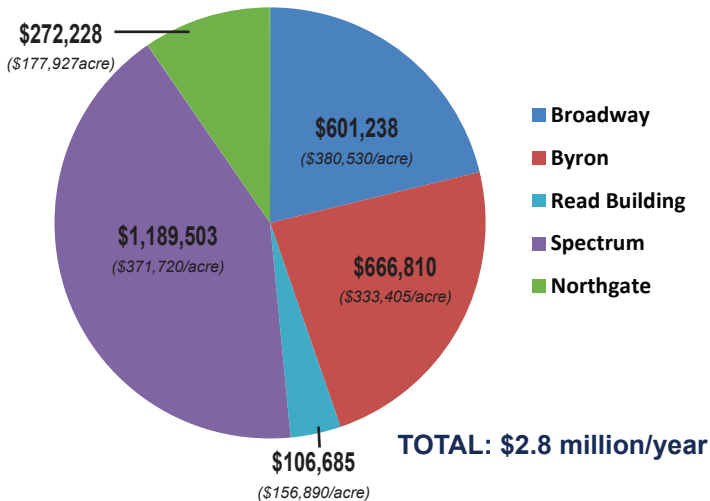


Notes to Mixed Use Development Fiscal Impact Summary Table

In the aggregate, mixed use (MU) development produces about **\$2.8 million** per year in net tax revenue and **\$7.1 million** in gross revenue for the City.

May 2015 Net Fiscal Impact Per Year



Five of the six completed MU projects show strong net positive fiscal impact. Pearson Square remains the lone exception: Its net fiscal impact is essentially zero due to an unusually high pupil population (120 pupils) and with resulting school expenses measured by the City's fiscal model. From a gross revenue standpoint, Pearson Square produces \$2.3 million per year in taxes for the City.

On a per-acre basis, the MU projects generate about \$207k/acre in net annual revenue and \$517k/acre in gross revenue yearly; the latter metric is 18 times the tax revenue produced by these properties prior to development. By comparison,

George Mason Square, an all-commercial building, occupies 2.68 acres. It produces \$133,000/acre in net annual revenue and \$159,000/acre in gross revenue yearly for the City.

238,000 square feet of commercial space has been built in 6 completed MU projects and 93% of that space is occupied or under a lease agreement. With the completion of an additional 114,000 square feet of commercial space in the two projects under construction, the City will have **increased its overall inventory of commercial space more than 12%** with its mixed-use projects.

Only the Northgate project, opened in 2014, has commercial space to fill; it is 56% occupied at this early stage. When fully occupied with commercial tenants, Northgate will produce higher net and gross revenue numbers.

A total of 13.7 acres has been developed for mixed uses, with another 4.8 acres now under construction. The floor area ratio (FAR) of the first 6 projects is 2.23 and the two new projects will average over 3.0 FAR. The FAR of commercial space in the completed buildings is 0.43, which is approximately double the typical FAR of buildings in the City's commercial districts.

Collectively, the first 6 MU projects have contributed **\$3.4 million in cash contributions to the school system** for capital projects. An **additional \$3.6 million** will be contributed to the schools by the Reserve at Tinner Hill and Rushmark/Harris Teeter projects now under construction.

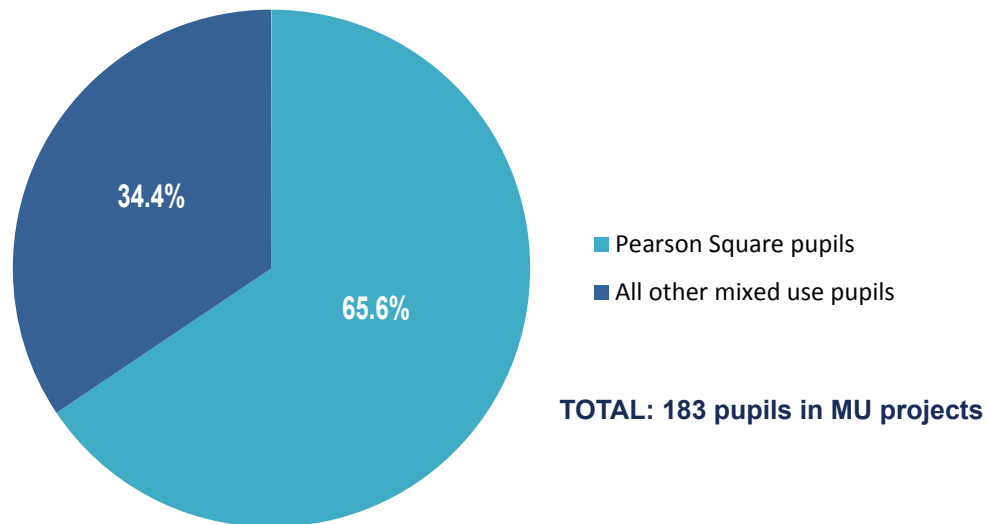
Notes to Mixed Use Development Fiscal Impact Summary Table

47 ADUs or workforce units have been delivered in the first 6 MU projects and another 31 are under construction.

With the exception of Pearson Square, staff projections for school enrollment have been accurate. Pearson Square projections were based on pupil population patterns for condos, but the building converted to rental apartments that are large in size and bedroom count relative to other apartment buildings in the market area. There are 183 pupils in 720 MU residential units, with 2/3 living in Pearson Square's 230-unit apartment building. The enrollment per MU unit overall is 0.25; the ratio for Pearson Square is 0.52; and the ratio for all other MU units not including Pearson Square is 0.13.

Condos in MU projects produce, on average, 0.12 pupils per unit. Studio and one-bedroom rental apartments in MU projects produce 0.06 pupils per unit.

Mixed Use Development 2014/2015 FCCPS Pupils



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The City of Falls Church is committed to the letter and spirit of the Americans with Disabilities Act. To request a reasonable accommodation for any type of disability, call 703-248-5491 (TTY 711).