

Table III-15: Overview of Key Demographic Characteristics, Comparable District Trade Areas, 2021 ⁽¹⁾⁽²⁾

					
Population	119,371	4,692	117,932	22,419	82,458
Households	36,926	2,007	36,069	8,676	30,523
Average Household Size	3.08	2.29	3.23	2.53	2.31
Median Age	35.1	56.0	36.2	47.2	33.4
Median Household Income	\$84,416	\$59,869	\$111,957	\$87,798	\$68,221
Per Capita Income	\$35,607	\$34,723	\$45,951	\$48,106	\$37,636
Aggregate Income	\$1,314.8 M	\$69.7 M	\$1,657.4 M	\$417.4 M	\$1,148.8 M
Housing Units	39,398	2,713	37,466	9,731	34,868

(1) Source: Esri Business Analyst Online, March 2022.

(2) Reflects a 10-mile radius from the mid-point of each district.

Julian, San Diego County

Description	Julian is located in eastern unincorporated San Diego County in the Cuyamaca Mountains. The community is a historic gold mining town now best known for its apple orchards and apple pies. Julian hosts multiple large- and small-scale events annually including the Grape Stomp Festa, two-day Gold Rush Days, 4 th of July Parade, Sip of Julian, and Julian's Country Christmas. The community also offers several historic-themed bed & breakfasts, lodges, and inns.
Local Governing Documents	The Julian Community Plan was originally adopted in 1976. The Plan was amended in 2011 and sought to maintain the rural lifestyle outside of the historic district, while providing a plan to allow for expanded tourism and a flourishing economic base in the district.
Active Organizations	<ul style="list-style-type: none"> • <i>Julian Community Heritage Foundation (JCFH)</i> – non-profit organization dedicated to preserving the history of the community and promoting the quality of life of those living, working, and visiting the community. • <i>Julian Chamber of Commerce</i> – organization of local businesses that promotes economic development and business activity in Julian.
Current Project Example	The JCFH is currently raising money to develop a vacant lot on the corner of Main and Washington Streets. The 2-acre lot will be developed into a town square that serving as a community park and outdoor entertainment space, including amphitheater-type seating. The site was previously occupied by a gas station which was found to be leaking into the community's water supply in the 1980s. In 2018, the County classified the site as a "brownfield" and cleared it for future development. It is intended that the town square will be the center of art, theatre, and community gatherings.

Visitor Attractions/Amenities

- Historic main street
- Hiking trails, parks, and campgrounds
- U-pick orchards and farms
- Beer & hard cider
- Wineries and tasting rooms
- Grocery and specialty food
- Limited-service hotels and bed & breakfasts

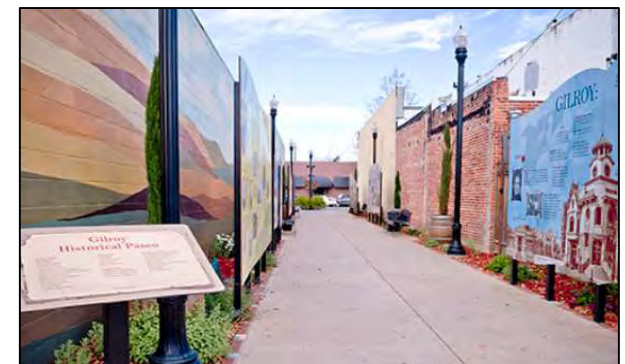


Downtown Gilroy, Santa Clara County

Description	Gilroy is located in Santa Clara County and is the southernmost city in San Francisco Bay Area. The City is known for its garlic crops and annual Gilroy Garlic Festival. The historic Downtown contains a mix of antique stores, boutique shops, and restaurants. In 2014, the City purchased and demolished a building and strengthened the remaining walls at a cost of approximately \$1.3 M to create a passageway between Fifth and Sixth Streets. A citizens committee raised funds to complete the Gilroy Historic Paseo Project, which included a landscaped, mural-decorated walk through the City's history that links Downtown pedestrians with free parking lots.
Local Governing Documents	The Downtown Gilroy Specific Plan was adopted in 2005 with the goal of establishing a direct connection between the City of Gilroy's General Plan and revitalization and enhancement opportunities within Downtown. In 2006, the City approved the Downtown Strategic Plan to facilitate the goals of the Specific Plan through economic development strategies to attract viable and desirable businesses.
Active Organization	<i>Gilroy Downtown Business Association</i> – non-profit entity that encourages and promotes economic growth and sustainability through advocacy and marketing while respecting the Downtown history.
Current Project Example	The Santa Clara Valley Transportation Authority (VTA) and the Santa Clara County Office of Supportive Housing are partnering to develop a transit-oriented development on an 8-acre property owned by VTA. The site is conceptualized as 5-story, mixed-use development containing 140 to 160 units, commercial/employment space, and commuter parking. Twenty percent (20%) of the units will be affordable to extremely low and very low income households. The project is undergoing public review.

Visitor Attractions/Amenities

- Historic Downtown walking tour (with visitor map highlighting landmarks)
- Gilroy Gardens Family Theme Park
- Taco Trail
- Wineries and craft breweries
- Art studios, galleries, and theaters
- Limited-service hotels and campgrounds



Los Olivos, Santa Barbara County

Description	Los Olivos is known as a small country town that dates back to the 1860s when the stagecoach route pass through. The historical Mattei's Tavern was built to house and feed those passengers and still stands today. The Town has lavender farms, olive groves, orchards, vineyards, ranches, horse trails, art galleries, and upscale shops and restaurants. Los Olivos hosts an annual Jazz & Olive Festival that attracts performers and chefs with olive-centric cuisine. The Town is served by one (1) upscale hotel, Fess Parker Wine Country Inn.
Local Governing Documents	The County of Santa Barbara adopted the Santa Ynez Valley Community Plan in 2009. The Plan governs three (3) unincorporated townships: Ballard, Los Olivos, and Santa Ynez. The Plan identifies zoning and land use goals, policies, actions, and development standards.
Active Organizations	<ul style="list-style-type: none"> • <i>Los Olivos Community Services District</i> – formed by local voters to provide a funding mechanism for the building and operation of facilities needed to collect, treat, and dispose of sewage, wastewater, recycled water, and storm water in Los Olivos. • <i>Los Olivos Chamber of Commerce</i> –local artists, business owners, wine makers, and members of the hospitality community that work to improve, promote, and enhance tourism, and sponsor local activities and events.
Current Project Example	The Inn at Mattei's Tavern, an Auberge Resorts Collection hotel, is currently under construction and will include 67 luxury guestrooms and cottage-style accommodations. Amenities will include an outdoor pool with poolside bar, cabanas and firepits, a signature spa, and indoor-outdoor event spaces. The Inn is expected to open in late 2022.

Visitor Attractions/Amenities

- Wineries and tasting rooms
- Casual and fine dining restaurants
- Specialty shops
- Art galleries
- Upscale hotel



Downtown SLO, San Luis Obispo County

Description	San Luis Obispo (SLO) is known for its historic architecture, vineyards, and entertainment. Downtown SLO hosts a Thursday night Farmers' Market, Concerts in the Plaza, and community art projects. Downtown features several theatres, museums, historic buildings, and an open-air public market. The public market, Creamery Marketplace, was originally built in 1910 and housed the Golden State Creamery which contributed to the growth and development of the dairy industry in SLO.
Local Governing Documents	In 2017, the City adopted the Downtown Concept Plan establishing the blueprint for future public projects and guidance for private development in Downtown over the next 25 years. The Downtown Concept Plan is consistent with the General Plan and is guided by the policies and programs found in the Land Use and Circulation Elements, both of which were updated in 2014.
Active Organizations	<ul style="list-style-type: none"> • <i>Downtown SLO</i> – non-profit organization with a mission to foster an economically vibrant Downtown. Businesses pay fees within a predefined Business Improvement Area. • <i>Friends of Downtown SLO</i> – non-profit that focuses on clean and safe efforts, including the Ambassador program, beautification and public art, urban forest protection, and homeless outreach. • <i>Downtown Ambassadors</i> – people who welcome tourists, remove graffiti, clean sidewalks, trash cans, and public benches.
Current Project Example	The City recently approved a 4-story, mixed-use project that will include retail/restaurants, 36 housing units, and an open-air public walkway. Under the current proposal, there would be no on-site parking. Instead, the project will participate in the existing Downtown off-site residential parking program. The developer can pay an in-lieu fee that supports the creation of new parking structures in other parts of Downtown.

Visitor Attractions/Amenities

- Specialty shops and services
- Breweries, gastropubs, and tasting rooms
- Casual and fine dining restaurants, including farm-to-table establishments
- Upscale and boutique hotels
- Art galleries and museums
- Entertainment venues



III-8. Stakeholder Interviews

KMA conducted a series of interviews with a variety of stakeholders to gather input regarding the Sub-Area Plan Area's strengths and weaknesses relative to commercial revitalization and development opportunities. Surveyed stakeholders included leaders of local organizations, business owners, market-rate and affordable housing developers, and a local real estate broker. Table III-16 below presents a summary of key observations from the stakeholder interviews.

Table III-16: Summary of Stakeholder Feedback	
TOPIC	RESPONSES
WHAT ARE THE SUB-AREA PLAN AREA'S STRENGTHS?	<ul style="list-style-type: none"> • Access to amenities such as arts and cultural spaces, public facilities, and retail shops and services • Small-town charm consisting of a quaint, historic district with an existing Main Street, which doesn't organically exist everywhere • Presence of existing agricultural uses – working farms, groves, and nurseries • Proximity to Camp Pendleton's employment base • Ample parking to accommodate visitors • Access to good schools, recreational spaces, and places of worship • Existing infrastructure in place to accommodate future development
WHAT ARE THE SUB-AREA PLAN AREA'S WEAKNESSES?	<ul style="list-style-type: none"> • Lack of visitor-serving restaurants and nightlife • Far from employment centers • Existing retail businesses along Main Street do not provide consistent business hours • Downtown needs to be more walkable / pedestrian-friendly • Lack of quality lodging facilities to retain visitors overnight • Aging infrastructure • Not enough quality housing • Far from major arterial freeways • Lack of funding for ongoing maintenance of public improvements • Building height limits and maximum densities are too restrictive for new residential construction

Table III-16: Summary of Stakeholder Feedback

TOPIC	RESPONSES
WHAT EFFORTS CAN THE COUNTY DO TO ATTRACT VISITORS AND IMPROVE THE QUALITY OF LIFE OF ITS RESIDENTS?	<ul style="list-style-type: none"> • Create a positive brand/identity for the Sub-Area Plan Area • Incorporate traffic calming measures to assist in creating a pedestrian-friendly, walkable environment along Main Street • Consider closing a portion of Main Street to automobile traffic • Enhance design elements such as string lighting, extension of sidewalks, and/or diagonal parking • Create an authentic agritourism experience to include boutique hotels, cafes, wineries, farm-to-table experiences, farm camping, and spas and retreat venues • Incentivize developers who develop housing for a range of needs and family types, including both affordable housing and more upscale product types
HOW CAN THE COUNTY IMPROVE ITS EXISTING POLICIES / PLANNING PROCESSES?	<ul style="list-style-type: none"> • Relax the minimum parking requirements for commercial businesses • Process permits/projects in a timelier fashion • Implement zoning that allows by-right development, i.e., eliminating the need for zoning changes or potential CEQA litigation • Allow for densities higher than 24 units per acre, such as 30 units per acre • Consider increasing maximum building heights to allow for at least 36 feet and encourage step backs to reduce bulk and mass of taller buildings • Identify opportunities for public-private partnerships

SECTION IV: FINANCIAL FEASIBILITY ANALYSIS

IV-1. Methodology

To address the economic viability of potential changes related to the Sub-Area Plan Area's existing land use and zoning regulations, KMA evaluated the feasibility of a range of multi-family residential and mixed-use development concepts. KMA's financial feasibility analysis involved the following key steps.

1. Formulated project descriptions for five (5) potential multi-family and mixed-use development concepts.
2. Collected and evaluated financial pro forma inputs and assumptions based on review of multi-family apartment rents, retail/restaurant rents, hotel rates, and other market factors in the North County Inland area, as well as KMA experience with projects of comparable development type.
3. Prepared financial pro forma models (residual land value analyses) to measure the economic feasibility of each development concept.
4. Evaluated land sales in the surrounding trade area to compare against the residual land value outcomes.

The development concepts presented reflect existing zoning conditions and do not consider any potential zoning or design guidelines that may be implemented as part of the SAP.

IV-2. Financial Feasibility Key Findings

A. Development Concepts

KMA formulated five (5) development concepts to assess the financial feasibility of multi-family residential and mixed-use development concepts within the Sub-Area Plan Area. It should be noted that a portion of the Sub-Area Plan Area (primarily the Village Core and surrounding area) is governed by the Fallbrook Village (FB-V) Zoning Regulations. The FB-V Zoning Regulations were designed to allow for a mix of higher-density housing and higher-intensity commercial uses while preserving and promoting the village character. Residential development in select areas is limited to 30 units per acre, with a maximum building height limit of 35 feet for all land uses.

The purpose of the development concepts is to serve as representative examples of the types of development that could occur in the Sub-Area Plan Area. Each development concept takes into consideration both current and anticipated future development patterns, as well as residential and commercial market demand factors, in the Sub-Area Plan Area and surrounding area.

Table IV-1 presents the project descriptions for the five (5) development concepts identified in this feasibility analysis. The development concepts are profiled in terms of approximate site size, gross building area (GBA), number of units, retail/restaurant square feet (SF), hotel rooms, density, and parking type. The development concepts are modeled as Type V (low-rise, wood-frame) construction within the existing 35-foot height limit. Parking for the various development concepts ranges from surface parking/attached garages to tuck-under parking.

Table IV-1: Development Concepts					
	Concept A	Concept B	Concept C	Concept D	Concept E
Product Type	Townhomes	Garden Apartments	Stacked Flats	Mixed-Use Studios/Lofts over Retail	Boutique Hotel with Retail/Restaurant
Site Size	2.0 acres	2.0 acres	1.0 acre	1.0 acre	1.5 acres
Construction Type	Type V	Type V	Type V	Type V	Type V
Number of Stories	2-3 stories	3 stories	3 stories	3 stories	3 stories
Parking Type	Attached Garages	Surface and Carports	Surface and Tuck-Under ⁽¹⁾	Tuck-Under ⁽¹⁾	Surface
GBA	41,250 SF	43,000 SF	27,500 SF	28,000 SF	28,500 SF
Retail SF	---	---	---	3,000 SF	3,500 SF
Residential Units	30 units	48 units	30 units	30 units	---
Product Tenure	For-Sale	Rental	Rental	Rental	N/A
Density	15 units/acre	24 units/acre	30 units/acre	30 units/acre	27 rooms/acre
Hotel Rooms	---	---	---	---	40 rooms
FAR	0.47	0.49	0.63	0.71	0.44
(1) Tuck-under parking is defined as parking spaces that are covered by the upper floor of a building but are otherwise open to the ground floor.					

B. Residual Land Values

KMA prepared financial pro forma analyses for each of the development concepts to determine the supportable residual land value. Residual land value is defined as the amount that a developer can afford to pay for a specific development opportunity after taking into account the estimated development costs (other than land acquisition), anticipated value upon completion, and an industry standard return on investment. Each residual land value model incorporated estimates of development costs, market rents/values, and target developer returns reflective of recent comparable projects and available market and industry data.

To better understand which projects are considered financially feasible, KMA surveyed land sales within the surrounding trade area, defined as 15 miles from the intersection of South Orange Avenue and East Elder Street. KMA found that land sold for residential, commercial, and mixed-use purposes ranged in price between \$5 and \$45 per SF land, with a median sales price of \$18 per SF land. Most sales were concentrated in the \$15 to \$20 per SF range. This survey suggests that new development needs to support a minimum land value in this range in order to be financially feasible.

Table IV-2 presents the residual land value outcomes for each development concept. The KMA analysis found that only Development Concepts A (for-sale townhomes) and B (rental apartments) are financially feasible under current market conditions. Current market conditions demonstrate that for-sale residential product is strong and, as evidenced below, generates the highest land value on per-SF of land basis. In addition, Development Concepts A and B rely on surface parking and/or private garage parking, as opposed to a structured parking. Development Concepts C, D, and E are estimated to yield below market land values and are only marginally feasible. This finding indicates that higher-density and/or mixed-use development on in-fill parcels in the Village Core are not likely to be feasible in the near-term (0 to 5 years).

Table IV-2: Residual Land Value Outcomes					
	Concept A	Concept B	Concept C	Concept D	Concept E
Product Type	Townhomes	Garden Apartments	Stacked Flats	Mixed-Use Studios/Lofts over Retail	Boutique Hotel with Retail/Restaurant
Residual Land Value	\$2,858,000	\$2,328,000	\$104,000	\$124,000	\$394,000
	\$95,000/Unit	\$49,000/Unit	\$3,000/Unit	\$4,000/Unit	\$10,000/Room
	\$33/SF Site	\$27/SF Site	\$2/SF Site	\$3/SF Site	\$6/SF Site

Using a target land value of \$20 per SF of land area as a benchmark for determining feasibility, KMA tested the break-even market rents/hotel room rates for Development Concepts C, D, and E. KMA found that if apartment rents in Development Concepts C and D increase by \$0.15 per SF per month -- a 5% increase over current projected market rents -- the residual land values for these development concepts increase to approximately \$20 per SF of land. The land value in Development Concept E would increase to \$20 per SF of land if the hotel average daily rate (ADR) increases by 8%, from the current estimate of \$195 to \$210. In other words, with relatively minor increases in market rental rates (over and above construction cost increases), Development Concepts C, D, and E become feasible. As the Sub-Area Plan Area is revitalized and is able to attract quality businesses and market rents rise over time, it is reasonable to anticipate that developments such as those presented in Development Concepts C, D, and E will achieve financial feasibility in the mid-term, i.e., five (5) to 10 years.

C. Factors Affecting Financial Feasibility

A variety of factors can either increase or decrease financial feasibility of the development concepts including, but not limited to: construction costs, market rents, parking ratios, project amenities, and capitalization (cap) rates. There are numerous policies and programs that local jurisdictions and the State have implemented to provide developers with concessions and waivers to allow for increased densities, reduced parking ratios, and modifications to other development standards. One example is the State's Density Bonus Law, a mechanism which allows developers to obtain more favorable local development requirements in exchange for offering to build or donate land for affordable or senior housing units. The Density Bonus program is being widely used to produce housing throughout the County.

The Sub-Area Plan Area has not experienced any significant new development in many years. At present time, new development in the Fallbrook community has been concentrated along major transit corridors, specifically I-15 and SR 76. In an effort to attract new development to the Sub-Area Plan Area, the County may wish to consider offering developers incentives that result in a reduction of development costs, thereby enhancing financial feasibility. Such incentives may include:

- Expedited entitlement processing
- Deferral or waiver of Development Impact Fees (DIFs)
- Reduced parking ratios for projects that meet certain criteria
- Flexibility with regard to zoning parameters such as building height and mass, setbacks, stepbacks, and open space
- Negotiating Public-private partnerships (P3s) with developers to kickstart catalyst developments

IV-3. Financial Pro Forma Models

The KMA financial pro forma models test the financial feasibility of the five (5) development concepts. The models reflect hypothetical sites and are not specific to any property within the Sub-Area Plan Area. The sites are relatively small in size, with each ranging between 1.0 and 2.0 acres. These development concepts would be best suited within or adjacent to the Downtown/Village Core; however, Development Concepts A (for-sale townhomes) and B (rental garden apartments) could be developed throughout the Sub-Area Plan Area on sites larger than 2 acres. For each of the financial pro formas models, KMA estimated:

- Development costs, consisting of direct construction costs, indirects, and financing costs
- Projected gross sales revenue, including developer profit/cost of sale (Development Concept A)
- Projected income and operating expenses (Development Concepts B, C, and D)
- Projected hotel room revenue and expenses (Development Concept E)
- Estimates of residual land value

The pro forma models yield an estimate of the residual land value for each respective development concept. The residual land value represents the maximum land price supported by the proposed development. The full residual land value models are attached to this report as Appendices A through E.

A. Project Descriptions

Within each appendix, Table 1 presents a physical description of the respective development concept, including site area, density, residential unit mix, number of stories, retail/restaurant SF, hotel rooms, and parking type.

B. Estimated Development Costs

Tables A-2, B-2, C-2, D-2, and E-2 presents the estimated development costs for each development concept. KMA compiled these estimates based on our recent experience with comparable developments in Southern California and industry data sources. These estimates include the following components:

- Direct construction costs, such as on- and off-site improvements, parking, shell construction, amenities/furniture, fixtures, and equipment (FF&E), and contingency. The KMA estimates of direct construction costs do not assume prevailing wages. It should also be noted that the KMA pro formas do not assume costs associated with demolition, relocation, or remediation, if applicable.
- Indirect costs, such as architecture and engineering, permits and fees, legal and accounting, taxes and insurance, developer fee, marketing and lease-up/sales, and contingency.
- Financing costs, such as loan fees and interest during construction/lease-up.

C. Gross Sales Proceeds and Residual Land Value – For-Sale Townhomes

Table A-3 presents the KMA estimate of townhome gross sales proceeds and estimated residual land value.

D. Net Operating Income – Rental Apartments

Table B-3, C-3, and D-3 present the KMA calculations of net operating income (NOI) for each rental residential development concept. These tables provide an estimate of apartment market rents, which range by development concept and bedroom type/size, and an estimate of operating expenses.

E. Net Operating Income – Hotel

Table E-3 presents the KMA calculation of NOI for the hotel component in Development Concept E. As shown, KMA has estimated stabilized annual revenue, based on an assumed average daily room rate (ADR), occupancy rate, other revenue, and operating expenses.

F. Net Operating Income – Retail/Restaurant

Tables D-4 and E-4 present the KMA calculations of NOI for the retail/restaurant component of Development Concepts D and E. The retail/restaurant NOI takes into account achievable monthly rents, a vacancy factor, and an estimate of unreimbursed operating expenses.

G. Residual Land Values for Rental Development Concepts

Tables B-4, C-4, D-5, and E-5 present the detailed calculations of residual land value for the rental apartments (Development Concepts B, C, and D) and hotel development concept (Development Concept E). This analysis includes estimates of target capitalization rates, cost of sale, and target developer profit by development type.

H. Land Acquisition Costs

For comparison purposes, KMA surveyed land sales within the surrounding trade area, defined as 15 miles from the intersection of South Orange Avenue and East Elder Street. KMA gathered land sales data for the period from January 2019 to present from CoStar Group, Inc., a commercial real estate information company. KMA further refined the survey to exclude sales that occurred west of Interstate 5 and in Old Town Temecula. KMA removed land sales under \$5 per SF, which are generally located in less developed rural areas. Based on these survey criteria, land sold for residential, commercial, and mixed-use purposes ranged in price between \$5 and \$45 per SF land, with a median sales price of \$18 per SF land. The detailed land sales can be found in Appendix F (Table F-1).

There were no land sales identified within the Sub-Area Plan Area. Since 2019, CoStar only identified two (2) land sales in the Fallbrook community. Both sales were for sites located directly adjacent to SR 76 and averaged \$13 per SF of land. These sales are profiled in Table IV-3 below.

Table IV-3: Overview of Fallbrook Land Sales, 2019 to Present				
Sold Date	Location	Sales Price	Land Area	\$/SF Land
09/16/21	308 Pala Road	\$1,550,000	2.56 Acres	\$14/SF
04/03/19	2373-2385 Via Monserate	\$875,000	1.65 Acres	\$12/SF
Source: CoStar Group, Inc.				

As shown in the KMA analysis, Development Concepts A (townhomes) and B (garden apartments) yield the highest residual land values. Development Concepts C (stacked flats) and D (mixed-use studios/lofts over retail) are higher-density developments that contain tuck-under parking, which result in higher construction costs. As a result, these Development Concepts yield land values below the typical land values in the trade area. Development Concept E (boutique hotel with retail/restaurant) also appears to be only marginally feasible. While the KMA financial feasibility analysis indicates that the development concepts with attached garages and/or surface/carports appear to be the most feasible in the current market, as the Sub-Area Plan Area is revitalized and market rents rise over time, it is reasonable to anticipate that higher density projects with structured parking will become more feasible in the mid-term (5 to 10 years).

FINAL
DRAFT

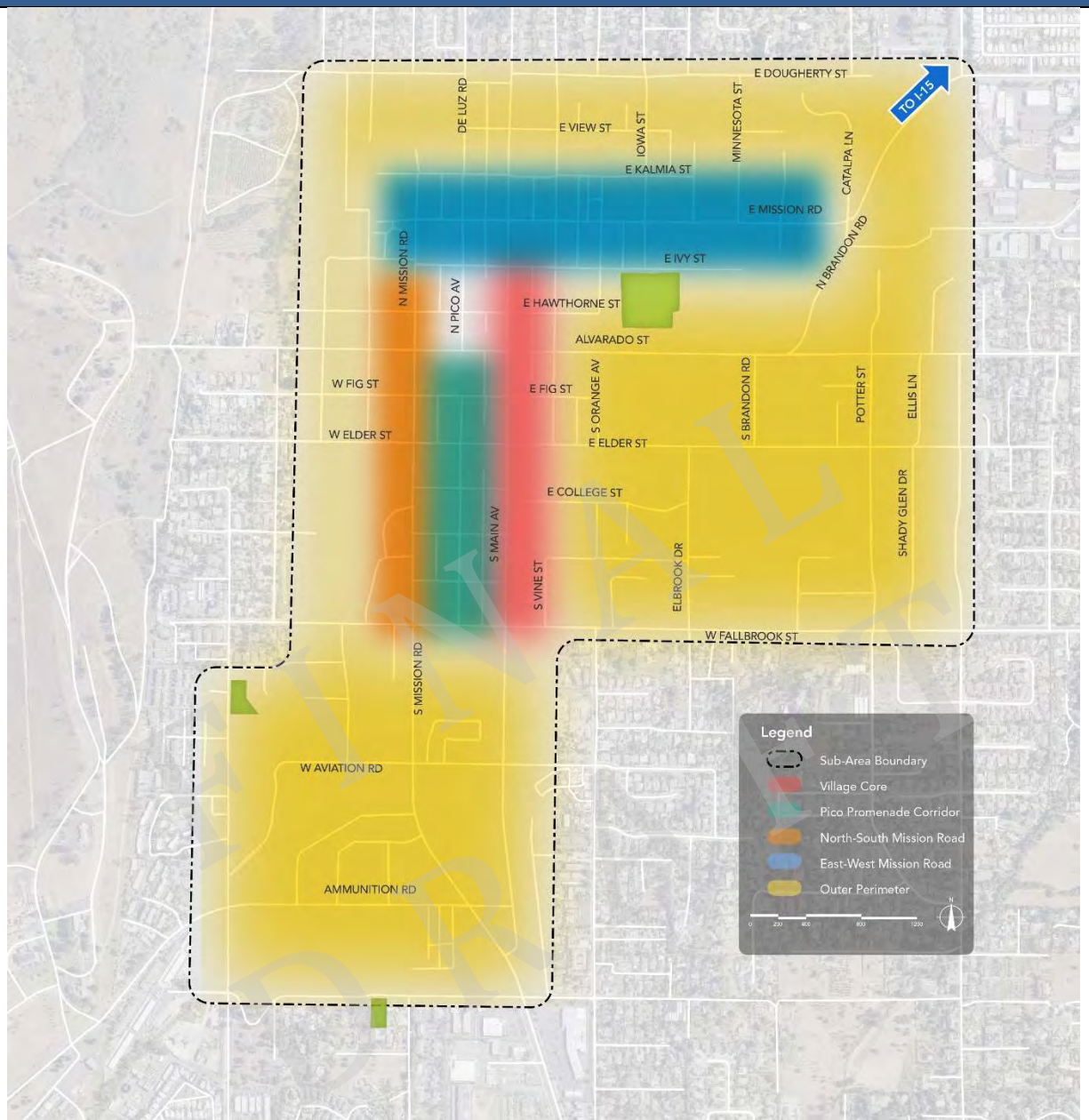
SECTION V: DEVELOPMENT POTENTIAL AND KEY OPPORTUNITIES

The key to developing/redeveloping the Sub-Area Plan Area is to build on the existing community and regional assets. The natural, built, and cultural assets in the Sub-Area Plan Area and surrounding Fallbrook community serve as the basis to attract visitors and retain its existing population and support future growth. Section III of this Report concluded that residential, retail/restaurant, and hotel/visitor-serving land uses range between moderate and strong demand in the near-, mid- and, long-term. Based on these findings, KMA identified potential opportunities for development and redevelopment within five (5) distinct segments of the Sub-Area Plan Area. These segments are listed below.

- **Village Core** – Main Avenue from East Mission Road (northern boundary) to West Fallbrook Street (southern boundary)
- **Pico Promenade Corridor** – Area bounded by West Alvarado Street, South Main Avenue, West Fallbrook Street, and South Mission Road
- **North-South Mission Road** – West Mission Road (northern boundary) to West Aviation Road (southern boundary)
- **East-West Mission Road** – East Mission Road from North Mission Road (western boundary) to Santa Margarita Drive (eastern boundary)
- **Outer Perimeter** – Areas/streets outside of the primary corridors listed above


Exhibit V-1 on the following page depicts these segments.

Exhibit V-1: Recommended Segments of the Sub-Area Plan Area



Source: MIG


For each of the segments previously described, KMA identified general development concepts, recommended product types, potential tenants/end users, timing/phasing, and prerequisites for development. These are presented on the following pages.

Village Core	
Location	Main Avenue from East Mission Road (northern boundary) to West Fallbrook Street (southern boundary)
General Development Concept	The Village Core should function as the center of the Sub-Area Plan Area. Main Avenue has been designed to include active street frontage while encouraging pedestrian activity. The Village Core should continue to serve as the hub for events and activities that attract visitors to the Sub-Area Plan Area. The Village Core should also provide a balance of housing with ancillary retail and entertainment uses, social gathering spaces, and recreational amenities.
Recommended Product Types	<ul style="list-style-type: none"> • Live/work lofts, including studio space • Stacked-flat rental apartments with ground-floor retail space • Standalone retail/restaurant and entertainment uses • Commercial businesses and residential uses in mixed-use format • Boutique hotels
Potential Tenants/End Users	<u>Residential Uses:</u> <ul style="list-style-type: none"> • Individuals and young families • Military • Empty nesters/seniors <u>Commercial uses:</u> <ul style="list-style-type: none"> • Boutique and specialty retailers • Experiential retail • Farm-to-table restaurants • Tasting room/brewery • Arts and culture themed businesses
Timing/Phasing	5 to 10 years
Prerequisites for Development	<ul style="list-style-type: none"> • Add gateway/wayfinding signage • Provide signage and accessibility for public parking resources • Re-brand and implement marketing strategy • Upgrades to public realm including sidewalks, outdoor plazas, and other placemaking amenities • Create destination places that attract residents and visitors
	

Pico Promenade Corridor	
Location	Area bounded by West Alvarado Street, South Main Avenue, West Fallbrook Street, and South Mission Road
General Development Concept	Extend the Pico Promenade theme up to West Alvarado Street. Develop the area with uses that complement the natural and healthy environment of the Pico Promenade. The Pico Promenade area can anchor residential uses and ancillary retail that promote a pedestrian-friendly atmosphere. The area could also incorporate elements of urban agriculture.
Recommended Product Types	<u>Residential Uses:</u> <ul style="list-style-type: none"> Garden apartments and stacked flats For-sale townhomes and rowhomes <u>Commercial Uses:</u> <ul style="list-style-type: none"> Standalone commercial space <u>Agricultural Uses:</u> <ul style="list-style-type: none"> Working community garden(s)
Potential Tenants/End Users	<ul style="list-style-type: none"> Individuals and young families Military Empty nesters/senior Fast/casual restaurant uses
Timing/Phasing	5 to 15 years
Prerequisites for Development	<ul style="list-style-type: none"> Add gateway/wayfinding signage Enhance creek frontage/creek walk along Pico Promenade Upgrades to public realm including sidewalks, outdoor plazas, and other placemaking amenities Add signage for public parking resources Encourage pop-up food and drink vendors to activate public spaces
	

North-South Mission Road Corridor	
Location	Mission Road from West Mission Road (northern boundary) to West Aviation Road (southern boundary)
General Development Concept	The North-South Mission Road Corridor is predominately built out and serves as the main commercial corridor with medium-sized retailers, supermarkets, pharmacies, fast/casual restaurants, and institutional and community-serving uses. The North-South Mission Road Corridor should continue to serve as the primary commercial corridor that provides residents with retail goods, services, and business activity. As the Sub-Area Plan Area builds out, there may be opportunities to redevelop large surface parking lots.
Recommended Product Types	<u>Commercial Uses:</u> <ul style="list-style-type: none"> Limited-service hotel Standalone commercial space
Potential Tenants/End Users	<ul style="list-style-type: none"> Grocers and pharmacies Convenience retail Business and personal services (banks, insurance, real estate, etc.) Community services (dry cleaner, postal annex, personal care, etc.)
Timing/Phasing	Ongoing
Prerequisites for Development	<ul style="list-style-type: none"> Improvements to circulation patterns and traffic capacity Enhancements to landscaping, lighting, and sidewalks to improve pedestrian safety
	

East-West Mission Road Corridor	
Location	East Mission Road from North Mission Road (western boundary) to Santa Margarita Drive (eastern boundary)
General Development Concept	The East-West Mission Road Corridor serves as the access/entry point from I-15 to the Sub-Area Plan Area. This section of East Mission Road includes a diverse mix of commercial businesses, including restaurants, personal and business services, auto repair, and religious facilities. The corridor could benefit from the addition of agritourism-related businesses, which may serve pass-through traffic and increase visitor spending within the Sub-Area Plan Area.
Recommended Product Types	<ul style="list-style-type: none"> • Standalone commercial space • Garden-style rental apartments • Affordable (tax credit) apartments
Potential Tenants/End Users	<p><u>Residential Uses:</u></p> <ul style="list-style-type: none"> • Individuals and young families • Military <p><u>Commercial Uses:</u></p> <ul style="list-style-type: none"> • Convenience retail • Agritourism businesses with educational and entertainment experiences • Agricultural retailers and suppliers • Fast/casual restaurant uses
Timing/Phasing	10 to 15 years
Prerequisites for Development	<ul style="list-style-type: none"> • Improvements to circulation patterns and traffic capacity • Enhancements to landscaping, lighting, and sidewalks to improve pedestrian safety • Creation of land use buffers between incompatible land uses
	

Outer Perimeter	
Location	Streets/areas outside of the primary corridors
General Development Concept	Vacant and/or underutilized parcels in the outer perimeter of the Sub-Area Plan Area allows for development of critical mass uses that require large development sites.
Recommended Product Types	<u>Residential Uses:</u> <ul style="list-style-type: none"> • Small-lot and Zero Lot Line (ZLL) single-family homes • For-sale townhomes and rowhomes • Garden-style rental apartments <u>Commercial Uses:</u> <ul style="list-style-type: none"> • Limited-service hotels, where applicable
Timing/Phasing	Ongoing
Prerequisites for Development	<ul style="list-style-type: none"> • Enhancements to landscaping, lighting, and sidewalks to improve pedestrian safety
	

SECTION VI: PLAN IMPLEMENTATION

A. Key Strategies and Action Steps

A key objective of the SAP is to revitalize the Sub-Area Plan Area and attract new investment while improving mobility, enhancing safety, and attracting businesses, visitors, and residents. In addition, the SAP is intended to support the County's need to meet its RHNA obligation by expanding opportunities for residential development within the Sub-Area Plan Area. Table VI-1 presents potential land use and economic development strategies and recommended action steps to implement the SAP objectives. The strategies and recommended action steps may involve collaboration among the County, property owners/developers, non-profit organizations, and other key stakeholders.

Table VI-1: Key Strategies and Recommended Action Steps	
Strategy	Recommended Action Steps
<i>Expand and attract visitor-serving and entertainment uses within Village Core</i>	<ul style="list-style-type: none"> • Re-brand the Village Core to create a distinct district identity • Identify undeveloped or underutilized sites for assembly to foster development of a critical mass of retail, entertainment, and experiential retail uses • Evaluate opportunities to redevelop existing older buildings in the Sub-Area Plan Area • Evaluate the potential to form a Business Improvement District or Property-Based Business Improvement District
<i>Attract residential and supporting retail uses along the Pico Promenade Corridor</i>	<ul style="list-style-type: none"> • Extend the Pico Promenade theme to West Alvarado Street and improve wayfinding • Enhance the natural landscape of the creek area to create a public amenity that allows for passive uses with themes of fitness and wellness • Incorporate complementary retail uses to support development of multi-family housing
<i>Provide opportunities to expand the hospitality sector</i>	<ul style="list-style-type: none"> • Support the planning for, and encourage, hotel uses in areas in the Village Core and in close proximity to tourist/recreational amenities • Collaborate with the Fallbrook Chamber of Commerce to ensure that plazas are activated with a variety of activities, art installations, and/or performances • Support the Fallbrook Chamber of Commerce and/or other non-profit entities to develop a marketing strategy to promote special events and attract visitors from outside of the greater Fallbrook community
<i>Create opportunities for housing development in partial satisfaction of the County's Regional Housing Needs Allocation (RHNA) obligation</i>	<ul style="list-style-type: none"> • Continue to assess the long-term feasibility of multi-family residential and engage with potential developers to identify potential incentives • Evaluate opportunities to adaptively re-use existing older buildings in the Sub-Area Plan Area • Explore opportunities for Public-Private Partnerships (P3s) to implement new development in the Sub-Area Plan Area

B. Potential Funding Sources

Investment in infrastructure and amenities is required to attract new development and generate interest from businesses that serve residents and potential visitors. There are a number of opportunities available to the County to fund capital improvements and/or the ongoing annual maintenance of improvements in the Sub-Area Plan Area. Table VI-2 presents potential funding mechanisms available to implement the goals and objectives of the SAP.

Table VI-2: Overview of Potential Funding Mechanisms for Public Infrastructure			
Funding Source	Target Improvements	Source of Funding	Responsible Party
Assessment Districts	<ul style="list-style-type: none"> Roads Sidewalks Water/sewer facilities Street lighting and landscaping 	Assessment on real property collected via property tax	Property owners/developers with assistance from local agency ⁽¹⁾
Business/Property Based Improvement Districts	<ul style="list-style-type: none"> Marketing and economic development Security Sanitation Street lighting and landscaping Signage and decorations 	Assessment paid by businesses or property owners	Property owners/developers and businesses with assistance from local agency ⁽¹⁾
Community Facilities Districts (Mello-Roos)	Capital Projects (lifespan of over 5 years): <ul style="list-style-type: none"> Parks and open space Public infrastructure and facilities Services (funded annually): <ul style="list-style-type: none"> Police and fire protection Recreation, library, and cultural Street lighting and landscaping Flood and storm protection 	Special tax on real property collected via property tax	Property owners/developers with assistance from local agency ⁽¹⁾
Tax Increment Financing Districts	<ul style="list-style-type: none"> Public infrastructure and facilities Parking structures Parks and open space Streetlighting and landscaping 	Voluntary diversion of portion/all of the property tax increment by County and any other participating taxing agencies	County
Development Impact Fees	<ul style="list-style-type: none"> Mobility improvements Park mitigation Drainage Water Fire protection 	Fees paid in the form of a specified amount as a condition to the issuance of permit/approval	County
Capital Improvement Program	<ul style="list-style-type: none"> Roads Parks and open space Water/sewer facilities 	<ul style="list-style-type: none"> County General Fund Local, State, and Federal Grants 	County

Table VI-2: Overview of Potential Funding Mechanisms for Public Infrastructure

Funding Source	Target Improvements	Source of Funding	Responsible Party
External Grants and Loans	<ul style="list-style-type: none"> • Roads • Biking and walking paths • Transit access improvements • Sidewalk improvements • Roundabout and stormwater treatment areas • Water/sewer facilities • Environmental mitigation measures 	Annual grants/loans provided by local, State, and Federal agencies	Property owners/developers, non-profit entities, and/or County
(1) Requires local agency participation for formation and levy/collection of the special assessments or taxes.			

Construction of new development and redevelopment of existing property is necessary to contribute to the magnitude of funding that can be secured by each of the financing mechanisms listed below. Special financing districts (SFDs), in particular, rely on the payment of special taxes and/or assessments that are levied and collected via the County's secured property tax roll. These financing mechanisms may involve collaboration among the County, property owners/developers, non-profit organizations, and other key stakeholders. More detailed profiles of each funding source are provided below.

- *Assessment Districts (AD)* – A special financing district formed by a local government agency (county, city, water district, etc.) that includes property that will receive direct (special) benefit from the construction of or maintenance of new public improvements. Revenues collected through an AD are strictly limited for the improvements and services for which the AD was formed. Formation of an AD requires a majority vote of the affected property owners through an assessment ballot procedure conducted at a public hearing. Once formed, a lien is placed against the property and amortized over the life of the assessment and is collected with regular property taxes. Bonds may also be issued to finance capital improvements. Eligible uses of funds may include construction and maintenance of roads, sidewalks, water and sewer facilities, drainage/flood control, landscaping and lighting.
- *Business/Property-Based Improvement Districts (BIDs/PBIDs)* – A defined area within which business and/or property owners are required to pay an additional levy in order to fund projects or services within the district's boundaries. The County can propose to create a new district by adopting a resolution of intention. After a district is created, a lien is placed on the property or business owners over the life of the district and collected annually. Eligible uses of funds may include marketing and economic development, security, and sanitation.
- *Community Facilities Districts (CFDs)* – A special financing district formed by a local government agency (county, city, school district, water district, etc.) or property owner (developer) that define a geographic boundary for purposes of funding various capital improvements and ongoing (annual) services within that boundary. In order to establish a CFD, a two-thirds vote of property owners is required if there are no more than 12 registered voters living within the proposed district. However, if more than 12 registered voters reside in the district, a two-thirds vote of registered voters is

required. The CFD can fund a multitude of capital projects including parks/open spaces, schools, libraries, childcare facilities, and other public infrastructure improvements. The CFD may also be comprised of a services component that funds police and fire protection, recreational programs, library services, cultural facilities, maintenance and lighting of parks, streets, and roads, and flood and storm protection services.

- *Tax Increment Financing Districts (TIFDs)* – Establishment of an TIFD requires support from key policymakers and the community. Tax increment is defined as the growth in property tax revenue, above a frozen base assessed value, that existing taxing entities (county, city, or both) receive within a specific geographic boundary. Local taxing entities reallocate their share of tax increment to repay the debt service on bonds issued to pay for public improvements that are of communitywide significance with a useful life of 15 years or more. Dependent on the type of TIFD, eligible uses may include transportation infrastructure, water and wastewater infrastructure, solid waste facilities, affordable housing, and community amenities.
- *Development Impact Fees (DIFs)* – DIFs are imposed by a local government on new/proposed development to provide public facilities to new development. The County must identify the uses for the fee and show that there is a relationship between the public facilities needed and the development upon which the fee will be imposed. Fees are paid in the form of a specified amount as a condition of the issuance of building/occupancy permits or subdivision map approval. Eligible uses of funds may include traffic mitigation, park mitigation, water system capacity, and fire protection. The County currently assesses a Countywide Fire Mitigation Fee and Transportation Impact Fee (TIF).
- *Capital Improvement Program (CIP)* – A short-range plan, which identifies capital projects, a planning schedule, and financing options. A CIP budget must go through public outreach and receive approval by the County's Board of Supervisors. CIP funding sources include the County's General Fund; Community Development Block Grant (CDBG) Fund; and Local, State, and Federal Grants. Eligible uses of funds may include streets and highways, drainage, parks and open space, and water/sewer utilities.
- *External Grants and Loans* – A variety of grants and loans are also available to fund public improvements. These include the San Diego Association of Government's (SANDAG's) Smart Growth Incentive Program (SGIP) and Active Transportation Grant Program (ATGP); the California Investment and Economic Development Bank (I-Bank); the Federal Transportation Investment Generating Economic Recovery (TIGER) Program; Community Development Block Grant (CDBG) Program; and the Home Investment Partnership Program (HOME). These funding sources may fund affordable housing and a variety of public improvements, including major highway/street improvements, roundabout and stormwater treatment areas, improvements to transit access, biking/walking paths, plazas, and other public facilities.

The use of funding mechanisms and timing will be dependent on the list of infrastructure and amenities that are proposed to be implemented as part of the SAP.

SECTION VII: LIMITING CONDITIONS

1. KMA has made extensive efforts to confirm the accuracy and timeliness of the information contained in this document. Although KMA believes all information in this document is correct, it does not guarantee the accuracy of such and assumes no responsibility for inaccuracies in the information provided by third parties.
2. The analysis contained in this document is based, in part, on data from secondary sources such as state and local government, planning agencies, real estate brokers, and other third parties. While KMA believes that these sources are reliable, we cannot guarantee their accuracy.
3. The analysis, opinions, recommendations, and conclusions of this document are KMA's informed judgment based on market and economic conditions as of the date of this report. Due to the volatility of market conditions and complex dynamics influencing the economic conditions of the building and development industry, conclusions and recommended actions contained herein should not be relied upon as sole input for final business decisions regarding current and future development and planning.
4. The findings are based on economic rather than political considerations. Therefore, they should be construed neither as a representation nor opinion that government approvals for development can be secured. No guarantee is made as to the possible effect on development of current or future Federal, State, or local legislation including environmental or ecological matters.
5. Development opportunities are assumed to be achievable during the specified time frame. A change in development schedule requires that the conclusions contained herein be reviewed for validity. If an unforeseen change occurs in the local or national economy, the analysis and conclusions contained herein may no longer be valid. The analysis, opinions, recommendations and conclusions of this document are KMA's informed judgment based on market and economic conditions as of the date of this report. Due to the volatility of market conditions and complex dynamics influencing the economic conditions of the building and development industry, conclusions and recommended actions contained herein should not be relied upon as sole input for final business decisions regarding current and future development and planning.
6. KMA is not advising or recommending any action be taken by the County with respect to any prospective, new, or existing municipal financial products or issuance of municipal securities (including with respect to the structure, timing, terms, and other similar matters concerning such financial products or issues).
7. KMA is not acting as a Municipal Advisor to the County and does not assume any fiduciary duty hereunder, including, without limitation, a fiduciary duty to the County pursuant to Section 15B of the

Exchange Act with respect to the services provided hereunder and any information and material contained in KMA's work product.

8. The County shall discuss any such information and material contained in KMA's work product with any and all internal and/or external advisors and experts, including its own Municipal Advisors, that it deems appropriate before acting on the information and material.

FINAL
DRAFT

APPENDIX A

Development Concept A Townhomes with Attached Garages



**Financial Feasibility Analysis
Fallbrook Village Subarea Plan
County of San Diego**

TABLE A-1

PROJECT DESCRIPTION
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Townhomes with Attached Garages			
I. For-Sale/Rental	For-Sale		
II. Site Area	2.00 Acres	87,120 SF	
III. Density (Units/Acre)	15.0 Units/Acre		
IV. Floor Area Ratio (FAR)	0.47		
V. Construction Type	Type V		
VI. Stories	2-3 Stories		
VII. Maximum Building Height	35 Feet		
VIII. Gross Building Area (SF)			
Net Residential	41,250	100.0%	
Community/Recreation	0	0.0%	
Circulation/Lobby/Leasing Office	0	0.0%	
Total Gross Building Area	41,250	100.0%	
IX. Residential Unit Mix	<u>Number of Units</u>	<u>Unit Size</u>	
Two Bedroom	15	50%	1,250 SF
Three Bedroom	15	50%	1,500 SF
Total Units/Average	30	100%	1,375 SF
X. Parking			
Parking Type	Attached Garages		
Parking Ratio ⁽¹⁾	2.00 Spaces/Unit		
Parking Spaces	60 Spaces		

(1) Source: San Diego County Parking Regulations Section 6758.

TABLE A-2

ESTIMATED DEVELOPMENT COSTS

FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS

COUNTY OF SAN DIEGO

Townhomes with Attached Garages			
	<u>Total</u>	<u>Per Unit</u>	<u>Comments</u>
I. Direct Costs ⁽¹⁾			
Off-Site Improvements ⁽²⁾	\$261,000	\$8,700	\$3 Per SF Site
On-Site Improvements/Landscaping	\$1,045,000	\$34,800	\$12 Per SF Site
Parking	\$0	\$0	Included above
Shell Construction	\$7,425,000	\$247,500	\$180 Per SF GBA
Amenities/FF&E - Residential	\$105,000	\$3,500	Allowance
Contingency	<u>\$442,000</u>	<u>\$14,700</u>	5.0% of Directs
Total Direct Costs	\$9,278,000	\$309,300	\$225 Per SF GBA
II. Indirect Costs			
Architecture & Engineering	\$557,000	\$18,600	6.0% of Directs
Permits & Fees ⁽²⁾	\$641,000	\$21,400	\$16 Per SF GBA
Legal & Accounting	\$139,000	\$4,600	1.5% of Directs
Taxes & Insurance	\$139,000	\$4,600	1.5% of Directs
Developer Fee	\$371,000	\$12,400	4.0% of Directs
Marketing	\$345,000	\$11,500	2.0% of Value
Contingency	<u>\$110,000</u>	<u>\$3,700</u>	5.0% of Indirects
Total Indirect Costs	\$2,302,000	\$76,700	24.8% of Directs
III. Financing Costs	<u>\$742,000</u>	<u>\$24,700</u>	8.0% of Directs
IV. Development Costs (Excl. Acquisition)	\$12,322,000	\$410,700	\$299 Per SF GBA

(1) Does not include the payment of prevailing wages.

(2) Estimate; not verified by KMA or County.

TABLE A-3

GROSS SALES PROCEEDS

FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS

COUNTY OF SAN DIEGO

Townhomes with Attached Garages					
	<u>Unit Size</u>	<u># Units</u>	<u>\$/SF</u>	<u>Price/Unit</u>	<u>Total</u>
I. Gross Sales Proceeds					
Two Bedroom	1,250 SF	15	\$440	\$550,000	\$8,250,000
Three Bedroom	<u>1,500</u> SF	<u>15</u>	<u>\$400</u>	<u>\$600,000</u>	<u>\$9,000,000</u>
Total	1,375 SF	30	\$418	\$575,000	\$17,250,000
(Less) Cost of Sale			2.0% of Value		(\$345,000)
(Less) Developer Profit			10.0% of Value		<u>(\$1,725,000)</u>
II. Net Sales Proceeds					\$15,180,000
(Less) Development Costs					<u>(\$12,322,000)</u>
III. Residual Land Value					\$2,858,000
Per Unit					\$95,000
Per SF Site Area					\$33

APPENDIX A

Development Concept B
Garden Apartments with Surface Parking



Financial Feasibility Analysis
Fallbrook Village Subarea Plan
County of San Diego

TABLE B-1

PROJECT DESCRIPTION
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

**Garden Apartments with Surface
Parking**

I. For-Sale/Rental	Rental		
II. Site Area	2.00 Acres	87,120 SF	
III. Density (Units/Acre)	24.0 Units/Acre		
IV. Floor Area Ratio (FAR)	0.49		
V. Construction Type	Type V		
VI. Stories	2-3 Stories		
VII. Maximum Building Height	445955 Feet		
VIII. Gross Building Area (SF)			
Net Residential	41,520	96.5%	
Community/Recreation	0	0.0%	
Circulation/Lobby/Leasing Office	<u>1,500</u>	<u>3.5%</u>	
Total Gross Building Area	43,020	100.0%	
IX. Residential Unit Mix	<u>Number of Units</u>	<u>Unit Size</u>	
One Bedroom	19	40%	700 SF
Two Bedroom	24	50%	950 SF
Three Bedroom	<u>5</u>	<u>10%</u>	<u>1,100</u> SF
Total Units/Average	48	100%	865 SF
X. Parking			
Parking Type	Surface/Carport		
Parking Ratio ⁽¹⁾	1.52 Spaces/Unit		
Parking Spaces	73 Spaces		

(1) Source: San Diego County Parking Regulations Section 6758. Assumes the following parking ratios:
one- and two-bedroom units @ 1.5 spaces per unit and three-bedroom units @ 2.0 spaces per unit.

TABLE B-2

ESTIMATED DEVELOPMENT COSTS
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Garden Apartments with Surface Parking			
	<u>Total</u>	<u>Per Unit</u>	<u>Comments</u>
I. Direct Costs⁽¹⁾			
Off-Site Improvements ⁽²⁾	\$261,000	\$5,400	\$3 Per SF Site
On-Site Improvements/Landscaping	\$1,307,000	\$27,200	\$15 Per SF Site
Parking	\$0	\$0	Included above
Shell Construction	\$8,174,000	\$170,300	\$190 Per SF GBA
Amenities/FF&E - Residential	\$216,000	\$4,500	Allowance
Contingency	<u>\$498,000</u>	<u>\$10,400</u>	5.0% of Directs
Total Direct Costs	\$10,456,000	\$217,800	\$243 Per SF GBA
II. Indirect Costs			
Architecture & Engineering	\$627,000	\$13,100	6.0% of Directs
Permits & Fees ⁽²⁾	\$887,000	\$18,500	\$21 Per SF GBA
Legal & Accounting	\$157,000	\$3,300	1.5% of Directs
Taxes & Insurance	\$157,000	\$3,300	1.5% of Directs
Developer Fee	\$418,000	\$8,700	4.0% of Directs
Marketing/Lease-Up	\$120,000	\$2,500	Allowance
Contingency	<u>\$118,000</u>	<u>\$2,500</u>	5.0% of Indirects
Total Indirect Costs	\$2,484,000	\$51,800	23.8% of Directs
III. Financing Costs	<u>\$836,000</u>	<u>\$17,400</u>	8.0% of Directs
IV. Development Costs (Excl. Acquisition)	\$13,776,000	\$287,000	\$320 Per SF GBA

(1) Does not include the payment of prevailing wages.

(2) Estimate; not verified by KMA or County.

TABLE B-3

NET OPERATING INCOME
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Garden Apartments with Surface Parking					
	<u>Unit Size</u>	<u># Units</u>	<u>\$/SF</u>	<u>Monthly Rent</u>	<u>Total Annual</u>
I. Gross Scheduled Income (GSI)					
One Bedroom @	700 SF	19	\$2.60	\$1,820	\$419,000
Two Bedroom @	950 SF	24	\$2.25	\$2,140	\$616,000
Three Bedroom @	<u>1,100</u> SF	<u>5</u>	<u>\$2.15</u>	<u>\$2,370</u>	<u>\$137,000</u>
Total/Average	865 SF	48	\$2.35	\$2,035	\$1,172,000
Add: Other Income		\$25 /Unit/Month			<u>\$14,000</u>
Total Gross Scheduled Income (GSI)					\$1,186,000
(Less) Vacancy		5.0% of GSI			<u>(\$59,000)</u>
Effective Gross Income (EGI)					\$1,127,000
II. Operating Expense					
(Less) Operating Expenses		\$4,750 /Unit/Year			(\$228,000)
(Less) Property Taxes ⁽¹⁾		\$3,229 /Unit/Year			(\$155,000)
(Less) Replacement Reserves		<u>\$250</u> /Unit/Year			<u>(\$12,000)</u>
Total Expenses		\$8,229 /Unit/Year			(\$395,000)
		35.0% of EGI			
III. Net Operating Income (NOI)					\$732,000

(1) Based on development cost approach; assumes 85.0% of total development costs plus residual land value and a 1.10% tax rate.

TABLE B-4

RESIDUAL LAND VALUE
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

**Garden Apartments
with Surface Parking**

I. Capitalized Value of NOI

Stabilized Net Operating Income		\$732,000
Capitalization Rate @		4.0%
Capitalized Value Upon Completion		\$18,300,000
(Less) Cost of Sale	2.0% of Value	(\$366,000)
(Less) Developer Profit	10.0% of Value	<u>(\$1,830,000)</u>

II. Net Sales Proceeds	\$16,104,000
-------------------------------	---------------------

(Less) Development Costs ⁽¹⁾	<u>(\$13,776,000)</u>
---	-----------------------

III. Residual Land Value	\$2,328,000
Per Unit	\$49,000
Per SF Site Area	\$27

(1) Excludes acquisition costs.

APPENDIX C

Development Concept C Stacked Flats with Surface/Tuck-Under Parking



**Financial Feasibility Analysis
Fallbrook Village Subarea Plan
County of San Diego**

TABLE C-1

PROJECT DESCRIPTION
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

**Stacked Flats
with Surface/Tuck-Under Parking**

I. For-Sale/Rental	Rental		
II. Site Area	1.00 Acres	43,560 SF	
III. Density (Units/Acre)	30.0 Units/Acre		
IV. Floor Area Ratio (FAR)	0.63		
V. Construction Type	Type V		
VI. Stories	3 Stories		
VII. Maximum Building Height	35 Feet		
VIII. Gross Building Area (SF)			
Net Residential	23,550	85.8%	
Community/Recreation	1,000	3.6%	
Circulation/Lobby/Leasing Office	<u>2,900</u>	<u>10.6%</u>	
Total Gross Building Area	27,450	100.0%	
IX. Residential Unit Mix	<u>Number of Units</u>	<u>Unit Size</u>	
Studio/Lofts	0	0%	0 SF
One Bedroom	12	40%	650 SF
Two Bedroom	18	60%	875 SF
Three Bedroom	<u>0</u>	<u>0%</u>	<u>0</u> SF
Total Units/Average	30	100%	785 SF
X. Parking			
Parking Type	Surface/Tuck-Under		
Parking Ratio ⁽¹⁾	1.50 Spaces/Unit		
Parking Spaces	45 Spaces		

(1) Source: San Diego County Parking Regulations Section 6758. Assumes the following parking ratios: studios, one-bedroom, and two-bedroom units @ 1.5 spaces/unit and three-bedroom units @ 2.0 spaces/unit.

TABLE C-2

ESTIMATED DEVELOPMENT COSTS
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

	Stacked Flats with Surface/Tuck-Under Parking		
	<u>Total</u>	<u>Per Unit</u>	<u>Comments</u>
I. Direct Costs⁽¹⁾			
Off-Site Improvements ⁽²⁾	\$131,000	\$4,400	\$3 Per SF Site
On-Site Improvements/Landscaping	\$653,000	\$21,800	\$15 Per SF Site
Parking	\$1,013,000	\$33,800	\$22,500 Per Space
Shell Construction	\$5,765,000	\$192,200	\$210 Per SF GBA
Amenities/FF&E - Residential	\$165,000	\$5,500	Allowance
Contingency	<u>\$386,000</u>	<u>\$12,900</u>	5.0% of Directs
Total Direct Costs	\$8,113,000	\$270,400	\$296 Per SF GBA
II. Indirect Costs			
Architecture & Engineering	\$487,000	\$16,200	6.0% of Directs
Permits & Fees ⁽²⁾	\$566,000	\$18,900	\$21 Per SF GBA
Legal & Accounting	\$122,000	\$4,100	1.5% of Directs
Taxes & Insurance	\$122,000	\$4,100	1.5% of Directs
Developer Fee	\$325,000	\$10,800	4.0% of Directs
Marketing/Lease-Up	\$75,000	\$2,500	Allowance
Contingency	<u>\$85,000</u>	<u>\$2,800</u>	5.0% of Indirects
Total Indirect Costs	\$1,782,000	\$59,400	22.0% of Directs
III. Financing Costs	<u>\$649,000</u>	<u>\$21,600</u>	8.0% of Directs
IV. Development Costs (Excl. Acquisition)	\$10,544,000	\$351,500	\$384 Per SF GBA

(1) Does not include the payment of prevailing wages.

(2) Estimate; not verified by KMA or County.

TABLE C-3

NET OPERATING INCOME
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Stacked Flats with Surface/Tuck-Under Parking					
Monthly					
	<u>Unit Size</u>	<u># Units</u>	<u>\$/SF</u>	<u>Rent</u>	<u>Total Annual</u>
I. Gross Scheduled Income (GSI)					
One Bedroom @	650 SF	12	\$2.90	\$1,890	\$272,000
Two Bedroom @	875 SF	18	\$2.55	\$2,230	\$482,000
Three Bedroom @	0 SF	0	\$0.00	\$0	\$0
Total/Average	785 SF	30	\$2.67	\$2,094	\$754,000
Add: Other Income		\$75 /Unit/Month			\$27,000
Total Gross Scheduled Income (GSI)					\$781,000
(Less) Vacancy		5.0% of GSI			(\$39,000)
Effective Gross Income (EGI)					\$742,000
II. Operating Expense					
(Less) Operating Expenses		\$5,000 /Unit/Year			(\$150,000)
(Less) Property Taxes ⁽¹⁾		\$3,333 /Unit/Year			(\$100,000)
(Less) Replacement Reserves		\$250 /Unit/Year			(\$8,000)
Total Expenses		\$8,600 /Unit/Year			(\$258,000)
		34.8% of EGI			
III. Net Operating Income (NOI)					\$484,000

(1) Based on development cost approach; assumes 85.0% of total development costs plus residual land value and a 1.10% tax rate.

TABLE C-4

RESIDUAL LAND VALUE
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

**Stacked Flats
with Surface/Tuck-Under Parking**

I. Capitalized Value of NOI

Stabilized Net Operating Income		\$484,000
Capitalization Rate @		4.0%
Capitalized Value Upon Completion		\$12,100,000
(Less) Cost of Sale	2.0% of Value	(\$242,000)
(Less) Developer Profit	10.0% of Value	<u>(\$1,210,000)</u>

II. Net Sales Proceeds	\$10,648,000
-------------------------------	---------------------

(Less) Development Costs ⁽¹⁾	<u>(\$10,544,000)</u>
---	-----------------------

III. Residual Land Value	\$104,000
Per Unit	\$3,000
Per SF Site Area	\$2

(1) Excludes acquisition costs.

APPENDIX D

Development Concept D

Mixed-Use Studios/Lofts over Retail with Tuck-Under Parking



Financial Feasibility Analysis Fallbrook Village Subarea Plan County of San Diego

TABLE D-1

PROJECT DESCRIPTION
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

**Mixed-Use Studios/Lofts over
Retail with Tuck-Under Parking**

I. For-Sale/Rental	Rental		
II. Site Area	1.00 Acres	43,560 SF	
III. Density (Units/Acre)	30.0 Units/Acre		
IV. Floor Area Ratio (FAR)	0.71		
V. Construction Type	Type V		
VI. Stories	3 Stories		
VII. Maximum Building Height	35 Feet		
VIII. Gross Building Area (SF)			
<u>Residential</u>			
Net Residential	22,500	81.1%	
Community/Recreation	0	0.0%	
Circulation/Lobby/Leasing Office	<u>5,250</u>	<u>18.9%</u>	
Total Residential Space	27,750	100.0%	
Retail / Restaurant	<u>3,000</u>		
Total Gross Building Area	30,750		
IX. Residential Unit Mix	<u>Number of Units</u>	<u>Unit Size</u>	
Studio/Lofts	30 100%	750 SF	
One Bedroom	<u>0</u> <u>0%</u>	<u>0</u> SF	
Total Units/Average	30 100%	750 SF	
X. Parking			
Parking Type	Tuck-Under		
<u>Residential</u>			
Parking Ratio ⁽¹⁾	1.50 Spaces/Unit		
Parking Spaces	45 Spaces		
<u>Commercial</u>			
Parking Ratio	4.50 Spaces/1,000 SF ⁽²⁾		
Parking Spaces	14 Spaces		
Total Parking Spaces	59 Spaces		

(1) Source: San Diego County Parking Regulations Section 6758.

(2) Source: San Diego County Village Parking Regulations Section 8130. Assumes 25% parking reduction in Fallbrook Special Parking District.

TABLE D-2

ESTIMATED DEVELOPMENT COSTS
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Mixed-Use Studios/Lofts over Retail with Tuck-Under Parking			
	<u>Total</u>	<u>Per Unit</u>	<u>Comments</u>
I. Direct Costs⁽¹⁾			
Off-Site Improvements ⁽²⁾	\$131,000	\$4,400	\$3 Per SF Site
On-Site Improvements/Landscaping	\$653,000	\$21,800	\$15 Per SF Site
Parking	\$1,316,000	\$43,900	\$22,500 Per Space
Shell Construction - Residential	\$5,828,000	\$194,300	\$210 Per SF GBA - Residential
Shell Construction - Retail/Rest.	\$480,000	\$16,000	\$160 Per SF GBA - Retail/Rest.
Amenities/FF&E - Residential	\$180,000	\$6,000	Allowance
Tenant Improvements - Retail/Restaurant	\$180,000	\$6,000	\$60 Per SF Net - Retail/Rest.
Contingency	<u>\$429,000</u>	<u>\$14,300</u>	5.0% of Directs
Total Direct Costs	\$9,197,000	\$306,600	\$299 Per SF GBA
II. Indirect Costs			
Architecture & Engineering	\$552,000	\$18,400	6.0% of Directs
Permits & Fees ⁽²⁾	\$583,000	\$19,400	\$19 Per SF GBA
Legal & Accounting	\$138,000	\$4,600	1.5% of Directs
Taxes & Insurance	\$138,000	\$4,600	1.5% of Directs
Developer Fee	\$368,000	\$12,300	4.0% of Directs
Marketing/Lease-Up	\$75,000	\$2,500	Allowance
Contingency	<u>\$93,000</u>	\$3,100	5.0% of Indirects
Total Indirect Costs	\$1,947,000	\$64,900	21.2% of Directs
III. Financing Costs	<u>\$736,000</u>	<u>\$24,500</u>	8.0% of Directs
IV. Development Costs (Excl. Acquisition)	\$11,880,000	\$396,000	\$386 Per SF GBA

(1) Does not include the payment of prevailing wages.

(2) Estimate; not verified by KMA or County.

TABLE D-3

NET OPERATING INCOME
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Mixed-Use Studios/Lofts over Retail with Tuck-Under Parking					
Monthly					
	<u>Unit Size</u>	<u># Units</u>	<u>\$/SF</u>	<u>Rent</u>	<u>Total Annual</u>
I. Gross Scheduled Income (GSI)					
Studios/Lofts @	750 SF	30	\$3.05	\$2,290	\$824,000
One Bedroom @	0 SF	0	\$0.00	\$0	\$0
Total/Average	750 SF	30	\$3.05	\$2,289	\$824,000
Add: Other Income		\$25 /Unit/Month			\$9,000
Total Gross Scheduled Income (GSI)					\$833,000
(Less) Vacancy		5.0% of GSI			(\$42,000)
Effective Gross Income (EGI)					\$791,000
II. Operating Expense					
(Less) Operating Expenses		\$5,000 /Unit/Year			(\$150,000)
(Less) Property Taxes ⁽¹⁾		\$3,800 /Unit/Year			(\$114,000)
(Less) Replacement Reserves		\$250 /Unit/Year			(\$8,000)
Total Expenses		\$9,067 /Unit/Year 34.4% of EGI			(\$272,000)
III. Net Operating Income (NOI)					\$519,000

(1) Based on development cost approach; assumes 85.0% of total development costs plus residual land value and a 1.10% tax rate.

TABLE D-4

NET OPERATING INCOME - RETAIL / RESTAURANT
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Mixed-Use Studios/Lofts over Retail with Tuck-Under Parking			
I. Gross Scheduled Income (GSI)	<u>Net Rentable</u>	<u>Monthly Rent</u>	<u>Annual</u>
Total Retail / Restaurant GSI	3,000 SF	\$2.00 /SF/Month/NNN	\$72,000
II. Effective Gross Income (EGI)			
(Less) Vacancy	5.0% of GSI		<u>(\$4,000)</u>
Total EGI			\$68,000
III. (Less) Unreimbursed Operating Expenses @	10.0% of GSI		<u>(\$7,000)</u>
IV. Net Operating Income (NOI) - Retail / Restaurant			\$61,000

TABLE D-5

RESIDUAL LAND VALUE
 FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
 COUNTY OF SAN DIEGO

Mixed-Use Studios/Lofts over Retail with Tuck-Under Parking			
	Residential	Retail / Restaurant	TOTAL
I. Net Operating Income (NOI)	\$519,000	\$61,000	\$580,000
Capitalization Rate	4.00%	5.50%	4.12%
II. Capitalized Value of NOI / Gross Sales Proceeds	\$12,975,000	\$1,109,000	\$14,084,000
(Less) Cost of Sale @ 2.0% of Value	(\$260,000)	(\$22,000)	(\$282,000)
(Less) Target Developer Profit @ 12.0% of Value	<u>(\$1,557,000)</u>	<u>(\$133,000)</u>	<u>(\$1,690,000)</u>
III. Net Sales Proceeds	\$11,158,000	\$954,000	\$12,112,000
(Less) Total Development Costs ⁽¹⁾			<u>(\$11,880,000)</u>
IV. Residual Land Value			\$232,000
Per Unit			\$8,000
Per SF Site			\$5

(1) Excludes acquisition costs.

Prepared by: Keyser Marston Associates, Inc.

Filename: SD County_Fallbrook Village_Financial Feasibility Analysis_v2;6/24/2022;ema

APPENDIX D

Development Concept D Boutique Hotel with Retail/Restaurant and Surface Parking



Financial Feasibility Analysis Fallbrook Village Subarea Plan County of San Diego

TABLE E-1

PROJECT DESCRIPTIONS FOR DEVELOPMENT PROTOTYPES
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

**Boutique Hotel with
Retail/Restaurant and
Surface Parking**

I. Site Area	1.50 Acres	65,340 SF
II. Density (Units/Acre)		26.7 Rooms/Acre
III. Floor Area Ratio (FAR)		0.44
IV. Construction Type		Type V
V. Stories		3 Stories
VI. Maximum Building Height		35 Feet
VI. Gross Building Area (SF)		
Hotel		25,000
Retail / Restaurant		<u>3,500</u>
Total Gross Building Area		28,500
VII. Hotel Rooms		40 Rooms
Average Room Size		625 Gross SF/Room
VIII. Parking⁽¹⁾		
Parking Type		Surface
Parking Ratio		1.00 Spaces/Room
Parking Spaces		40 Spaces

(1) Assumes retail/restaurant space will share parking with hotel component.

TABLE E-2

ESTIMATED DEVELOPMENT COSTS
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Boutique Hotel with Retail/Restaurant and Surface Parking			
	<u>Total</u>	<u>Per Room</u>	<u>Comments</u>
I. Direct Costs ⁽¹⁾			
Off-Site Improvements ⁽²⁾	\$196,000	\$4,900	\$3 Per SF Site
On-Site Improvements/Landscaping	\$980,000	\$24,500	\$15 Per SF Site
Parking	\$0	\$0	Included above
Shell Construction - Hotel	\$6,875,000	\$171,900	\$275 Per SF GBA - Hotel
Shell Construction - Retail/Restaurant	\$525,000	\$13,100	\$150 Per SF GBA - Retail/Rest.
FF&E - Hotel	\$1,200,000	\$30,000	Allowance
Tenant Improvements - Retail/Restaurant	\$180,000	\$6,000	\$60 Per SF Net - Retail/Rest.
Contingency	<u>\$489,000</u>	<u>\$12,200</u>	5.0% of Directs
Total Direct Costs	\$10,445,000	\$261,100	\$366 Per SF GBA
II. Indirect Costs			
Architecture & Engineering	\$627,000	\$15,700	6.0% of Directs
Permits & Fees ⁽²⁾	\$457,000	\$11,400	\$16 Per SF GBA
Legal & Accounting	\$157,000	\$3,900	1.5% of Directs
Taxes & Insurance	\$157,000	\$3,900	1.5% of Directs
Developer Fee	\$418,000	\$10,500	4.0% of Directs
Pre-Opening Supplies - Hotel	\$140,000	\$3,500	Allowance
Marketing/Lease-Up - Retail/Restaurant	\$18,000	\$500	\$5 Per SF GBA - Retail/Rest.
Contingency	<u>\$99,000</u>	<u>\$2,500</u>	5.0% of Indirects
Total Indirect Costs	\$2,073,000	\$51,800	19.8% of Directs
III. Financing Costs	<u>\$836,000</u>	<u>\$17,400</u>	8.0% of Directs
IV. Development Costs (Excl. Acquisition)	\$13,354,000	\$333,900	\$469 Per SF GBA

(1) Does not include the payment of prevailing wages.

(2) Estimate; not verified by KMA or County.

TABLE E-3

NET OPERATING INCOME - HOTEL
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

**Boutique Hotel with Retail/Restaurant and
Surface Parking**

I. Effective Gross Income (EGI)

	<u>Rooms</u>	<u>Stabilized ADR</u>	<u>Stabilized Occupancy</u>	<u>Total</u>
Total Hotel Rooms	40	\$195	78%	\$2,221,000
Food & Beverage/Other Revenue		15% of Room Revenue		\$333,000
Parking		\$15 /Occupied Night		<u>\$171,000</u>
Total EGI		\$68,100 /Room/Year		\$2,725,000

II. Operating Expenses

(Less) Total Operating Expenses	65% of EGI	<u>(\$1,771,000)</u>
---------------------------------	------------	----------------------

III. Net Operating Income (NOI) - Hotel	\$23,900 /Room/Year	\$954,000
--	----------------------------	------------------

TABLE E-4

NET OPERATING INCOME - RETAIL / RESTAURANT
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Boutique Hotel with Retail/Restaurant and Surface Parking			
I. Gross Scheduled Income (GSI)	<u>Net Rentable</u>	<u>Monthly Rent</u>	<u>Annual</u>
Total Retail / Restaurant GSI	3,500 SF	\$2.00 /SF/Month/NNN	\$84,000
II. Effective Gross Income (EGI)			
(Less) Vacancy	5.0% of GSI		<u>(\$4,000)</u>
Total EGI			\$80,000
III. (Less) Unreimbursed Operating Expenses @	10.0% of GSI		<u>(\$8,000)</u>
IV. Net Operating Income (NOI) - Retail / Restaurant			\$72,000

TABLE E-5

RESIDUAL LAND VALUE
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

Boutique Hotel with Retail/Restaurant and Surface Parking			
	Hotel	Retail / Restaurant	TOTAL
I. Net Operating Income (NOI)	\$954,000	\$72,000	\$1,026,000
Capitalization Rate	6.50%	5.50%	6.42%
II. Capitalized Value of NOI / Gross Sales Proceeds	\$14,677,000	\$1,309,000	\$15,986,000
(Less) Cost of Sale @ 2.0% of Value	(\$294,000)	(\$26,000)	(\$320,000)
(Less) Target Developer Profit @ 12.0% of Value	<u>(\$1,761,000)</u>	<u>(\$157,000)</u>	<u>(\$1,918,000)</u>
III. Net Sales Proceeds	\$12,622,000	\$1,126,000	\$13,748,000
(Less) Total Development Costs ⁽¹⁾			<u>(\$13,354,000)</u>
IV. Residual Land Value			\$394,000
Per Hotel Room			\$10,000
Per SF Site			\$6

(1) Excludes acquisition costs.

Prepared by: Keyser Marston Associates, Inc.

Filename: SD County_Fallbrook Village_Financial Feasibility Analysis_v2;6/24/2022;ema

APPENDIX F

**Survey of Residential and
Commercial Land Sales**

**Financial Feasibility Analysis
Fallbrook Village Subarea Plan
County of San Diego**

DRAFT

TABLE F-1

SURVEY OF RESIDENTIAL AND COMMERCIAL LAND SALES, JANUARY 2019 TO PRESENT⁽¹⁾

FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS

COUNTY OF SAN DIEGO

<u>Sale Date</u>	<u>Property Address</u>	<u>Property City</u>	<u>Sale Price</u>	<u>Acres</u>	<u>\$/SF</u> <u>Land</u>	<u>Proposed Use</u>
12/27/21	730 S Santa Fe Ave	Vista	\$575,000	0.29	\$45.11	Commercial mixed-use
09/02/21	Greenbrier Dr	Oceanside	\$1,150,000	0.71	\$37.18	Commercial mixed-use
02/24/21	400 Sycamore Ave	Vista	\$2,112,500	1.35	\$35.92	Commercial land; unknown use
10/27/21	NEQ Madison Ave & Guava Ave	Murrieta	\$1,235,000	0.81	\$35.00	Commercial mixed-use
03/20/20	4182 Oceanside Blvd	Oceanside	\$1,800,000	1.26	\$32.74	Retail
02/08/22	39566 Los Alamos Rd	Murrieta	\$825,000	0.59	\$32.10	Commercial mixed-use
12/20/21	25420 Hancock Ave	Murrieta	\$3,476,000	2.66	\$30.00	Commercial land; unknown use
07/29/21	39480 Murrieta Hot Springs Rd	Murrieta	\$1,300,000	1.00	\$29.84	Retail
08/16/19	3340 Mission Ave	Oceanside	\$4,500,000	3.80	\$27.19	Retail
09/25/20	24661 Madison Ave	Murrieta	\$825,000	0.71	\$26.84	Retail
11/29/21	3505 Cannon Rd	Oceanside	\$1,250,000	1.08	\$26.57	Commercial land; unknown use
07/26/19	238 N Indiana Ave	Vista	\$200,000	0.18	\$25.51	Multi-family residential
11/12/20	471-477 N El Camino Real	Oceanside	\$2,850,000	2.57	\$25.46	Commercial-multi commercial
01/26/22	41445 Los Alamos Rd	Murrieta	\$995,000	0.90	\$25.38	Car wash
01/22/20	Cedar Rd	Vista	\$2,085,000	1.95	\$24.55	Multi-family residential
07/16/20	25130 Hancock Ave	Murrieta	\$512,500	0.50	\$23.53	Medical office
06/30/21	Date St	Murrieta	\$585,500	0.61	\$22.03	Medical office
12/08/20	Douglas Dr & Hwy 76	Oceanside	\$4,500,000	4.73	\$21.84	Multi-family residential
05/07/19	625 N Santa Fe Ave	Vista	\$545,000	0.58	\$21.46	Commercial mixed-use
05/20/20	41480 Sanborn Ave	Temecula	\$1,050,000	1.20	\$20.09	Commercial mixed-use
07/26/21	1559 N Santa Fe Ave	Vista	\$1,100,000	1.26	\$20.04	40 to 50 unit residential development
10/29/21	Date St	Temecula	\$13,000,000	15.10	\$19.76	Multi-family residential

Source: CoStar Group, Inc.

Prepared by: Keyser Marston Associates, Inc.

Filename: SD County_Fallbrook Village_Financial Feasibility Analysis_v2\6/24/2022; ema

TABLE F-1

SURVEY OF RESIDENTIAL AND COMMERCIAL LAND SALES, JANUARY 2019 TO PRESENT⁽¹⁾
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

<u>Sale Date</u>	<u>Property Address</u>	<u>Property City</u>	<u>Sale Price</u>	<u>Acres</u>	<u>\$/SF</u> <u>Land</u>	<u>Proposed Use</u>
08/20/21	Vista Pacific Dr	Oceanside	\$2,143,000	2.57	\$19.14	Multi-family residential
03/17/21	2100 S El Camino Real	Oceanside	\$400,000	0.48	\$19.13	Commercial mixed-use
07/08/21	Date St & Ynez Rd	Temecula	\$11,800,000	14.22	\$19.05	Senior apartments
04/04/22	1902-1910 Grandview St	Oceanside	\$5,750,000	7.02	\$18.80	Multi-family residential
12/11/19	41920 C St	Murrieta	\$261,500	0.32	\$18.76	Commercial mixed-use
06/22/21	S Loop Rd	Temecula	\$9,749,500	12.28	\$18.23	Residential land; unknown use
02/17/22	25440 Jefferson Ave	Murrieta	\$14,250,000	18.03	\$18.14	Commercial land; unknown use
09/20/21	Madison Ave	Temecula	\$1,690,000	2.17	\$17.88	Commercial land; unknown use
07/03/19	4170-4182 Oceanside Blvd	Oceanside	\$5,000,000	6.51	\$17.63	Commercial land; unknown use
07/26/19	Hancock Ave	Murrieta	\$1,100,000	1.47	\$17.18	Medical office
03/02/22	347 W Los Angeles Dr	Vista	\$680,000	0.91	\$17.15	Residential multi-family
08/25/21	Los Alamos Rd	Murrieta	\$17,886,000	24.81	\$16.55	542-unit apartment development
02/09/21	Date St	Murrieta	\$8,000,000	11.10	\$16.55	Residential multi-family
09/08/20	Murrieta Hot Springs Rd	Murrieta	\$3,250,000	4.51	\$16.54	Commercial mixed-use
01/17/20	N Melrose Dr	Vista	\$348,480	0.50	\$16.00	Commercial land; unknown use
01/17/19	Felix Valdez Ave	Temecula	\$850,000	1.22	\$15.99	Commercial land; unknown use
05/17/21	220-248 N Melrose Dr	Vista	\$1,375,000	2.08	\$15.18	Residential land; unknown use
03/06/20	3335 Marron Rd	Oceanside	\$1,350,000	2.12	\$14.62	Day care center
12/08/21	2.53 Acres Los Alamos Rd Corner Lot	Murrieta	\$1,600,000	2.53	\$14.52	Medical office
09/16/21	3080 Pala Rd	Fallbrook	\$1,550,000	2.56	\$13.90	Commercial land; unknown use
08/05/19	41505 Hilbe Dr	Murrieta	\$1,092,000	1.87	\$13.41	Commercial land; unknown use
06/20/19	Washington Ave	Murrieta	\$2,700,000	4.64	\$13.36	Multi-family residential

Source: CoStar Group, Inc.

Prepared by: Keyser Marston Associates, Inc.

Filename: SD County_Fallbrook Village_Financial Feasibility Analysis_v2\6/24/2022; ema

TABLE F-1

SURVEY OF RESIDENTIAL AND COMMERCIAL LAND SALES, JANUARY 2019 TO PRESENT⁽¹⁾
FALLBROOK VILLAGE SUBAREA PLAN - FINANCIAL FEASIBILITY ANALYSIS
COUNTY OF SAN DIEGO

<u>Sale Date</u>	<u>Property Address</u>	<u>Property City</u>	<u>Sale Price</u>	<u>Acres</u>	<u>\$/SF Land</u>	<u>Proposed Use</u>
01/27/22	420 Lado De Loma	Vista	\$1,800,000	3.30	\$12.52	24 single-family homes
04/03/19	2373-2385 Via Monserate	Fallbrook	\$875,000	1.65	\$12.17	Commercial mixed-use
12/24/20	Throughbred Ln	Bonsall	\$2,299,000	4.50	\$11.74	Commercial mixed-use
03/18/19	326 Plumosa Ave	Vista	\$635,000	1.51	\$9.65	Residential land; unknown use
11/16/21	Inland Valley Dr S of Clinton Keith Rd	Wildomar	\$5,000,000	12.89	\$8.90	Multi-family residential, mixed-use
07/28/21	2137 Willowbrook Dr	Oceanside	\$830,000	2.16	\$8.82	Residential land; unknown use
08/24/20	1102 Hacienda Dr	Vista	\$760,000	2.10	\$8.31	Commercial land; unknown use
11/13/20	Solana Way	Temecula	\$1,400,000	3.98	\$8.08	Multi-family residential
05/19/21	25261 Jefferson Ave	Murrieta	\$807,500	2.31	\$8.03	Commercial land; unknown use
02/24/21	41851 Kalmia St	Murrieta	\$860,000	2.52	\$7.83	Commercial land; unknown use
03/22/21	1505 Olive Ave	Vista	\$890,000	3.19	\$6.40	Residential land; unknown use
11/15/21	45551 Anza Rd	Temecula	\$2,800,000	11.94	\$5.38	Residential land; unknown use
04/22/21	Mission Ave	Oceanside	\$3,750,000	16.41	\$5.25	Residential land; unknown use
Minimum			\$200,000	0.18	\$5.25	
Maximum			\$17,886,000	24.81	\$45.11	
Median			\$1,350,000	2.12	\$18.14	
Average			\$2,842,166	4.14	\$19.10	

(1) Reflects land sales under 25 acres within a 15-mile trade ring from the intersection of South Orange Avenue and East Elder Street. Excludes sales west of Interstate 5 and in Old Town Temecula. Survey does not include land sales under \$5 per SF which are generally in rural areas.

Source: CoStar Group, Inc.

Prepared by: Keyser Marston Associates, Inc.

Filename: SD County_Fallbrook Village_Financial Feasibility Analysis_v2\6/24/2022; ema

