIAL						
Housing Value per Unit		\$255,000				
Household Size		2.00				
Average Apartment/Condo Size		900				
Percentage of Units Sold/Total Units		0%				
Years of Construction Phasing until Buildout		4	9	4		
COMMERCIAL/INDUSTRIAL						
	AV/SF	Years of Construction Phasing Until Buildout			SF/EMP	Taxable \$/SF
Retail	\$200	13	36	8	500	\$300
Office	\$200	86	134	14	175	-
Warehousing	\$100	0	0	2	3,000	-
E-Commerce	\$100	0	0	2	1,500	\$600
Other Industrial	\$100	0	0	2	1,500	\$75
Employment Resident Equivalent:		0.17				
Industrial SF/EMP Weighted Average:		2,250				
OVERNIGHT LODGING						
Visitors per Room		1.75				
Visitors per Resident Factor		0.75				
Occupancy Rate		72.3%				
Hotel Room Rate		\$93				
Hotel Assessed Value per Room		\$100,000				
Hotel Employees per Room		0.55				
Years of Construction Phasing until Buildout		30	30	15		

Summary Table B-2
Land Use Assumptions for Fiscal Impact Analysis
Meredith International Centre
City of Ontario

	<u>1981 Specific Plan</u>	<u>General Plan</u>	<u>Proposed Project</u>
Residential Units	800	2,958	800
Non-Residential (square feet)			
Project Component			
Retail	400,000	2,178,000	228,690
Office	2,850,000	4,422,000	464,310
Hotel	900,000	900,000	450,000
Warehousing	-	-	1,503,500
E-Commerce	-	-	300,700
Other Industrial	-	-	1,202,800
Non-Residential Total	<u>4,150,000</u>	<u>7,500,000</u>	<u>4,150,000</u>
Overnight Lodging (Rooms)	1,200	1,200	600
Population Summary (at theoretical buildout)			
Residents	1,600	5,916	1,600
Employees	17,746	30,285	4,944
Equivalent Residents (employees)	3,017	5,148	840
Visitors	1,518	1,518	759
Equivalent Residents (visitors)	1,139	1,139	569
Total Equivalent Residents	<u>5,755</u>	<u>12,203</u>	<u>3,010</u>

Summary Table B-3

Time Phased Summary of Impacts to City's General Fund
Meredith International Centre
City of Ontario

General Fund	20-Year Total	1	2	3	4	5	6	7	8	9	10
1981 Specific Plan											
<u>Revenues</u>											
Property Tax	\$ 10,095,056	\$ 13,146	\$ 241,457	\$ 241,457	\$ 355,612	\$ 383,875	\$ 412,138	\$ 440,401	\$ 468,665	\$ 496,928	\$ 525,191
Property Tax in lieu of MVL	\$ 4,244,779	5,528	101,528	101,528	149,528	161,412	173,296	185,180	197,064	208,949	220,833
Property Transfer Tax	\$ -	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	\$ 24,223,186	115,349	230,697	346,046	461,394	576,743	692,091	807,440	922,788	1,038,137	1,153,485
On-Site Sales and Use Tax	\$ 18,547,200	101,908	203,815	305,723	407,631	509,538	611,446	713,354	815,262	917,169	1,019,077
Utility Franchise Tax	\$ 718,010	7,396	14,792	22,188	29,584	30,872	32,160	33,448	34,736	36,024	37,313
Business License Fees	\$ 152,865	750	1,501	2,251	3,002	3,752	4,503	5,253	6,004	6,754	7,505
<i>Total Revenues</i>	57,981,096	244,077	793,790	1,019,193	1,406,751	1,666,193	1,925,635	2,185,077	2,444,519	2,703,961	2,963,403
<u>Expenditures</u>											
Police Department	\$ 16,542,907	\$ 170,405	\$ 340,809	\$ 511,214	\$ 681,619	\$ 711,295	\$ 740,972	\$ 770,648	\$ 800,325	\$ 830,002	\$ 859,678
Fire Services	\$ 9,839,602	101,355	202,711	304,066	405,422	423,073	440,725	458,376	476,028	493,679	511,330
Community & Public Services	\$ 7,899,988	81,376	162,752	244,128	325,504	339,676	353,848	368,020	382,191	396,363	410,535
<i>Total Expenditures</i>	34,282,497	353,136	706,272	1,059,408	1,412,544	1,474,044	1,535,544	1,597,044	1,658,544	1,720,044	1,781,544
<i>Net Fiscal Impact</i>	\$ 23,698,599	\$ (109,059)	\$ 87,518	\$ (40,215)	\$ (5,793)	\$ 192,149	\$ 390,091	\$ 588,033	\$ 785,975	\$ 983,917	\$ 1,181,859
General Plan											
<u>Revenues</u>											
Property Tax	\$ 26,333,704	\$ 78,371	\$ 257,751	\$ 437,130	\$ 616,510	\$ 795,890	\$ 975,269	\$ 1,154,649	\$ 1,334,029	\$ 1,513,408	\$ 1,551,639
Property Tax in lieu of MVL	\$ 11,072,820	32,953	108,379	183,805	259,231	334,656	410,082	485,508	560,934	636,359	652,434
Property Transfer Tax	\$ -	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	\$ 24,223,186	115,349	230,697	346,046	461,394	576,743	692,091	807,440	922,788	1,038,137	1,153,485
On-Site Sales and Use Tax	\$ 42,078,960	200,376	400,752	601,128	801,504	1,001,880	1,202,256	1,402,632	1,603,008	1,803,384	2,003,760
Utility Franchise Tax	\$ 1,747,868	11,478	22,956	34,433	45,911	57,389	68,867	80,345	91,823	103,300	104,741
Business License Fees	\$ 191,483	912	1,824	2,735	3,647	4,559	5,471	6,383	7,295	8,206	9,118
<i>Total Revenues</i>	105,648,020	439,439	1,022,358	1,605,278	2,188,197	2,771,117	3,354,036	3,936,956	4,519,875	5,102,795	5,475,177
<u>Expenditures</u>											
Police Department	\$ 40,270,786	\$ 264,448	\$ 528,897	\$ 793,345	\$ 1,057,793	\$ 1,322,242	\$ 1,586,690	\$ 1,851,138	\$ 2,115,586	\$ 2,380,035	\$ 2,413,220
Fire Services	\$ 23,952,773	157,292	314,584	471,876	629,168	786,460	943,752	1,101,044	1,258,336	1,415,628	1,435,366
Community & Public Services	\$ 19,231,126	126,286	252,572	378,858	505,144	631,430	757,716	884,002	1,010,288	1,136,575	1,152,422
<i>Total Expenditures</i>	83,454,685	548,026	1,096,053	1,644,079	2,192,105	2,740,132	3,288,158	3,836,184	4,384,211	4,932,237	5,001,008
<i>Net Fiscal Impact</i>	\$ 22,193,335	\$ (108,588)	\$ (73,694)	\$ (38,801)	\$ (3,908)	\$ 30,985	\$ 65,878	\$ 100,772	\$ 135,665	\$ 170,558	\$ 474,169

Summary Table B-3

Time Phased Summary of Impacts to City's General Fund
Meredith International Centre
City of Ontario

General Fund	20-Year Total	1	2	3	4	5	6	7	8	9	10
Specific Plan Amendment											
<u>Revenues</u>											
Property Tax	\$ 18,907,113	\$ 265,633	\$ 632,275	\$ 745,703	\$ 859,131	\$ 886,668	\$ 914,204	\$ 941,741	\$ 969,277	\$ 987,185	\$ 1,005,092
Property Tax in lieu of MVL	\$ 7,950,080	111,694	265,859	313,554	361,248	372,827	384,405	395,984	407,563	415,092	422,622
Property Transfer Tax	\$ -	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	\$ 22,492,958	115,349	230,697	346,046	461,394	576,743	692,091	807,440	922,788	1,038,137	1,153,485
On-Site Sales and Use Tax	\$ 70,758,678	1,588,555	3,177,111	3,271,788	3,366,466	3,461,144	3,555,821	3,650,499	3,745,176	3,745,176	3,745,176
Utility Franchise Tax	\$ 764,831	9,337	18,673	26,058	33,443	34,720	35,998	37,275	38,552	39,680	40,809
Business License Fees	\$ 211,676	2,806	5,612	6,351	7,090	7,829	8,568	9,307	10,046	10,627	11,209
<i>Total Revenues</i>	121,085,336	2,093,373	4,330,227	4,709,500	5,088,773	5,339,930	5,591,087	5,842,244	6,093,402	6,235,898	6,378,394
<u>Expenditures</u>											
Police Department	\$ 17,621,665	\$ 215,114	\$ 430,228	\$ 600,380	\$ 770,532	\$ 799,956	\$ 829,381	\$ 858,805	\$ 888,229	\$ 914,234	\$ 940,239
Fire Services	\$ 10,481,239	127,948	255,896	357,102	458,307	475,808	493,310	510,811	528,312	543,780	559,247
Community & Public Services	\$ 8,415,144	102,727	205,453	286,709	367,964	382,015	396,067	410,118	424,170	436,588	449,007
<i>Total Expenditures</i>	36,518,047	445,789	891,578	1,244,190	1,596,803	1,657,780	1,718,757	1,779,734	1,840,711	1,894,602	1,948,492
<i>Net Fiscal Impact</i>	\$ 84,567,289	\$ 1,647,584	\$ 3,438,649	\$ 3,465,310	\$ 3,491,970	\$ 3,682,150	\$ 3,872,330	\$ 4,062,510	\$ 4,252,691	\$ 4,341,296	\$ 4,429,902

Source: The Natelson Dale Group, Inc. (TNDG)

Summary Table B-3
Time Phased Summary of Impact
Meredith International Centre
City of Ontario

General Fund	11	12	13	14	15	16	17	18	19	20
1981 Specific Plan										
<u>Revenues</u>										
Property Tax	\$ 553,454	\$ 581,717	\$ 609,980	\$ 627,879	\$ 645,778	\$ 663,677	\$ 681,576	\$ 699,476	\$ 717,375	\$ 735,274
Property Tax in lieu of MVL	232,717	244,601	256,485	264,011	271,537	279,064	286,590	294,116	301,642	309,169
Property Transfer Tax	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	1,268,834	1,384,182	1,499,531	1,614,879	1,730,228	1,845,576	1,960,925	2,076,273	2,191,622	2,306,970
On-Site Sales and Use Tax	1,120,985	1,222,892	1,324,800	1,324,800	1,324,800	1,324,800	1,324,800	1,324,800	1,324,800	1,324,800
Utility Franchise Tax	38,601	39,889	41,177	42,305	43,433	44,562	45,690	46,818	47,946	49,075
Business License Fees	8,255	9,006	9,756	10,338	10,919	11,500	12,081	12,663	13,244	13,825
<i>Total Revenues</i>	<i>3,222,845</i>	<i>3,482,287</i>	<i>3,741,729</i>	<i>3,884,212</i>	<i>4,026,696</i>	<i>4,169,179</i>	<i>4,311,662</i>	<i>4,454,146</i>	<i>4,596,629</i>	<i>4,739,112</i>
<u>Expenditures</u>										
Police Department	\$ 889,355	\$ 919,032	\$ 948,708	\$ 974,704	\$ 1,000,700	\$ 1,026,696	\$ 1,052,692	\$ 1,078,688	\$ 1,104,684	\$ 1,130,680
Fire Services	528,982	546,633	564,285	579,747	595,209	610,672	626,134	641,596	657,058	672,521
Community & Public Services	424,707	438,879	453,051	465,465	477,880	490,294	502,708	515,123	527,537	539,951
<i>Total Expenditures</i>	<i>1,843,044</i>	<i>1,904,544</i>	<i>1,966,044</i>	<i>2,019,917</i>	<i>2,073,789</i>	<i>2,127,662</i>	<i>2,181,534</i>	<i>2,235,407</i>	<i>2,289,280</i>	<i>2,343,152</i>
<i>Net Fiscal Impact</i>	<i>\$ 1,379,801</i>	<i>\$ 1,577,743</i>	<i>\$ 1,775,685</i>	<i>\$ 1,864,296</i>	<i>\$ 1,952,906</i>	<i>\$ 2,041,517</i>	<i>\$ 2,130,128</i>	<i>\$ 2,218,739</i>	<i>\$ 2,307,349</i>	<i>\$ 2,395,960</i>
General Plan										
<u>Revenues</u>										
Property Tax	\$ 1,589,869	\$ 1,628,099	\$ 1,666,330	\$ 1,704,560	\$ 1,742,791	\$ 1,781,021	\$ 1,819,251	\$ 1,857,482	\$ 1,895,712	\$ 1,933,943
Property Tax in lieu of MVL	668,510	684,585	700,660	716,735	732,810	748,885	764,961	781,036	797,111	813,186
Property Transfer Tax	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	1,268,834	1,384,182	1,499,531	1,614,879	1,730,228	1,845,576	1,960,925	2,076,273	2,191,622	2,306,970
On-Site Sales and Use Tax	2,204,136	2,404,512	2,604,888	2,805,264	3,005,640	3,206,016	3,406,392	3,606,768	3,807,144	4,007,520
Utility Franchise Tax	106,181	107,621	109,062	110,502	111,942	113,383	114,823	116,263	117,704	119,144
Business License Fees	10,030	10,942	11,854	12,766	13,677	14,589	15,501	16,413	17,325	18,236
<i>Total Revenues</i>	<i>5,847,559</i>	<i>6,219,942</i>	<i>6,592,324</i>	<i>6,964,706</i>	<i>7,337,088</i>	<i>7,709,470</i>	<i>8,081,853</i>	<i>8,454,235</i>	<i>8,826,617</i>	<i>9,198,999</i>
<u>Expenditures</u>										
Police Department	\$ 2,446,405	\$ 2,479,591	\$ 2,512,776	\$ 2,545,961	\$ 2,579,147	\$ 2,612,332	\$ 2,645,517	\$ 2,678,702	\$ 2,711,888	\$ 2,745,073
Fire Services	1,455,104	1,474,843	1,494,581	1,514,319	1,534,058	1,553,796	1,573,535	1,593,273	1,613,011	1,632,750
Community & Public Services	1,168,269	1,184,117	1,199,964	1,215,812	1,231,659	1,247,507	1,263,354	1,279,202	1,295,049	1,310,897
<i>Total Expenditures</i>	<i>5,069,779</i>	<i>5,138,550</i>	<i>5,207,321</i>	<i>5,276,093</i>	<i>5,344,864</i>	<i>5,413,635</i>	<i>5,482,406</i>	<i>5,551,177</i>	<i>5,619,948</i>	<i>5,688,720</i>
<i>Net Fiscal Impact</i>	<i>\$ 777,780</i>	<i>\$ 1,081,391</i>	<i>\$ 1,385,002</i>	<i>\$ 1,688,613</i>	<i>\$ 1,992,224</i>	<i>\$ 2,295,835</i>	<i>\$ 2,599,446</i>	<i>\$ 2,903,058</i>	<i>\$ 3,206,669</i>	<i>\$ 3,510,280</i>

Summary Table B-3
Time Phased Summary of Impact
Meredith International Centre
City of Ontario

General Fund	11	12	13	14	15	16	17	18	19	20
Specific Plan Amendment										
<u>Revenues</u>										
Property Tax	\$ 1,023,000	\$ 1,040,908	\$ 1,058,815	\$ 1,076,723	\$ 1,083,460	\$ 1,083,460	\$ 1,083,460	\$ 1,083,460	\$ 1,083,460	\$ 1,083,460
Property Tax in lieu of MVL	430,152	437,682	445,212	452,741	455,574	455,574	455,574	455,574	455,574	455,574
Property Transfer Tax	-	-	-	-	-	-	-	-	-	-
Transient Occupancy Tax	1,268,834	1,384,182	1,499,531	1,614,879	1,730,228	1,730,228	1,730,228	1,730,228	1,730,228	1,730,228
On-Site Sales and Use Tax	3,745,176	3,745,176	3,745,176	3,745,176	3,745,176	3,745,176	3,745,176	3,745,176	3,745,176	3,745,176
Utility Franchise Tax	41,938	43,066	44,195	45,324	45,961	45,961	45,961	45,961	45,961	45,961
Business License Fees	11,791	12,372	12,954	13,536	13,596	13,596	13,596	13,596	13,596	13,596
<i>Total Revenues</i>	<u>6,520,891</u>	<u>6,663,387</u>	<u>6,805,883</u>	<u>6,948,380</u>	<u>7,073,994</u>	<u>7,073,994</u>	<u>7,073,994</u>	<u>7,073,994</u>	<u>7,073,994</u>	<u>7,073,994</u>
<u>Expenditures</u>										
Police Department	\$ 966,243	\$ 992,248	\$ 1,018,253	\$ 1,044,258	\$ 1,058,928	\$ 1,058,928	\$ 1,058,928	\$ 1,058,928	\$ 1,058,928	\$ 1,058,928
Fire Services	574,715	590,182	605,649	621,117	629,842	629,842	629,842	629,842	629,842	629,842
Community & Public Services	461,425	473,843	486,262	498,680	505,686	505,686	505,686	505,686	505,686	505,686
<i>Total Expenditures</i>	<u>2,002,383</u>	<u>2,056,273</u>	<u>2,110,164</u>	<u>2,164,055</u>	<u>2,194,456</u>	<u>2,194,456</u>	<u>2,194,456</u>	<u>2,194,456</u>	<u>2,194,456</u>	<u>2,194,456</u>
<i>Net Fiscal Impact</i>	<u>\$ 4,518,508</u>	<u>\$ 4,607,113</u>	<u>\$ 4,695,719</u>	<u>\$ 4,784,325</u>	<u>\$ 4,879,539</u>	<u>\$ 4,879,539</u>	<u>\$ 4,879,539</u>	<u>\$ 4,879,539</u>	<u>\$ 4,879,539</u>	<u>\$ 4,879,539</u>

Source: The Natelson Dale Group, I

Table B-4
Population Assumptions
Meredith International Centre
City of Ontario

Population Type	City	1981 Specific Plan	General Plan	Specific Plan Amendment
Residential Population (a)	166,547	1,600	5,916	1,600
Employees (b)	109,508	17,746	30,285	4,944
Employee Weighting Factor	0.17	0.17	0.17	0.17
Overnight Lodging Rooms (c)	5,036	1,200	1,200	600
Visitor Occupancy Rate (c)	72.3%	72.3%	72.3%	72.3%
Visitors Per Room	1.75	1.75	1.75	1.75
Visitor Weighting Factor	0.75	0.75	0.75	0.75
Residents, Employees, and Visitors (current)	279,696	-	-	-
Residents, Employees, and Visitors (buildout) (b)	N/A	20,213	37,068	6,978
Population Equivalent (current)	187,894	-	-	-
Population Equivalent (buildout)	N/A	5,755	12,203	3,010

Source: TNDG.

Notes: (a) California Department of Finance.
(b) Southern California Association of Governments, Profile of the City of Ontario.
(c) Greater Ontario California Convention & Visitors Bureau, Visitors Guide 2013-14.

Table B-5
Assessed Value Estimates by Project Component
Meredith International Centre
City of Ontario

Project Component	1981 Specific Plan	General Plan	Proposed Project
Residential	\$204,000,000	\$754,290,000	\$204,000,000
Retail	80,000,000	435,600,000	45,738,000
Office	570,000,000	884,400,000	92,862,000
Overnight Lodging	120,000,000	120,000,000	60,000,000
Warehousing	-	-	150,350,000
E-Commerce	-	-	30,070,000
Other Industrial	-	-	120,280,000
<i>Total Assessed Value</i>	<i>\$974,000,000</i>	<i>\$2,194,290,000</i>	<i>\$703,300,000</i>
<i>Existing Assessed Value</i>	<i>\$59,975,785</i>	<i>\$59,975,785</i>	<i>\$59,975,785</i>
<i>Net Increase in Assessed Value</i>	<i>\$914,024,215</i>	<i>\$2,134,314,215</i>	<i>\$643,324,215</i>

Sources: San Bernardino County Assessor; TNDG.

**Table B-6
Total Property Tax Increment
Meredith International Centre
City of Ontario**

Project Component	1981 Specific Plan	General Plan	Proposed Project
Property Tax Increment ¹	\$9,140,242	\$21,343,142	\$6,433,242
General Fund Tax Increment Share	16.84%	16.84%	16.84%
Total Tax Increment	\$1,539,361	\$3,594,522	\$1,083,460

Sources: San Bernardino County Auditor-Controller; TNDG.

- Notes:
1. 1.0% of Assessed Value
 2. Increment factor varies by individual tax rate area (TRA).

Table B-7
Projected Property Tax In Lieu of Motor Vehicle License (MVL) Fees
Meredith International Centre
City of Ontario

Citywide Property Tax In Lieu of MVL, FY 2013-14	\$13,500,000
Ontario Assessed Valuation (AV), FY 2013 (in \$000's)	\$19,063,588

	<u>1981 Specific Plan</u>	<u>General Plan</u>	<u>Proposed Project</u>
Incremental Assessed Value from Project (in \$000's) ¹	\$914,024	\$2,134,314	\$643,324
Percentage Increase over FY 2013 Base	4.8%	11.2%	3.4%
<i>New Property Tax In Lieu of MVL</i>	<i>\$647,272</i>	<i>\$1,511,428</i>	<i>\$455,574</i>

Sources: City of Ontario Annual Operating Budget 2013-14; County of San Bernardino Office of the Assessor 2013 Annual Report; TNDG.

Notes: 1. See Table B-5

Table B-8
Projected Transient Occupancy Tax
Meredith International Centre
City of Ontario

	1981 Specific Plan	General Plan	Proposed Project
Calculation of Hotel Room Nights and Revenues			
Hotel Rooms	1,200	1,200	600
Occupancy Rate	72.3%	72.3%	72.3%
Annual Room Nights	316,674	316,674	158,337
Hotel Room Rate	\$93	\$93	\$93
Annual Room Revenue	\$29,450,682	\$29,450,682	\$14,725,341
Transient Occupancy Tax (TOT) @ 11.75% of Annual Room Revenue	\$3,460,455	\$3,460,455	\$1,730,228

Sources: City of Ontario, Fiscal Services; Greater Ontario California Convention & Visitors Bureau, Visitors Guide 2013-14; TNDG.

Table B-9
Estimate of New City On-Site Sales Tax
Meredith International Centre
City of Ontario

<i>Project Component</i>	Taxable Sales Per Square Foot	1981 Specific Plan	General Plan	Proposed Project
Retail	\$300	\$ 120,000,000	\$ 653,400,000	\$ 68,607,000
Office	-	-	-	-
Warehousing	-	-	-	-
E-Commerce	600	-	-	180,420,000
Other Industrial	75	-	-	90,210,000
<i>Subtotal Taxable Sales</i>		120,000,000	653,400,000	339,237,000
Sales Tax @1% of Taxable Sales		1,200,000	6,534,000	3,392,370
Use Tax (@10.4% of sales tax)		124,800	679,536	352,806
On-Site Tax Allocated to City		1,324,800	7,213,536	3,745,176

Source: TNDG.

Table B-10**Derivation of Cost & Revenue Projection Factors****Meredith International Centre****City of Ontario**

City of Ontario Population	166,547
City of Ontario, Daytime Employee Population	109,508
City of Ontario, Overnight Lodging Visitor Population	6,372

Employee Weighting Factor	0.17
Visitor Weighting Factor	0.75
Effective Daytime Employee Population	18,616
Effective Overnight Lodging Visitor Population	4,779

Budget Category	Citywide GF Budget FY 2013/14	Allocation Basis (1)	Relevant Population	Per Capita Revenue
Utility Franchise Fees	\$2,900,000	R+E+V	189,942	\$15.27
Business License Fees	\$301,621	E	109,508	\$2.75

Sources: State of California, Department of Finance, E-5 Table; Southern California Council of Governments (SCAG) Profile of the City of Ontario, May 2013; TNDG.

Notes: 1. Allocation basis: R+E - residents plus effective daytime population. GF = General Fund.

Table B-11
Utility Franchise Fees
Meredith International Centre
City of Ontario

Variable	1981 Specific Plan	General Plan	Proposed Project
Onsite Employees	17,746	30,285	4,944
Weighting Factor	0.17	0.17	0.17
Population Equivalent	3,017	5,148	840
Overnight Lodging Visitors	1,518	1,518	759
Weighting Factor	0.75	0.75	0.75
Population Equivalent	1,139	1,139	569
New Residents	1,600	5,916	1,600
Population Equivalent	5,755	12,203	3,010
Per Capital Revenue	\$15.27	\$15.27	\$15.27
<i>Total Annual Revenue</i>	<i>\$87,886</i>	<i>\$186,341</i>	<i>\$45,961</i>

Source: TNDG.

Table B-12
Business License Taxes
Meredith International Centre
City of Ontario

Variable	1981 Specific Plan	General Plan	Proposed Project
Onsite Employees	17,746	30,285	4,944
Per Capital Revenue	\$2.75	\$2.75	\$2.75
<i>Total Annual Revenue</i>	<i>\$48,801</i>	<i>\$83,283</i>	<i>\$13,596</i>

Source: TNDG.

Table B-13

Derivation of Cost & Revenue Projection Factors

Meredith International Centre

City of Ontario

City of Ontario Population	166,547
City of Ontario, Daytime Employee Population	109,508
City of Ontario, Overnight Lodging Visitor Population	6,372

Employee Weighting Factor	0.17
Visitor Weighting Factor	0.75
Effective Daytime Employee Population	18,616
Effective Overnight Lodging Visitor Population	4,779

Budget Category	Citywide GF Budget FY 2013/14	Allocation Basis¹	Relevant Population	Per Capita Costs
Police Services	\$66,824,832	R+E+V	189,942	\$351.82
Fire Services	\$39,747,058	R+E+V	189,942	\$209.26
Community and Public Services	\$31,911,833	R+E+V	189,942	\$168.01

Sources: State of California, Department of Finance, E-5 Table; Southern California Council of Governments (SCAG) Profile of the City of Ontario, May 2013; TNDG.

Notes: 1. Allocation basis: R+E - residents plus effective daytime population. GF = General Fund.

Table B-14
Police Protection Costs
Meredith International Centre
City of Ontario

Variable	1981 Specific Plan	General Plan	Proposed Project
Onsite Employees	17,746	30,285	4,944
Weighting Factor	0.17	0.17	0.17
Population Equivalent	3,017	5,148	840
Overnight Lodging Visitors	1,518	1,518	759
Weighting Factor	0.75	0.75	0.75
Population Equivalent	1,139	1,139	569
New Residents	1,600	5,916	1,600
Population Equivalent	5,755	12,203	3,010
Per Capital Cost	\$351.82	\$351.82	\$351.82
<i>Total Annual Cost</i>	<i>\$2,024,899</i>	<i>\$4,293,295</i>	<i>\$1,058,928</i>

Sources: TNDG, Table B-13.

**Table B-15
Fire Services Costs
Meredith International Centre
City of Ontario**

Variable	1981 Specific Plan	General Plan	Proposed Project
Onsite Employees	17,746	30,285	4,944
Weighting Factor	0.17	0.17	0.17
Population Equivalent	3,017	5,148	840
Overnight Lodging Visitors	1,518	1,518	759
Weighting Factor	0.75	0.75	0.75
Population Equivalent	1,139	1,139	569
New Residents	1,600	5,916	1,600
Population Equivalent	5,755	12,203	3,010
Per Capital Cost	\$209.26	\$209.26	\$209.26
<i>Total Annual Cost</i>	<i>\$1,204,395</i>	<i>\$2,553,621</i>	<i>\$629,842</i>

Sources: TNDG, Table B-13.

Table B-16
Community and Public Services Costs
Meredith International Centre
City of Ontario

Variable	1981 Specific Plan	General Plan	Proposed Project
Onsite Employees	17,746	30,285	4,944
Weighting Factor	0.17	0.17	0.17
Population Equivalent	3,017	5,148	840
Overnight Lodging Visitors	1,518	1,518	759
Weighting Factor	0.75	0.75	0.75
Population Equivalent	1,139	1,139	569
New Residents	1,600	5,916	1,600
Population Equivalent	5,755	12,203	3,010
Per Capital Cost	\$168.01	\$168.01	\$168.01
<i>Total Annual Cost</i>	<i>\$966,981</i>	<i>\$2,050,243</i>	<i>\$505,686</i>

Sources: TNDG, Table B-13.

Table B-17
Cumulative Land Use and Absorption - Time Phased
Meredith International Centre
City of Ontario

Year	1	2	3	4	5	6	7	8	9	10
1981 Specific Plan										
Residential										
New Residential Units	200	200	200	200	-	-	-	-	-	-
Cumulative Residential Units	200	400	600	800	800	800	800	800	800	800
Commercial										
Retail	30,769	30,769	30,769	30,769	30,769	30,769	30,769	30,769	30,769	30,769
Office	33,140	33,140	33,140	33,140	33,140	33,140	33,140	33,140	33,140	33,140
Warehousing	-	-	-	-	-	-	-	-	-	-
E-Commerce	-	-	-	-	-	-	-	-	-	-
Other Industrial	-	-	-	-	-	-	-	-	-	-
New Commercial Square Feet	63,909	63,909	63,909	63,909	63,909	63,909	63,909	63,909	63,909	63,909
Cumulative Square Feet	63,909	127,818	191,726	255,635	319,544	383,453	447,361	511,270	575,179	639,088
Overnight Lodging										
New Overnight Lodging Rooms	40	40	40	40	40	40	40	40	40	40
Overnight Lodging Rooms	40	80	120	160	200	240	280	320	360	400
General Plan										
Residential										
New Residential Units	329	329	329	329	329	329	329	329	329	-
Cumulative Residential Units	329	657	986	1,315	1,643	1,972	2,301	2,629	2,958	2,958
Commercial										
Retail	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500
Office	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Warehousing	-	-	-	-	-	-	-	-	-	-
E-Commerce	-	-	-	-	-	-	-	-	-	-
Other Industrial	-	-	-	-	-	-	-	-	-	-
New Commercial Square Feet	93,500	93,500	93,500	93,500	93,500	93,500	93,500	93,500	93,500	93,500
Total Commercial Square Feet	93,500	187,000	280,500	374,000	467,500	561,000	654,500	748,000	841,500	935,000
Overnight Lodging										
New Overnight Lodging Rooms	40	40	40	40	40	40	40	40	40	40
Overnight Lodging Rooms	40	80	120	160	200	240	280	320	360	400

Table B-17
Cumulative Land Use and Absorption - Time Phased
Meredith International Centre
City of Ontario

Year	1	2	3	4	5	6	7	8	9	10
Specific Plan Amendment										
Residential										
New Residential Units	200	200	200	200	-	-	-	-	-	-
Cumulative Residential Units	200	400	600	800	800	800	800	800	800	800
Commerical										
Retail	28,586	28,586	28,586	28,586	28,586	28,586	28,586	28,586	-	-
Office	33,165	33,165	33,165	33,165	33,165	33,165	33,165	33,165	33,165	33,165
Warehousing	751,750	751,750	-	-	-	-	-	-	-	-
E-Commerce	150,350	150,350	-	-	-	-	-	-	-	-
Other Industrial	601,400	601,400	-	-	-	-	-	-	-	-
New Commercial Square Feet	1,565,251	1,565,251	61,751	61,751	61,751	61,751	61,751	61,751	33,165	33,165
Cumulative Squire Feet	1,565,251	3,130,503	3,192,254	3,254,005	3,315,756	3,377,508	3,439,259	3,501,010	3,534,175	3,567,340
Overnight Lodging										
New Overnight Lodging Rooms	40	40	40	40	40	40	40	40	40	40
Overnight Lodging Rooms	40	80	120	160	200	240	280	320	360	400

Table B-17
Cumulative Land Use and Absorption - Time
Meredith International Centre
City of Ontario

Year	11	12	13	14	15	16	17	18	19	20
1981 Specific Plan										
Residential										
New Residential Units	-	-	-	-	-	-	-	-	-	-
Cumulative Residential Units	800	800	800	800	800	800	800	800	800	800
Commercial										
Retail	30,769	30,769	30,769	-	-	-	-	-	-	-
Office	33,140	33,140	33,140	33,140	33,140	33,140	33,140	33,140	33,140	33,140
Warehousing	-	-	-	-	-	-	-	-	-	-
E-Commerce	-	-	-	-	-	-	-	-	-	-
Other Industrial	-	-	-	-	-	-	-	-	-	-
New Commercial Square Feet	63,909	63,909	63,909	33,140	33,140	33,140	33,140	33,140	33,140	33,140
Cumulative Square Feet	702,996	766,905	830,814	863,953	897,093	930,233	963,372	996,512	1,029,651	1,062,791
Overnight Lodging										
New Overnight Lodging Rooms	40	40	40	40	40	40	40	40	40	40
Overnight Lodging Rooms	440	480	520	560	600	640	680	720	760	800
General Plan										
Residential										
New Residential Units	-	-	-	-	-	-	-	-	-	-
Cumulative Residential Units	2,958	2,958	2,958	2,958	2,958	2,958	2,958	2,958	2,958	2,958
Commercial										
Retail	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500	60,500
Office	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000	33,000
Warehousing	-	-	-	-	-	-	-	-	-	-
E-Commerce	-	-	-	-	-	-	-	-	-	-
Other Industrial	-	-	-	-	-	-	-	-	-	-
New Commercial Square Feet	93,500	93,500	93,500	93,500	93,500	93,500	93,500	93,500	93,500	93,500
Total Commercial Square Feet	1,028,500	1,122,000	1,215,500	1,309,000	1,402,500	1,496,000	1,589,500	1,683,000	1,776,500	1,870,000
Overnight Lodging										
New Overnight Lodging Rooms	40	40	40	40	40	40	40	40	40	40
Overnight Lodging Rooms	440	480	520	560	600	640	680	720	760	800

Table B-18
Population Assumptions - Time Phased
Meredith International Centre
City of Ontario

Year	Factor	1	2	3	4	5	6	7	8	9	10
1981 Specific Plan											
Residents											
New Residents	2.00	400	800	1,200	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Employees											
Retail	500.00	62	123	185	246	308	369	431	492	554	615
Office	175.00	189	379	568	757	947	1,136	1,326	1,515	1,704	1,894
Overnight Lodging	0.55	22	44	66	88	110	132	154	176	198	220
Warehousing	3,000.00	-	-	-	-	-	-	-	-	-	-
E-Commerce	1,500.00	-	-	-	-	-	-	-	-	-	-
Other Industrial	1,500.00	-	-	-	-	-	-	-	-	-	-
Total Cumulative Employees		273	546	819	1,092	1,365	1,637	1,910	2,183	2,456	2,729
Employee/Resident Equivalent	17%	46	93	139	186	232	278	325	371	418	464
Visitors											
Overnight Lodging Visitors		51	101	152	202	253	304	354	405	455	506
Visitor/Resident Equivalent	75%	38	76	114	152	190	228	266	304	342	380
Total Population Equivalent		484	969	1,453	1,937	2,022	2,106	2,190	2,275	2,359	2,444
General Plan											
Residents											
New Residents	2.00	657	1,315	1,972	2,629	3,287	3,944	4,601	5,259	5,916	5,916
Employees											
Retail	500.00	121	242	363	484	605	726	847	968	1,089	1,210
Office	175.00	189	377	566	754	943	1,131	1,320	1,509	1,697	1,886
Overnight Lodging	0.55	22	44	66	88	110	132	154	176	198	220
Warehousing	3,000.00	-	-	-	-	-	-	-	-	-	-
E-Commerce	1,500.00	-	-	-	-	-	-	-	-	-	-
Other Industrial	1,500.00	-	-	-	-	-	-	-	-	-	-
Total Cumulative Employees		332	663	995	1,326	1,658	1,989	2,321	2,653	2,984	3,316
Employee/Resident Equivalent	17%	56	113	169	225	282	338	395	451	507	564
Visitors											
Overnight Lodging Visitors		51	101	152	202	253	304	354	405	455	506
Visitor/Resident Equivalent	75%	38	76	114	152	190	228	266	304	342	380
Total Population Equivalent		752	1,503	2,255	3,007	3,758	4,510	5,262	6,013	6,765	6,859

Table B-18
Population Assumptions - Time Phased
Meredith International Centre
City of Ontario

Year	Factor	1	2	3	4	5	6	7	8	9	10
Specific Plan Amendment											
Residents											
<i>New Residents</i>	2.00	400	800	1,200	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Employees											
Retail	500.00	57	114	172	229	286	343	400	457	457	457
Office	175.00	190	379	569	758	948	1,137	1,327	1,516	1,706	1,895
Overnight Lodging	0.55	22	44	66	88	110	132	154	176	198	220
Warehousing	3,000.00	251	501	501	501	501	501	501	501	501	501
E-Commerce	1,500.00	100	200	200	200	200	200	200	200	200	200
Other Industrial	1,500.00	401	802	802	802	802	802	802	802	802	802
Total Cumulative Employees		1,020	2,041	2,310	2,578	2,847	3,116	3,384	3,653	3,865	4,076
<i>Employee/Resident Equivalent</i>	17%	173	347	393	438	484	530	575	621	657	693
Visitors											
Overnight Lodging Visitors		51	101	152	202	253	304	354	405	455	506
<i>Visitor/Resident Equivalent</i>	75%	38	76	114	152	190	228	266	304	342	380
Subtotal Population Equivalent		611	1,223	1,706	2,190	2,274	2,357	2,441	2,525	2,599	2,672

Source: TNDG.

Table B-18
Population Assumptions - Time Phased
Meredith International Centre
City of Ontario

Year	Factor	11	12	13	14	15	16	17	18	19	20
1981 Specific Plan											
Residents											
New Residents	2.00	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Employees											
Retail	500.00	677	738	800	800	800	800	800	800	800	800
Office	175.00	2,083	2,272	2,462	2,651	2,841	3,030	3,219	3,409	3,598	3,787
Overnight Lodging	0.55	242	264	286	308	330	352	374	396	418	440
Warehousing	3,000.00	-	-	-	-	-	-	-	-	-	-
E-Commerce	1,500.00	-	-	-	-	-	-	-	-	-	-
Other Industrial	1,500.00	-	-	-	-	-	-	-	-	-	-
Total Cumulative Employees		3,002	3,275	3,548	3,759	3,971	4,182	4,393	4,605	4,816	5,027
<i>Employee/Resident Equivalent</i>	17%	510	557	603	639	675	711	747	783	819	855
Visitors											
Overnight Lodging Visitors		557	607	658	709	759	810	860	911	962	1,012
<i>Visitor/Resident Equivalent</i>	75%	418	455	493	531	569	607	645	683	721	759
Total Population Equivalent		2,528	2,612	2,697	2,770	2,844	2,918	2,992	3,066	3,140	3,214
General Plan											
Residents											
<i>New Residents</i>	2.00	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916
Employees											
Retail	500.00	1,331	1,452	1,573	1,694	1,815	1,936	2,057	2,178	2,299	2,420
Office	175.00	2,074	2,263	2,451	2,640	2,829	3,017	3,206	3,394	3,583	3,771
Overnight Lodging	0.55	242	264	286	308	330	352	374	396	418	440
Warehousing	3,000.00	-	-	-	-	-	-	-	-	-	-
E-Commerce	1,500.00	-	-	-	-	-	-	-	-	-	-
Other Industrial	1,500.00	-	-	-	-	-	-	-	-	-	-
Total Cumulative Employees		3,647	3,979	4,310	4,642	4,974	5,305	5,637	5,968	6,300	6,631
<i>Employee/Resident Equivalent</i>	17%	620	676	733	789	846	902	958	1,015	1,071	1,127
Visitors											
Overnight Lodging Visitors		557	607	658	709	759	810	860	911	962	1,012
<i>Visitor/Resident Equivalent</i>	75%	418	455	493	531	569	607	645	683	721	759
Total Population Equivalent		6,954	7,048	7,142	7,237	7,331	7,425	7,520	7,614	7,708	7,802

Table B-18
Population Assumptions - Time Phased
Meredith International Centre
City of Ontario

Year	Factor	11	12	13	14	15	16	17	18	19	20
Specific Plan Amendment											
Residents											
<i>New Residents</i>	2.00	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Employees											
Retail	500.00	457	457	457	457	457	457	457	457	457	457
Office	175.00	2,085	2,274	2,464	2,653	2,653	2,653	2,653	2,653	2,653	2,653
Overnight Lodging	0.55	242	264	286	308	330	330	330	330	330	330
Warehousing	3,000.00	501	501	501	501	501	501	501	501	501	501
E-Commerce	1,500.00	200	200	200	200	200	200	200	200	200	200
Other Industrial	1,500.00	802	802	802	802	802	802	802	802	802	802
Total Cumulative Employees		4,288	4,499	4,711	4,922	4,944	4,944	4,944	4,944	4,944	4,944
<i>Employee/Resident Equivalent</i>	17%	729	765	801	837	840	840	840	840	840	840
Visitors											
Overnight Lodging Visitors		557	607	658	709	759	759	759	759	759	759
<i>Visitor/Resident Equivalent</i>	75%	418	455	493	531	569	569	569	569	569	569
Subtotal Population Equivalent		2,746	2,820	2,894	2,968	3,010	3,010	3,010	3,010	3,010	3,010

Source: TNDG.

Table B-19
Assessed Value Estimates by Project Component (in \$000's)
Meredith International Centre
City of Ontario

Project Component	Factor	1	2	3	4	5	6	7	8	9	10
1981 Specific Plan											
Residential	\$255,000	\$51,000	\$102,000	\$153,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000
Retail	\$200	6,154	12,308	18,462	24,615	30,769	36,923	43,077	49,231	55,385	61,538
Office	\$200	6,628	13,256	19,884	26,512	33,140	39,767	46,395	53,023	59,651	66,279
Overnight Lodging	\$100,000	4,000	8,000	12,000	16,000	20,000	24,000	28,000	32,000	36,000	40,000
Warehousing	\$100	-	-	-	-	-	-	-	-	-	-
E-Commerce	\$100	-	-	-	-	-	-	-	-	-	-
Other Industrial	\$100	-	-	-	-	-	-	-	-	-	-
<i>Total Assessed Value (in \$000's)</i>		<i>\$67,782</i>	<i>\$203,345</i>	<i>\$203,345</i>	<i>\$271,127</i>	<i>\$287,909</i>	<i>\$304,691</i>	<i>\$321,472</i>	<i>\$338,254</i>	<i>\$355,036</i>	<i>\$371,818</i>
<i>Existing Land Value</i>		<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>
<i>Net Increase in Assessed Value (in \$000's)</i>		<i>\$7,806</i>	<i>\$143,369</i>	<i>\$143,369</i>	<i>\$211,151</i>	<i>\$227,933</i>	<i>\$244,715</i>	<i>\$261,496</i>	<i>\$278,278</i>	<i>\$295,060</i>	<i>\$311,842</i>
General Plan											
Residential	\$255,000	\$83,810	\$167,620	\$251,430	\$335,240	\$419,050	\$502,860	\$586,670	\$670,480	\$754,290	\$754,290
Retail	\$200	12,100	24,200	36,300	48,400	60,500	72,600	84,700	96,800	108,900	121,000
Office	\$200	6,600	13,200	19,800	26,400	33,000	39,600	46,200	52,800	59,400	66,000
Overnight Lodging	\$100,000	4,000	8,000	12,000	16,000	20,000	24,000	28,000	32,000	36,000	40,000
Warehousing	\$100	-	-	-	-	-	-	-	-	-	-
E-Commerce	\$100	-	-	-	-	-	-	-	-	-	-
Other Industrial	\$100	-	-	-	-	-	-	-	-	-	-
<i>Total Assessed Value (in \$000's)</i>		<i>\$106,510</i>	<i>\$213,020</i>	<i>\$319,530</i>	<i>\$426,040</i>	<i>\$532,550</i>	<i>\$639,060</i>	<i>\$745,570</i>	<i>\$852,080</i>	<i>\$958,590</i>	<i>\$981,290</i>
<i>Existing Land Value</i>		<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>
<i>Net Increase in Assessed Value (in \$000's)</i>		<i>\$46,534</i>	<i>\$153,044</i>	<i>\$259,554</i>	<i>\$366,064</i>	<i>\$472,574</i>	<i>\$579,084</i>	<i>\$685,594</i>	<i>\$792,104</i>	<i>\$898,614</i>	<i>\$921,314</i>
Specific Plan Amendment											
Residential	\$255,000	\$51,000	\$102,000	\$153,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000
Retail	\$200	5,717	11,435	17,152	22,869	28,586	34,304	40,021	45,738	45,738	45,738
Office	\$200	6,633	13,266	19,899	26,532	33,165	39,798	46,431	53,064	59,697	66,330
Overnight Lodging	\$100,000	4,000	8,000	12,000	16,000	20,000	24,000	28,000	32,000	36,000	40,000
Warehousing	\$100	75,175	150,350	150,350	150,350	150,350	150,350	150,350	150,350	150,350	150,350
E-Commerce	\$100	15,035	30,070	30,070	30,070	30,070	30,070	30,070	30,070	30,070	30,070
Other Industrial	\$100	60,140	120,280	120,280	120,280	120,280	120,280	120,280	120,280	120,280	120,280
<i>Total Assessed Value (in \$000's)</i>		<i>\$217,700</i>	<i>\$435,401</i>	<i>\$502,751</i>	<i>\$570,101</i>	<i>\$586,451</i>	<i>\$602,802</i>	<i>\$619,152</i>	<i>\$635,502</i>	<i>\$646,135</i>	<i>\$656,768</i>
<i>Existing Land Value</i>		<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>
<i>Net Increase in Assessed Value (in \$000's)</i>		<i>\$157,724</i>	<i>\$375,425</i>	<i>\$442,775</i>	<i>\$510,125</i>	<i>\$526,475</i>	<i>\$542,826</i>	<i>\$559,176</i>	<i>\$575,526</i>	<i>\$586,159</i>	<i>\$596,792</i>

Sources: San Bernardino County Assessor; TNDG.

Table B-19
Assessed Value Estimates by Project Component (in \$000's)
Meredith International Centre
City of Ontario

Project Component	Factor	1	11	12	13	14	15	16	17	18	19	20
1981 Specific Plan												
Residential	\$255,000	\$51,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000
Retail	\$200	6,154	67,692	73,846	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
Office	\$200	6,628	72,907	79,535	86,163	92,791	99,419	106,047	112,674	119,302	125,930	132,558
Overnight Lodging	\$100,000	4,000	44,000	48,000	52,000	56,000	60,000	64,000	68,000	72,000	76,000	80,000
Warehousing	\$100	-	-	-	-	-	-	-	-	-	-	-
E-Commerce	\$100	-	-	-	-	-	-	-	-	-	-	-
Other Industrial	\$100	-	-	-	-	-	-	-	-	-	-	-
<i>Total Assessed Value (in \$000's)</i>		<i>\$67,782</i>	<i>\$388,599</i>	<i>\$405,381</i>	<i>\$422,163</i>	<i>\$432,791</i>	<i>\$443,419</i>	<i>\$454,047</i>	<i>\$464,674</i>	<i>\$475,302</i>	<i>\$485,930</i>	<i>\$496,558</i>
<i>Existing Land Value</i>		<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>
<i>Net Increase in Assessed Value (in \$000's)</i>		<i>\$7,806</i>	<i>\$328,623</i>	<i>\$345,405</i>	<i>\$362,187</i>	<i>\$372,815</i>	<i>\$383,443</i>	<i>\$394,071</i>	<i>\$404,699</i>	<i>\$415,327</i>	<i>\$425,954</i>	<i>\$436,582</i>
General Plan												
Residential	\$255,000	\$83,810	\$754,290	\$754,290	\$754,290	\$754,290	\$754,290	\$754,290	\$754,290	\$754,290	\$754,290	\$754,290
Retail	\$200	12,100	133,100	145,200	157,300	169,400	181,500	193,600	205,700	217,800	229,900	242,000
Office	\$200	6,600	72,600	79,200	85,800	92,400	99,000	105,600	112,200	118,800	125,400	132,000
Overnight Lodging	\$100,000	4,000	44,000	48,000	52,000	56,000	60,000	64,000	68,000	72,000	76,000	80,000
Warehousing	\$100	-	-	-	-	-	-	-	-	-	-	-
E-Commerce	\$100	-	-	-	-	-	-	-	-	-	-	-
Other Industrial	\$100	-	-	-	-	-	-	-	-	-	-	-
<i>Total Assessed Value (in \$000's)</i>		<i>\$106,510</i>	<i>\$1,003,990</i>	<i>\$1,026,690</i>	<i>\$1,049,390</i>	<i>\$1,072,090</i>	<i>\$1,094,790</i>	<i>\$1,117,490</i>	<i>\$1,140,190</i>	<i>\$1,162,890</i>	<i>\$1,185,590</i>	<i>\$1,208,290</i>
<i>Existing Land Value</i>		<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>
<i>Net Increase in Assessed Value (in \$000's)</i>		<i>\$46,534</i>	<i>\$944,014</i>	<i>\$966,714</i>	<i>\$989,414</i>	<i>\$1,012,114</i>	<i>\$1,034,814</i>	<i>\$1,057,514</i>	<i>\$1,080,214</i>	<i>\$1,102,914</i>	<i>\$1,125,614</i>	<i>\$1,148,314</i>
Specific Plan Amendment												
Residential	\$255,000	\$51,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000	\$204,000
Retail	\$200	5,717	45,738	45,738	45,738	45,738	45,738	45,738	45,738	45,738	45,738	45,738
Office	\$200	6,633	72,963	79,596	86,229	92,862	92,862	92,862	92,862	92,862	92,862	92,862
Overnight Lodging	\$100,000	4,000	44,000	48,000	52,000	56,000	60,000	60,000	60,000	60,000	60,000	60,000
Warehousing	\$100	75,175	150,350	150,350	150,350	150,350	150,350	150,350	150,350	150,350	150,350	150,350
E-Commerce	\$100	15,035	30,070	30,070	30,070	30,070	30,070	30,070	30,070	30,070	30,070	30,070
Other Industrial	\$100	60,140	120,280	120,280	120,280	120,280	120,280	120,280	120,280	120,280	120,280	120,280
<i>Total Assessed Value (in \$000's)</i>		<i>\$217,700</i>	<i>\$667,401</i>	<i>\$678,034</i>	<i>\$688,667</i>	<i>\$699,300</i>	<i>\$703,300</i>	<i>\$703,300</i>	<i>\$703,300</i>	<i>\$703,300</i>	<i>\$703,300</i>	<i>\$703,300</i>
<i>Existing Land Value</i>		<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>	<i>\$59,976</i>
<i>Net Increase in Assessed Value (in \$000's)</i>		<i>\$157,724</i>	<i>\$607,425</i>	<i>\$618,058</i>	<i>\$628,691</i>	<i>\$639,324</i>	<i>\$643,324</i>	<i>\$643,324</i>	<i>\$643,324</i>	<i>\$643,324</i>	<i>\$643,324</i>	<i>\$643,324</i>

Sources: San Bernardino County Assessor; TNDG.

Table B-20
Total Property Tax Increment
Meredith International Centre
City of Ontario

General Fund Tax Increment Share 16.8%

Project Component	1	2	3	4	5	6	7	8	9	10
1981 Specific Plan										
Property Tax Increment ¹	\$78,060	\$1,433,695	\$1,433,695	\$2,111,512	\$2,279,330	\$2,447,147	\$2,614,965	\$2,782,782	\$2,950,600	\$3,118,417
Total Tax Increment	\$13,146	\$241,457	\$241,457	\$355,612	\$383,875	\$412,138	\$440,401	\$468,665	\$496,928	\$525,191
General Plan										
Property Tax Increment ¹	\$465,342	\$1,530,442	\$2,595,542	\$3,660,642	\$4,725,742	\$5,790,842	\$6,855,942	\$7,921,042	\$8,986,142	\$9,213,142
Total Tax Increment	\$78,371	\$257,751	\$437,130	\$616,510	\$795,890	\$975,269	\$1,154,649	\$1,334,029	\$1,513,408	\$1,551,639
Specific Plan Amendment										
Property Tax Increment ¹	\$1,577,245	\$3,754,247	\$4,427,750	\$5,101,252	\$5,264,755	\$5,428,257	\$5,591,760	\$5,755,262	\$5,861,592	\$5,967,922
Total Tax Increment	\$265,633	\$632,275	\$745,703	\$859,131	\$886,668	\$914,204	\$941,741	\$969,277	\$987,185	\$1,005,092

Source: TNDG.

Notes: 1. 1.0% of Assessed Value

Table B-20
Total Property Tax Increment
Meredith International Centre
City of Ontario

Project Component	11	12	13	14	15	16	17	18	19	20
1981 Specific Plan										
Property Tax Increment ¹	\$3,286,235	\$3,454,053	\$3,621,870	\$3,728,149	\$3,834,428	\$3,940,707	\$4,046,986	\$4,153,265	\$4,259,544	\$4,365,824
Total Tax Increment	\$553,454	\$581,717	\$609,980	\$627,879	\$645,778	\$663,677	\$681,576	\$699,476	\$717,375	\$735,274
General Plan										
Property Tax Increment ¹	\$9,440,142	\$9,667,142	\$9,894,142	\$10,121,142	\$10,348,142	\$10,575,142	\$10,802,142	\$11,029,142	\$11,256,142	\$11,483,142
Total Tax Increment	\$1,589,869	\$1,628,099	\$1,666,330	\$1,704,560	\$1,742,791	\$1,781,021	\$1,819,251	\$1,857,482	\$1,895,712	\$1,933,943
Specific Plan Amendment										
Property Tax Increment ¹	\$6,074,252	\$6,180,582	\$6,286,912	\$6,393,242	\$6,433,242	\$6,433,242	\$6,433,242	\$6,433,242	\$6,433,242	\$6,433,242
Total Tax Increment	\$1,023,000	\$1,040,908	\$1,058,815	\$1,076,723	\$1,083,460	\$1,083,460	\$1,083,460	\$1,083,460	\$1,083,460	\$1,083,460

Source: TNDG.

Notes: 1. 1.0% of Assessed Value

Table B-21
Property Tax In Lieu of MVL Fees - Time Phased
Meredith International Centre
City of Ontario

Property Tax In Lieu of MVL, FY 2013-14	\$13,500,000
Ontario Assessed Valuation (AV), FY 2013	\$19,063,588

	Year	1	2	3	4	5	6	7	8	9	10
1981 Specific Plan											
Incremental Assessed Value from Project (in \$000's) ¹		\$7,806	\$143,369	\$143,369	\$211,151	\$227,933	\$244,715	\$261,496	\$278,278	\$295,060	\$311,842
Percentage Increase over FY 2013 Base		0.0%	0.8%	0.8%	1.1%	1.2%	1.3%	1.4%	1.5%	1.5%	1.6%
<i>New Property Tax In Lieu of MVL</i>		\$5,528	\$101,528	\$101,528	\$149,528	\$161,412	\$173,296	\$185,180	\$197,064	\$208,949	\$220,833
General Plan											
Incremental Assessed Value from Project (in \$000's) ¹		\$46,534	\$153,044	\$259,554	\$366,064	\$472,574	\$579,084	\$685,594	\$792,104	\$898,614	\$921,314
Percentage Increase over FY 2013 Base		0.2%	0.8%	1.4%	1.9%	2.5%	3.0%	3.6%	4.2%	4.7%	4.8%
<i>New Property Tax In Lieu of MVL</i>		\$32,953	\$108,379	\$183,805	\$259,231	\$334,656	\$410,082	\$485,508	\$560,934	\$636,359	\$652,434
Specific Plan Amendment											
Incremental Assessed Value from Project (in \$000's) ¹		\$157,724	\$375,425	\$442,775	\$510,125	\$526,475	\$542,826	\$559,176	\$575,526	\$586,159	\$596,792
Percentage Increase over FY 2013 Base		0.8%	2.0%	2.3%	2.7%	2.8%	2.8%	2.9%	3.0%	3.1%	3.1%
<i>New Property Tax In Lieu of MVL</i>		\$111,694	\$265,859	\$313,554	\$361,248	\$372,827	\$384,405	\$395,984	\$407,563	\$415,092	\$422,622

Sources: City of Ontario Annual Operating Budget 2013-14; County of San Bernardino Office of the Assessor 2013 Annual Report; TNDG.

Notes: 1. See Table B-5

Table B-21
Property Tax In Lieu of MVL Fees - Time Phased
Meredith International Centre
City of Ontario

Property Tax In Lieu of MVL, FY 2013-14	\$13,500,000
Ontario Assessed Valuation (AV), FY 2013	\$19,063,588

	Year	11	12	13	14	15	16	17	18	19	20
1981 Specific Plan											
Incremental Assessed Value from Project (in \$000's) ¹		\$328,623	\$345,405	\$362,187	\$372,815	\$383,443	\$394,071	\$404,699	\$415,327	\$425,954	\$436,582
Percentage Increase over FY 2013 Base		1.7%	1.8%	1.9%	2.0%	2.0%	2.1%	2.1%	2.2%	2.2%	2.3%
<i>New Property Tax In Lieu of MVL</i>		\$232,717	\$244,601	\$256,485	\$264,011	\$271,537	\$279,064	\$286,590	\$294,116	\$301,642	\$309,169
General Plan											
Incremental Assessed Value from Project (in \$000's) ¹		\$944,014	\$966,714	\$989,414	\$1,012,114	\$1,034,814	\$1,057,514	\$1,080,214	\$1,102,914	\$1,125,614	\$1,148,314
Percentage Increase over FY 2013 Base		5.0%	5.1%	5.2%	5.3%	5.4%	5.5%	5.7%	5.8%	5.9%	6.0%
<i>New Property Tax In Lieu of MVL</i>		\$668,510	\$684,585	\$700,660	\$716,735	\$732,810	\$748,885	\$764,961	\$781,036	\$797,111	\$813,186
Specific Plan Amendment											
Incremental Assessed Value from Project (in \$000's) ¹		\$607,425	\$618,058	\$628,691	\$639,324	\$643,324	\$643,324	\$643,324	\$643,324	\$643,324	\$643,324
Percentage Increase over FY 2013 Base		3.2%	3.2%	3.3%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%	3.4%
<i>New Property Tax In Lieu of MVL</i>		\$430,152	\$437,682	\$445,212	\$452,741	\$455,574	\$455,574	\$455,574	\$455,574	\$455,574	\$455,574

Sources: City of Ontario Annual Operating Budget 2013-14; City of Ontario 2013 Annual Report; TNDG.

Notes: 1. See Table B-5

Table B-22
Time-Phased Transient Occupancy Tax
Meredith International Centre
City of Ontario

Transient Occupancy Tax Rate:	11.75%
Occupancy Rate:	72.30%
Hotel Room Rate:	\$93

	Year	1	2	3	4	5	6	7	8
1981 Specific Plan									
Number of Rooms		40	80	120	160	200	240	280	320
Annual Room Nights		10,556	21,112	31,667	42,223	52,779	63,335	73,891	84,446
Annual Room Revenue		\$981,689	\$1,963,379	\$2,945,068	\$3,926,758	\$4,908,447	\$5,890,136	\$6,871,826	\$7,853,515
<i>Transient Occupancy Tax (TOT)</i>		<i>\$115,349</i>	<i>\$230,697</i>	<i>\$346,046</i>	<i>\$461,394</i>	<i>\$576,743</i>	<i>\$692,091</i>	<i>\$807,440</i>	<i>\$922,788</i>
General Plan									
Number of Rooms		40	80	120	160	200	240	280	320
Annual Room Nights		10,556	21,112	31,667	42,223	52,779	63,335	73,891	84,446
Annual Room Revenue		\$981,689	\$1,963,379	\$2,945,068	\$3,926,758	\$4,908,447	\$5,890,136	\$6,871,826	\$7,853,515
<i>Transient Occupancy Tax (TOT)</i>		<i>\$115,349</i>	<i>\$230,697</i>	<i>\$346,046</i>	<i>\$461,394</i>	<i>\$576,743</i>	<i>\$692,091</i>	<i>\$807,440</i>	<i>\$922,788</i>
Specific Plan Amendment									
Number of Rooms		40	80	120	160	200	240	280	320
Annual Room Nights		10,556	21,112	31,667	42,223	52,779	63,335	73,891	84,446
Annual Room Revenue		\$981,689	\$1,963,379	\$2,945,068	\$3,926,758	\$4,908,447	\$5,890,136	\$6,871,826	\$7,853,515
<i>Transient Occupancy Tax (TOT)</i>		<i>\$115,349</i>	<i>\$230,697</i>	<i>\$346,046</i>	<i>\$461,394</i>	<i>\$576,743</i>	<i>\$692,091</i>	<i>\$807,440</i>	<i>\$922,788</i>

Source: TNDG.

Notes: 1. See Table B-5.

Table B-22
Time-Phased Transient Occupancy Tax
Meredith International Centre
City of Ontario

Transient Occupancy Tax Rate:	11.75%
Occupancy Rate:	72.30%
Hotel Room Rate:	\$93

	Year	9	10	11	12	13	14	15	16
1981 Specific Plan									
Number of Rooms		360	400	440	480	520	560	600	640
Annual Room Nights		95,002	105,558	116,114	126,670	137,225	147,781	158,337	168,893
Annual Room Revenue		\$8,835,205	\$9,816,894	\$10,798,583	\$11,780,273	\$12,761,962	\$13,743,652	\$14,725,341	\$15,707,030
<i>Transient Occupancy Tax (TOT)</i>		\$1,038,137	\$1,153,485	\$1,268,834	\$1,384,182	\$1,499,531	\$1,614,879	\$1,730,228	\$1,845,576
General Plan									
Number of Rooms		360	400	440	480	520	560	600	640
Annual Room Nights		95,002	105,558	116,114	126,670	137,225	147,781	158,337	168,893
Annual Room Revenue		\$8,835,205	\$9,816,894	\$10,798,583	\$11,780,273	\$12,761,962	\$13,743,652	\$14,725,341	\$15,707,030
<i>Transient Occupancy Tax (TOT)</i>		\$1,038,137	\$1,153,485	\$1,268,834	\$1,384,182	\$1,499,531	\$1,614,879	\$1,730,228	\$1,845,576
Specific Plan Amendment									
Number of Rooms		360	400	440	480	520	560	600	600
Annual Room Nights		95,002	105,558	116,114	126,670	137,225	147,781	158,337	158,337
Annual Room Revenue		\$8,835,205	\$9,816,894	\$10,798,583	\$11,780,273	\$12,761,962	\$13,743,652	\$14,725,341	\$14,725,341
<i>Transient Occupancy Tax (TOT)</i>		\$1,038,137	\$1,153,485	\$1,268,834	\$1,384,182	\$1,499,531	\$1,614,879	\$1,730,228	\$1,730,228

Source: TNDG.

Notes: 1. See Table B-5.

Table B-22
Time-Phased Transient Occupancy Tax
Meredith International Centre
City of Ontario

Transient Occupancy Tax Rate:	11.75%
Occupancy Rate:	72.30%
Hotel Room Rate:	\$93

	Year	17	18	19	20
1981 Specific Plan					
Number of Rooms		680	720	760	800
Annual Room Nights		179,449	190,004	200,560	211,116
Annual Room Revenue		<u>\$16,688,720</u>	<u>\$17,670,409</u>	<u>\$18,652,099</u>	<u>\$19,633,788</u>
<i>Transient Occupancy Tax (TOT)</i>		<u>\$1,960,925</u>	<u>\$2,076,273</u>	<u>\$2,191,622</u>	<u>\$2,306,970</u>
General Plan					
Number of Rooms		680	720	760	800
Annual Room Nights		179,449	190,004	200,560	211,116
Annual Room Revenue		<u>\$16,688,720</u>	<u>\$17,670,409</u>	<u>\$18,652,099</u>	<u>\$19,633,788</u>
<i>Transient Occupancy Tax (TOT)</i>		<u>\$1,960,925</u>	<u>\$2,076,273</u>	<u>\$2,191,622</u>	<u>\$2,306,970</u>
Specific Plan Amendment					
Number of Rooms		600	600	600	600
Annual Room Nights		158,337	158,337	158,337	158,337
Annual Room Revenue		<u>\$14,725,341</u>	<u>\$14,725,341</u>	<u>\$14,725,341</u>	<u>\$14,725,341</u>
<i>Transient Occupancy Tax (TOT)</i>		<u>\$1,730,228</u>	<u>\$1,730,228</u>	<u>\$1,730,228</u>	<u>\$1,730,228</u>

Source: TNDG.

Notes: 1. See Table B-5.

Table B-23
Estimate of New Sales Tax - Time Phased
Meredith International Centre
City of Ontario

Project Component	Factor	1	2	3	4	5	6	7	8
1981 Specific Plan									
Retail	\$300	9,230,769	18,461,538	27,692,308	36,923,077	46,153,846	55,384,615	64,615,385	73,846,154
Office	\$0	-	-	-	-	-	-	-	-
Warehousing	\$0	-	-	-	-	-	-	-	-
E-Commerce	\$600	-	-	-	-	-	-	-	-
Other Industrial	\$75	-	-	-	-	-	-	-	-
<i>Subtotal Taxable Sales</i>		<i>\$9,230,769</i>	<i>\$18,461,538</i>	<i>\$27,692,308</i>	<i>\$36,923,077</i>	<i>\$46,153,846</i>	<i>\$55,384,615</i>	<i>\$64,615,385</i>	<i>\$73,846,154</i>
Sales Tax @1% of Taxable Sales		92,308	184,615	276,923	369,231	461,538	553,846	646,154	738,462
Use Tax (@10.4% of sales tax)		9,600	19,200	28,800	38,400	48,000	57,600	67,200	76,800
On-Site Tax Allocated to City		101,908	203,815	305,723	407,631	509,538	611,446	713,354	815,262
On-Site Tax Allocated to City									
General Plan									
Retail	\$300	18,150,000	36,300,000	54,450,000	72,600,000	90,750,000	108,900,000	127,050,000	145,200,000
Office	\$0	-	-	-	-	-	-	-	-
Warehousing	\$0	-	-	-	-	-	-	-	-
E-Commerce	\$600	-	-	-	-	-	-	-	-
Other Industrial	\$75	-	-	-	-	-	-	-	-
<i>Total Assessed Value (in \$000's)</i>		<i>\$18,150,000</i>	<i>\$36,300,000</i>	<i>\$54,450,000</i>	<i>\$72,600,000</i>	<i>\$90,750,000</i>	<i>\$108,900,000</i>	<i>\$127,050,000</i>	<i>\$145,200,000</i>
Sales Tax @1% of Taxable Sales		181,500	363,000	544,500	726,000	907,500	1,089,000	1,270,500	1,452,000
Use Tax (@10.4% of sales tax)		18,876	37,752	56,628	75,504	94,380	113,256	132,132	151,008
On-Site Tax Allocated to City		200,376	400,752	601,128	801,504	1,001,880	1,202,256	1,402,632	1,603,008
Specific Plan Amendment									
Retail	\$300	8,575,875	17,151,750	25,727,625	34,303,500	42,879,375	51,455,250	60,031,125	68,607,000
Office	\$0	-	-	-	-	-	-	-	-
Warehousing	\$0	-	-	-	-	-	-	-	-
E-Commerce	\$600	90,210,000	180,420,000	180,420,000	180,420,000	180,420,000	180,420,000	180,420,000	180,420,000
Other Industrial	\$75	45,105,000	90,210,000	90,210,000	90,210,000	90,210,000	90,210,000	90,210,000	90,210,000
<i>Total Assessed Value (in \$000's)</i>		<i>\$143,890,875</i>	<i>\$287,781,750</i>	<i>\$296,357,625</i>	<i>\$304,933,500</i>	<i>\$313,509,375</i>	<i>\$322,085,250</i>	<i>\$330,661,125</i>	<i>\$339,237,000</i>
Sales Tax @1% of Taxable Sales		1,438,909	2,877,818	2,963,576	3,049,335	3,135,094	3,220,853	3,306,611	3,392,370
Use Tax (@10.4% of sales tax)		149,647	299,293	308,212	317,131	326,050	334,969	343,888	352,806
On-Site Tax Allocated to City		1,588,555	3,177,111	3,271,788	3,366,466	3,461,144	3,555,821	3,650,499	3,745,176

Source: TNDG.

Table B-23
Estimate of New Sales Tax - Time Phased
Meredith International Centre
City of Ontario

Project Component	Factor	9	10	11	12	13	14	15	16
1981 Specific Plan									
Retail	\$300	83,076,923	92,307,692	101,538,462	110,769,231	120,000,000	120,000,000	120,000,000	120,000,000
Office	\$0	-	-	-	-	-	-	-	-
Warehousing	\$0	-	-	-	-	-	-	-	-
E-Commerce	\$600	-	-	-	-	-	-	-	-
Other Industrial	\$75	-	-	-	-	-	-	-	-
<i>Subtotal Taxable Sales</i>		<i>\$83,076,923</i>	<i>\$92,307,692</i>	<i>\$101,538,462</i>	<i>\$110,769,231</i>	<i>\$120,000,000</i>	<i>\$120,000,000</i>	<i>\$120,000,000</i>	<i>\$120,000,000</i>
Sales Tax @1% of Taxable Sales		830,769	923,077	1,015,385	1,107,692	1,200,000	1,200,000	1,200,000	1,200,000
Use Tax (@10.4% of sales tax)		86,400	96,000	105,600	115,200	124,800	124,800	124,800	124,800
On-Site Tax Allocated to City		917,169	1,019,077	1,120,985	1,222,892	1,324,800	1,324,800	1,324,800	1,324,800
On-Site Tax Allocated to City									
General Plan									
Retail	\$300	163,350,000	181,500,000	199,650,000	217,800,000	235,950,000	254,100,000	272,250,000	290,400,000
Office	\$0	-	-	-	-	-	-	-	-
Warehousing	\$0	-	-	-	-	-	-	-	-
E-Commerce	\$600	-	-	-	-	-	-	-	-
Other Industrial	\$75	-	-	-	-	-	-	-	-
<i>Total Assessed Value (in \$000's)</i>		<i>\$163,350,000</i>	<i>\$181,500,000</i>	<i>\$199,650,000</i>	<i>\$217,800,000</i>	<i>\$235,950,000</i>	<i>\$254,100,000</i>	<i>\$272,250,000</i>	<i>\$290,400,000</i>
Sales Tax @1% of Taxable Sales		1,633,500	1,815,000	1,996,500	2,178,000	2,359,500	2,541,000	2,722,500	2,904,000
Use Tax (@10.4% of sales tax)		169,884	188,760	207,636	226,512	245,388	264,264	283,140	302,016
On-Site Tax Allocated to City		1,803,384	2,003,760	2,204,136	2,404,512	2,604,888	2,805,264	3,005,640	3,206,016
Specific Plan Amendment									
Retail	\$300	68,607,000	68,607,000	68,607,000	68,607,000	68,607,000	68,607,000	68,607,000	68,607,000
Office	\$0	-	-	-	-	-	-	-	-
Warehousing	\$0	-	-	-	-	-	-	-	-
E-Commerce	\$600	180,420,000	180,420,000	180,420,000	180,420,000	180,420,000	180,420,000	180,420,000	180,420,000
Other Industrial	\$75	90,210,000	90,210,000	90,210,000	90,210,000	90,210,000	90,210,000	90,210,000	90,210,000
<i>Total Assessed Value (in \$000's)</i>		<i>\$339,237,000</i>	<i>\$339,237,000</i>	<i>\$339,237,000</i>	<i>\$339,237,000</i>	<i>\$339,237,000</i>	<i>\$339,237,000</i>	<i>\$339,237,000</i>	<i>\$339,237,000</i>
Sales Tax @1% of Taxable Sales		3,392,370	3,392,370	3,392,370	3,392,370	3,392,370	3,392,370	3,392,370	3,392,370
Use Tax (@10.4% of sales tax)		352,806	352,806	352,806	352,806	352,806	352,806	352,806	352,806
On-Site Tax Allocated to City		3,745,176	3,745,176	3,745,176	3,745,176	3,745,176	3,745,176	3,745,176	3,745,176

Source: TNDG.

Table B-23
Estimate of New Sales Tax - Time Phased
Meredith International Centre
City of Ontario

Project Component	Factor	17	18	19	20
1981 Specific Plan					
Retail	\$300	120,000,000	120,000,000	120,000,000	120,000,000
Office	\$0	-	-	-	-
Warehousing	\$0	-	-	-	-
E-Commerce	\$600	-	-	-	-
Other Industrial	\$75	-	-	-	-
<i>Subtotal Taxable Sales</i>		<i>\$120,000,000</i>	<i>\$120,000,000</i>	<i>\$120,000,000</i>	<i>\$120,000,000</i>
Sales Tax @1% of Taxable Sales		1,200,000	1,200,000	1,200,000	1,200,000
Use Tax (@10.4% of sales tax)		124,800	124,800	124,800	124,800
On-Site Tax Allocated to City		1,324,800	1,324,800	1,324,800	1,324,800
On-Site Tax Allocated to City					
General Plan					
Retail	\$300	308,550,000	326,700,000	344,850,000	363,000,000
Office	\$0	-	-	-	-
Warehousing	\$0	-	-	-	-
E-Commerce	\$600	-	-	-	-
Other Industrial	\$75	-	-	-	-
<i>Total Assessed Value (in \$000's)</i>		<i>\$308,550,000</i>	<i>\$326,700,000</i>	<i>\$344,850,000</i>	<i>\$363,000,000</i>
Sales Tax @1% of Taxable Sales		3,085,500	3,267,000	3,448,500	3,630,000
Use Tax (@10.4% of sales tax)		320,892	339,768	358,644	377,520
On-Site Tax Allocated to City		3,406,392	3,606,768	3,807,144	4,007,520
Specific Plan Amendment					
Retail	\$300	68,607,000	68,607,000	68,607,000	68,607,000
Office	\$0	-	-	-	-
Warehousing	\$0	-	-	-	-
E-Commerce	\$600	180,420,000	180,420,000	180,420,000	180,420,000
Other Industrial	\$75	90,210,000	90,210,000	90,210,000	90,210,000
<i>Total Assessed Value (in \$000's)</i>		<i>\$339,237,000</i>	<i>\$339,237,000</i>	<i>\$339,237,000</i>	<i>\$339,237,000</i>
Sales Tax @1% of Taxable Sales		3,392,370	3,392,370	3,392,370	3,392,370
Use Tax (@10.4% of sales tax)		352,806	352,806	352,806	352,806
On-Site Tax Allocated to City		3,745,176	3,745,176	3,745,176	3,745,176

Source: TNDG.

Table B-24
General Fund Revenue - Time Phased
Meredith International Centre
City of Ontario

Year	1	2	3	4	5	6	7	8	9	10	11
1981 Specific Plan											
Per Capita	400	800	1,200	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Per Employee	273	546	819	1,092	1,365	1,637	1,910	2,183	2,456	2,729	3,002
Per Visitor	51	101	152	202	253	304	354	405	455	506	557
Population Equivalent	484	969	1,453	1,937	2,022	2,106	2,190	2,275	2,359	2,444	2,528
General Fund Revenue											
Utility Franchise Fees	7,396	14,792	22,188	29,584	30,872	32,160	33,448	34,736	36,024	37,313	38,601
Business License Fees	750	1,501	2,251	3,002	3,752	4,503	5,253	6,004	6,754	7,505	8,255
General Fund Revenue	\$ 8,147	\$ 16,293	\$ 24,440	\$ 32,586	\$ 34,625	\$ 36,663	\$ 38,702	\$ 40,740	\$ 42,779	\$ 44,817	\$ 46,856
General Plan											
Per Capita	657	1,315	1,972	2,629	3,287	3,944	4,601	5,259	5,916	5,916	5,916
Per Employee	332	663	995	1,326	1,658	1,989	2,321	2,653	2,984	3,316	3,647
Per Visitor	51	101	152	202	253	304	354	405	455	506	557
Population Equivalent	752	1,503	2,255	3,007	3,758	4,510	5,262	6,013	6,765	6,859	6,954
General Fund Revenue											
Utility Franchise Fees	11,478	22,956	34,433	45,911	57,389	68,867	80,345	91,823	103,300	104,741	106,181
Business License Fees	912	1,824	2,735	3,647	4,559	5,471	6,383	7,295	8,206	9,118	10,030
General Fund Revenue	\$ 12,390	\$ 24,779	\$ 37,169	\$ 49,559	\$ 61,948	\$ 74,338	\$ 86,727	\$ 99,117	\$ 111,507	\$ 113,859	\$ 116,211
Specific Plan Amendment											
Per Capita	400	800	1,200	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Per Employee	1,020	2,041	2,310	2,578	2,847	3,116	3,384	3,653	3,865	4,076	4,288
Per Visitor	51	101	152	202	253	304	354	405	455	506	557
Population Equivalent	611	1,223	1,706	2,190	2,274	2,357	2,441	2,525	2,599	2,672	2,746
General Fund Revenue											
Utility Franchise Fees	9,337	18,673	26,058	33,443	34,720	35,998	37,275	38,552	39,680	40,809	41,938
Business License Fees	2,806	5,612	6,351	7,090	7,829	8,568	9,307	10,046	10,627	11,209	11,791
General Fund Revenue	\$ 12,143	\$ 24,286	\$ 32,410	\$ 40,533	\$ 42,549	\$ 44,565	\$ 46,581	\$ 48,597	\$ 50,308	\$ 52,018	\$ 53,728

Source: TNDG.

Table B-24
General Fund Revenue - Time Phased
Meredith International Centre
City of Ontario

	Year	12	13	14	15	16	17	18	19	20
1981 Specific Plan										
Per Capita		1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Per Employee		3,275	3,548	3,759	3,971	4,182	4,393	4,605	4,816	5,027
Per Visitor		607	658	709	759	810	860	911	962	1,012
Population Equivalent		2,612	2,697	2,770	2,844	2,918	2,992	3,066	3,140	3,214
General Fund Revenue										
Utility Franchise Fees		39,889	41,177	42,305	43,433	44,562	45,690	46,818	47,946	49,075
Business License Fees		9,006	9,756	10,338	10,919	11,500	12,081	12,663	13,244	13,825
General Fund Revenue		\$ 48,895	\$ 50,933	\$ 52,643	\$ 54,352	\$ 56,062	\$ 57,771	\$ 59,481	\$ 61,190	\$ 62,900
General Plan										
Per Capita		5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916
Per Employee		3,979	4,310	4,642	4,974	5,305	5,637	5,968	6,300	6,631
Per Visitor		607	658	709	759	810	860	911	962	1,012
Population Equivalent		7,048	7,142	7,237	7,331	7,425	7,520	7,614	7,708	7,802
General Fund Revenue										
Utility Franchise Fees		107,621	109,062	110,502	111,942	113,383	114,823	116,263	117,704	119,144
Business License Fees		10,942	11,854	12,766	13,677	14,589	15,501	16,413	17,325	18,236
General Fund Revenue		\$ 118,563	\$ 120,915	\$ 123,268	\$ 125,620	\$ 127,972	\$ 130,324	\$ 132,676	\$ 135,028	\$ 137,380
Specific Plan Amendment										
Per Capita		1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Per Employee		4,499	4,711	4,922	4,944	4,944	4,944	4,944	4,944	4,944
Per Visitor		607	658	709	759	759	759	759	759	759
Population Equivalent		2,820	2,894	2,968	3,010	3,010	3,010	3,010	3,010	3,010
General Fund Revenue										
Utility Franchise Fees		43,066	44,195	45,324	45,961	45,961	45,961	45,961	45,961	45,961
Business License Fees		12,372	12,954	13,536	13,596	13,596	13,596	13,596	13,596	13,596
General Fund Revenue		\$ 55,439	\$ 57,149	\$ 58,860	\$ 59,557	\$ 59,557	\$ 59,557	\$ 59,557	\$ 59,557	\$ 59,557

Source: TNDG.

**Table B-25
General Fund Expenditures
Meredith International Centre
City of Ontario**

Year	1	2	3	4	5	6	7	8	9	10
1981 Specific Plan										
Per Capita	400	800	1,200	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Per Employee	273	546	819	1,092	1,365	1,637	1,910	2,183	2,456	2,729
Per Visitor	51	101	152	202	253	304	354	405	455	506
Population Equivalent	484	969	1,453	1,937	2,022	2,106	2,190	2,275	2,359	2,444
General Fund Expenditures										
Police Services	170,405	340,809	511,214	681,619	711,295	740,972	770,648	800,325	830,002	859,678
Fire Services	101,355	202,711	304,066	405,422	423,073	440,725	458,376	476,028	493,679	511,330
Community and Public Services	81,376	162,752	244,128	325,504	339,676	353,848	368,020	382,191	396,363	410,535
Total General Fund Expenditures	\$ 353,136	\$ 706,272	\$ 1,059,408	\$ 1,412,544	\$ 1,474,044	\$ 1,535,544	\$ 1,597,044	\$ 1,658,544	\$ 1,720,044	\$ 1,781,544
General Plan										
Per Capita	657	1,315	1,972	2,629	3,287	3,944	4,601	5,259	5,916	5,916
Per Employee	332	663	995	1,326	1,658	1,989	2,321	2,653	2,984	3,316
Per Visitor	51	101	152	202	253	304	354	405	455	506
Population Equivalent	752	1,503	2,255	3,007	3,758	4,510	5,262	6,013	6,765	6,859
General Fund Expenditures										
Police Services	264,448	528,897	793,345	1,057,793	1,322,242	1,586,690	1,851,138	2,115,586	2,380,035	2,413,220
Fire Services	157,292	314,584	471,876	629,168	786,460	943,752	1,101,044	1,258,336	1,415,628	1,435,366
Community and Public Services	126,286	252,572	378,858	505,144	631,430	757,716	884,002	1,010,288	1,136,575	1,152,422
Total General Fund Expenditures	\$ 548,026	\$ 1,096,053	\$ 1,644,079	\$ 2,192,105	\$ 2,740,132	\$ 3,288,158	\$ 3,836,184	\$ 4,384,211	\$ 4,932,237	\$ 5,001,008
Specific Plan Amendment										
Per Capita	400	800	1,200	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Per Employee	1,020	2,041	2,310	2,578	2,847	3,116	3,384	3,653	3,865	4,076
Per Visitor	51	101	152	202	253	304	354	405	455	506
Population Equivalent	611	1,223	1,706	2,190	2,274	2,357	2,441	2,525	2,599	2,672
General Fund Revenue										
Police Services	215,114	430,228	600,380	770,532	799,956	829,381	858,805	888,229	914,234	940,239
Fire Services	127,948	255,896	357,102	458,307	475,808	493,310	510,811	528,312	543,780	559,247
Community and Public Services	102,727	205,453	286,709	367,964	382,015	396,067	410,118	424,170	436,588	449,007
Total General Fund Expenditures	\$ 445,789	\$ 891,578	\$ 1,244,190	\$ 1,596,803	\$ 1,657,780	\$ 1,718,757	\$ 1,779,734	\$ 1,840,711	\$ 1,894,602	\$ 1,948,492

Source: TNDG.

Table B-25
General Fund Expenditures
Meredith International Centre
City of Ontario

Year	11	12	13	14	15	16	17	18	19	20
1981 Specific Plan										
Per Capita	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Per Employee	3,002	3,275	3,548	3,759	3,971	4,182	4,393	4,605	4,816	5,027
Per Visitor	557	607	658	709	759	810	860	911	962	1,012
Population Equivalent	2,528	2,612	2,697	2,770	2,844	2,918	2,992	3,066	3,140	3,214
General Fund Expenditures										
Police Services	889,355	919,032	948,708	974,704	1,000,700	1,026,696	1,052,692	1,078,688	1,104,684	1,130,680
Fire Services	528,982	546,633	564,285	579,747	595,209	610,672	626,134	641,596	657,058	672,521
Community and Public Services	424,707	438,879	453,051	465,465	477,880	490,294	502,708	515,123	527,537	539,951
Total General Fund Expenditures	\$ 1,843,044	\$ 1,904,544	\$ 1,966,044	\$ 2,019,917	\$ 2,073,789	\$ 2,127,662	\$ 2,181,534	\$ 2,235,407	\$ 2,289,280	\$ 2,343,152
General Plan										
Per Capita	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916	5,916
Per Employee	3,647	3,979	4,310	4,642	4,974	5,305	5,637	5,968	6,300	6,631
Per Visitor	557	607	658	709	759	810	860	911	962	1,012
Population Equivalent	6,954	7,048	7,142	7,237	7,331	7,425	7,520	7,614	7,708	7,802
General Fund Expenditures										
Police Services	2,446,405	2,479,591	2,512,776	2,545,961	2,579,147	2,612,332	2,645,517	2,678,702	2,711,888	2,745,073
Fire Services	1,455,104	1,474,843	1,494,581	1,514,319	1,534,058	1,553,796	1,573,535	1,593,273	1,613,011	1,632,750
Community and Public Services	1,168,269	1,184,117	1,199,964	1,215,812	1,231,659	1,247,507	1,263,354	1,279,202	1,295,049	1,310,897
Total General Fund Expenditures	\$ 5,069,779	\$ 5,138,550	\$ 5,207,321	\$ 5,276,093	\$ 5,344,864	\$ 5,413,635	\$ 5,482,406	\$ 5,551,177	\$ 5,619,948	\$ 5,688,720
Specific Plan Amendment										
Per Capita	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600
Per Employee	4,288	4,499	4,711	4,922	4,944	4,944	4,944	4,944	4,944	4,944
Per Visitor	557	607	658	709	759	759	759	759	759	759
Population Equivalent	2,746	2,820	2,894	2,968	3,010	3,010	3,010	3,010	3,010	3,010
General Fund Revenue										
Police Services	966,243	992,248	1,018,253	1,044,258	1,058,928	1,058,928	1,058,928	1,058,928	1,058,928	1,058,928
Fire Services	574,715	590,182	605,649	621,117	629,842	629,842	629,842	629,842	629,842	629,842
Community and Public Services	461,425	473,843	486,262	498,680	505,686	505,686	505,686	505,686	505,686	505,686
Total General Fund Expenditures	\$ 2,002,383	\$ 2,056,273	\$ 2,110,164	\$ 2,164,055	\$ 2,194,456	\$ 2,194,456	\$ 2,194,456	\$ 2,194,456	\$ 2,194,456	\$ 2,194,456

Source: TNDG.

Appendix C – Retail Model

**Table C-1
Population
City of Ontario**

Area	2012	2014	2020	2035
Primary Market Area (PMA)	165,789	172,096	203,800	307,600
Total	165,789	172,096	203,800	307,600

Source: Southern California Association of Governments (SCAG), 2012 Regional Transportation Plan (RTP); The Natelson Dale Group, Inc. (TNDG).
 *In December 2014 SCAG released a preliminary draft of the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS).
 The updated demographic forecasts will not be adopted until April 2016. For the City of Ontario, the preliminary numbers do not vary significantly from the 2012 RTP.

**Table C-2
Per Capita Income Projections
City of Ontario
In constant dollars**

	2012			
Primary Market Area (PMA)	\$18,997			
Annual Increase Factor		0.00%		
Area	2012	2014	2020	2035
Primary Market Area (PMA)	\$18,997	\$18,997	\$18,997	\$18,997

Source: U.S. Census Bureau, American Community Survey; TNDG

Table C-3
Total Income and Potential Retail Sales Projections
City of Ontario
In Thousands of 2012 Dollars

Area	2012	2014	2020	2035
<i>Percent of Income Spent on Retail Goods</i>				
Primary Market Area (PMA)	41.1%	41.1%	41.1%	41.1%
<i>Total Income:</i>				
Primary Market Area (PMA)	\$3,149,494	\$3,269,299	\$3,871,589	\$5,843,477
Total Income	\$3,149,494	\$3,269,299	\$3,871,589	\$5,843,477
<i>Potential Retail Sales:</i>				
Primary Market Area (PMA)	\$1,294,442	\$1,343,682	\$1,591,223	\$2,401,669
Total Potential Retail Sales	\$1,294,442	\$1,343,682	\$1,591,223	\$2,401,669

Source: State Board of Equalization (SBOE); U.S. Census Bureau, American Community Survey; U.S. Department of Commerce, Bureau of Economic Analysis; TNDG.

Table C-4
Distribution of Retail Sales by Retail Category
City of Ontario

Retail Category	% Distribution 2012	% Distribution 2014	% Distribution 2020	% Distribution 2035
<i>Shopper Goods:</i>				
Clothing and Clothing Accessories	6.5%	6.5%	6.5%	6.5%
General Merchandise	13.5%	13.5%	13.5%	13.5%
Home Furnishings and Appliances	4.0%	4.0%	4.0%	4.0%
Specialty/Other	11.0%	11.0%	11.0%	11.0%
Subtotal	35.0%	35.0%	35.0%	35.0%
<i>Convenience Goods:</i>				
Food and Beverage	17.5%	17.5%	17.5%	17.5%
Food Services and Drinking	11.0%	11.0%	11.0%	11.0%
Subtotal	28.5%	28.5%	28.5%	28.5%
<i>Heavy Commercial Goods:</i>				
Bldg. Matrl. and Garden Equip. and Supplies	6.0%	6.0%	6.0%	6.0%
Motor Vehicle and Parts Dealers	14.5%	14.5%	14.5%	14.5%
Gasoline Stations	16.0%	16.0%	16.0%	16.0%
Subtotal	36.5%	36.5%	36.5%	36.5%
Total	100.0%	100.0%	100.0%	100.0%

Source: TNDG, based on historic trends for San Bernardino County as reported by the SBOE

Table C-5
Projected PMA Demand for Retail Sales by Major Retail Category
City of Ontario
In Thousands of 2012 Dollars

Retail Category	2012	2014	2020	2035
<i>Shopper Goods:</i>				
Clothing and Clothing Accessories	\$84,139	\$87,339	\$103,429	\$156,108
General Merchandise	\$174,750	\$181,397	\$214,815	\$324,225
Home Furnishings and Appliances	\$51,778	\$53,747	\$63,649	\$96,067
Specialty/Other	\$142,389	\$147,805	\$175,035	\$264,184
Subtotal	\$453,055	\$470,289	\$556,928	\$840,584
<i>Convenience Goods:</i>				
Food and Beverage	\$226,527	\$235,144	\$278,464	\$420,292
Food Services and Drinking	\$142,389	\$147,805	\$175,035	\$264,184
Subtotal	\$368,916	\$382,949	\$453,499	\$684,476
<i>Heavy Commercial Goods:</i>				
Bldg. Matrl. and Garden Equip. and Supplies	\$77,667	\$80,621	\$95,473	\$144,100
Motor Vehicle and Parts Dealers ¹	\$187,694	\$194,834	\$230,727	\$348,242
Gasoline Stations	\$207,111	\$214,989	\$254,596	\$384,267
Subtotal	\$472,471	\$490,444	\$580,796	\$876,609
Total	\$1,294,442	\$1,343,682	\$1,591,223	\$2,401,669

Source: TNDG

Table C-6
Potential Capture Rates of Retail Demand
City of Ontario

Retail Category	2012	2014	2020	2035
<i>Shopper Goods:</i>				
Clothing and Clothing Accessories	100%	100%	100%	100%
General Merchandise	100%	100%	100%	100%
Home Furnishings and Appliances	100%	100%	100%	100%
Specialty/Other	100%	100%	100%	100%
<i>Convenience Goods:</i>				
Food and Beverage	100%	100%	100%	100%
Food Services and Drinking	100%	100%	100%	100%
<i>Heavy Commercial Goods:</i>				
Bldg. Matrl. and Garden Equip. and Supplies	100%	100%	100%	100%
Motor Vehicle and Parts Dealers	100%	100%	100%	100%
Gasoline Stations	100%	100%	100%	100%

Source: TNDG

Table C-7
Potential Capture of Sales from PMA
City of Ontario
In Thousands of 2012 Dollars

Retail Category	2012	2014	2020	2035
<i>Shopper Goods:</i>				
Clothing and Clothing Accessories	\$84,139	\$87,339	\$103,429	\$156,108
General Merchandise	\$174,750	\$181,397	\$214,815	\$324,225
Home Furnishings and Appliances	\$51,778	\$53,747	\$63,649	\$96,067
Specialty/Other	\$142,389	\$147,805	\$175,035	\$264,184
Subtotal	\$453,055	\$470,289	\$556,928	\$840,584
<i>Convenience Goods:</i>				
Food and Beverage	\$226,527	\$235,144	\$278,464	\$420,292
Food Services and Drinking	\$142,389	\$147,805	\$175,035	\$264,184
Subtotal	\$368,916	\$382,949	\$453,499	\$684,476
<i>Heavy Commercial Goods:</i>				
Bldg. Matrl. and Garden Equip. and Supplies	\$77,667	\$80,621	\$95,473	\$144,100
Motor Vehicle and Parts Dealers	\$187,694	\$194,834	\$230,727	\$348,242
Gasoline Stations	\$207,111	\$214,989	\$254,596	\$384,267
Subtotal	\$472,471	\$490,444	\$580,796	\$876,609
Total	\$1,294,442	\$1,343,682	\$1,591,223	\$2,401,669

Source: TNDG

Table C-8
Comparison of Potential Demand with Actual Sales by Retail Category
City of Ontario
In Thousands of 2012 Dollars

Retail Category	2012 Demand	2012 Sales	Expected Less Actual	Percent Actual/Expected
<i>Shopper Goods:</i>				
Clothing and Clothing Accessories	\$84,139	\$437,589	(\$353,450)	520.08%
General Merchandise	\$174,750	\$164,969	\$9,780	94.40%
Home Furnishings and Appliances	\$51,778	\$179,062	(\$127,284)	345.83%
Specialty/Other	\$142,389	\$718,001	(\$575,612)	504.25%
Subtotal	\$453,055	\$1,499,621	(\$1,046,566)	331.00%
<i>Convenience Goods:</i>				
Food and Beverage	\$226,527	\$250,175	(\$23,647)	110.44%
Food Services and Drinking	\$142,389	\$311,326	(\$168,938)	218.65%
Subtotal	\$142,389	\$311,326	(\$168,938)	218.65%
<i>Heavy Commercial Goods:</i>				
Bldg. Matr. and Garden Equip. and Supplies	\$77,667	\$150,387	(\$72,720)	193.63%
Motor Vehicle and Parts Dealers	\$187,694	\$1,009,910	(\$822,216)	538.06%
Gasoline Stations	\$207,111	\$579,320	(\$372,210)	279.72%
Subtotal	\$472,471	\$1,739,617	(\$1,267,146)	368.20%
Total	\$1,067,915	\$3,550,564	(\$2,482,650)	332.48%

Source: TNDG; SBOE

Table C-9
Estimated Factors to Account for Non-Resident Retail Sales
City of Ontario
In Thousands of 2012 Dollars

Retail Category	Sales Attraction Factor
<hr/>	
<i>Shopper Goods:</i>	
GAFO*	3.3
<i>Convenience Goods:</i>	
Food and Beverage	1.1
Food Services and Drinking	2.2
<i>Heavy Commercial Goods:</i>	
Bldg. Matrl. and Garden Equip. and Supplies	1.9
Motor Vehicle and Parts Dealers	5.4
Gasoline Stations	2.8

Source: TNDG

*GAFO = General Merchandise; Apparel; Furniture/Appliances; Other/Specialty.

Table C-10
Net Supportable Retail Sales
City of Ontario
In Thousands of 2012 Dollars

Retail Category	2020	2035
<hr/>		
<i>Shopper Goods:</i>		
GAFO	\$373,418	\$1,595,982
Subtotal	<hr/> \$373,418	<hr/> \$1,595,982
 <i>Convenience Goods:</i>		
Food and Beverage	\$43,320	\$185,148
Food Services and Drinking	\$27,230	\$116,379
Subtotal	<hr/> \$70,549	<hr/> \$301,526
 <i>Heavy Commercial Goods:</i>		
Bldg. Matrl. and Garden Equip. and Supplies	\$14,852	\$63,479
Motor Vehicle and Parts Dealers	\$35,893	\$153,408
Gasoline Stations	\$39,607	\$169,278
Subtotal	<hr/> \$90,353	<hr/> \$386,165
 GRAND TOTAL	 <hr/> \$534,320	 <hr/> \$2,283,674

Source: TNDG

Table C-11
Net Supportable Retail Space by Category
City of Ontario
Expressed in Sales/Square Feet

Retail Category	Sales/ Square Feet	2020	2035
GAFO	\$300	1,244,726	5,319,940
Food and Beverage	\$473	91,585	391,433
Food Services and Drinking	\$400	68,074	290,947
Bldg. Matrl. and Garden Equip. and Supplies	\$300	49,508	211,597
Auto Parts*	\$175	22,562	96,428
Gasoline Stations	N/A	N/A	N/A
<i>TOTAL RETAIL</i>		<i>1,476,455</i>	<i>6,310,345</i>
<i>Services Space @ 10% of Total Retail</i>		<i>164,051</i>	<i>701,149</i>
GRAND TOTAL		1,640,505	7,011,494

Source: TNDG

*Assumes that automotive parts stores account for 11% of sales in overall Automotive group category (based on statewide average as reported the SBOE).

Table C-12
Net Supportable Retail Space by Category
Project Site - Meredith Property
Expressed in Sales/Square Feet

Retail Category	2020		2035	
	Low Capture 7.5%	High Capture 17.5%	Low Capture 7.5%	High Capture 17.5%
GAFO	93,354	217,827	398,995	930,989
Food and Beverage	6,869	16,027	29,357	68,501
Food Services and Drinking	5,106	11,913	21,821	50,916
Bldg. Matrl. and Garden Equip. and Supplies	3,713	8,664	15,870	37,030
Auto Parts	1,692	3,948	7,232	16,875
Gasoline Stations	N/A	N/A	N/A	N/A
<i>TOTAL RETAIL</i>	<i>110,734</i>	<i>258,380</i>	<i>473,276</i>	<i>1,104,310</i>
<i>Services space @ 10% of Total Retail</i>	<i>12,304</i>	<i>28,709</i>	<i>52,586</i>	<i>122,701</i>
GRAND TOTAL	123,038	287,088	525,862	1,227,011

Source: TNDG