



APPLIED ECONOMICS

**ECONOMIC AND REVENUE IMPACTS
OF PROJECT JAGUAR
GLENDALE, ARIZONA**

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PREPARED BY:

**APPLIED ECONOMICS
11209 N. TATUM BLVD, SUITE 225
PHOENIX, AZ 85028**

INTRODUCTION

Applied Economics has been contracted by the City of Glendale to perform a third party economic and revenue analysis of Project Jaguar. This analysis is intended to provide a framework for understanding the economic and revenue impacts that the company's operations could create, and the potential impacts of a Foreign Trade Zone (FTZ) incentive.

Project Jaguar is considering constructing a new distribution and administrative facility in Glendale. The approximately 74-acre site being considered for this facility is located south of the SEC of Northern Avenue and Reems Road. The company's capital investment is estimated at \$177 million and includes \$69 for shell building construction and tenant improvements, and \$108 million for equipment. It is anticipated that this capital investment would take place over four years. The company could create 2,465 jobs by the sixth year of operations at an average wage of \$46,000.

The economic and revenue impacts presented here are based on information about Project Jaguar provided by the city and the company. Actual results could vary significantly. However, even if the assumptions outlined in this report were to occur, there will usually be differences between the projections and the actual results because events and circumstances frequently do not occur as expected. This analysis is based on the best available information and is intended to aid the City of Glendale in evaluating this potential economic development opportunity. All dollar estimates should be interpreted as order of magnitude estimates only. In no way will Applied Economics LLC be held responsible or have any liability or be subject to damages as a result of this analysis. This report may be used only for the purposes that it was intended.

PROJECT JAGUAR IMPACT SUMMARY

Jobs, Payroll and Capital Investment

| | |
|--|-----------|
| New Jobs | 2,465 |
| Estimated Annual Payroll | \$113.8 M |
| Capital Investment (buildings and equipment) | \$177.0 M |

10-Year Economic Impacts

| | |
|-------------------------------|---------------------------|
| Economic Impact of Operations | \$3.4 B |
| Total Job Impacts | 2,465 Direct/970 Indirect |

| | |
|---------------------------------|-------------------------|
| Economic Impact of Construction | \$104.1 M |
| Total Job Impacts | 575 Direct/215 Indirect |

10-Year Revenue Impacts

| | |
|---|---------|
| Direct Revenues to City* | \$7.5 M |
| Employee Revenues to City (based on 2,465 jobs) | \$7.0 M |

*Assumes company qualifies for FTZ property tax reduction.

IMPACT SUMMARY

The operations of Project Jaguar's new distribution and administrative facility in Glendale could provide a variety of economic benefits to the city. These include economic impacts, which measure the effects of economic stimuli or expenditures in the local economy in terms of direct and indirect jobs, labor income, and output that could be generated by the company's operations. The project could also generate revenue impacts, defined here as tax revenues to the city, including property, sales and utility franchise taxes from the company's operations, as well as taxes generated by direct employees living in Glendale. A summary of potential impacts on the city is detailed below.

Economic Impacts

- **Overall Operations Impacts.** In total, Project Jaguar could create an economic impact of \$3.4 billion in the City of Glendale over the next ten years. The company's operations could directly and indirectly support an estimated 3,435 jobs (including 2,465 direct jobs) and generate \$1.3 billion in total labor income over ten years.
- **Jobs and Income.** The facility could directly employ 2,465 people at full operating levels with an annual payroll of \$113.8 million. Through the multiplier effect, an additional 970 indirect and induced jobs and \$49.4 million in annual payroll could be supported at other businesses in Glendale. The additional jobs and payroll at other local businesses stem from indirect and induced impacts of supplier demand created by the company and consumer demand created by its employees.
- **Construction Impacts.** About 575 direct construction jobs and 215 additional indirect jobs could be created in Glendale over a two-year period through the \$68.7 million in estimated new construction activity. This would result in a one-time economic impact of \$104.1 million to the city. An estimated total of \$3.7 million in one-time city construction and equipment sales taxes and permit/planning fees could also be generated during the construction phase.
- **Supported Population.** The 2,465 direct jobs and approximately 970 indirect and induced jobs associated with Project Jaguar's new operations could support a population (including families) of about 2,100 people in the City of Glendale. This estimate assumes that approximately 29 percent of the workforce would live in the city based on regional commuting patterns.

Revenue Impacts

- **Direct Revenue Impacts.** The company's new distribution and administrative facilities could generate new one-time and on-going tax revenues to the city, in addition to the economic impacts described above. This includes, one-time construction sales tax and permit-related fees, property taxes on the new facilities

and equipment and on-going sales and utility franchise tax revenues with new revenues to the city totaling \$7.5 million over the first ten years of operations. This estimate assumes that the company would qualify for FTZ benefits.

- **Employee Revenue Impacts.** In addition to revenues generated by the company, direct employees living in Glendale could generate property, sales and utility franchise taxes as well as state shared revenues. Employee revenues are estimated at \$7.0 million over ten years.
- **Foreign Trade Zone.** Assuming that the company is able to qualify for a Foreign Trade Zone designation under U.S. Customs and Border Protection guidelines, they could also qualify for a 5 percent assessment ratio on real and personal property taxes. This reduction from the normal commercial and industrial assessment ratio would result in an estimated tax savings of \$2.1 million over ten years in city property taxes, based on the specified level of capital investment.¹ The site that the company is considering is vacant and will generate approximately \$14,000 in property taxes to the city in 2022.

Project Jaguar could be a significant contributor to the region's economy, providing export jobs that bring new wealth to the region. The 2,465 new jobs associated with the project would be net new jobs to the state, thereby growing the economy both locally and regionally. The location of this company in Glendale would not only create a large number of new jobs in the community, but also support a significant amount of additional economic activity at related local supplier and consumer businesses, as well as generating new tax revenues.

¹ The 2023 assessment ratio on commercial and industrial property will be 17 percent. This ratio is being reduced by 0.5 percent per year through 2025 to 16 percent.

ECONOMIC IMPACT ANALYSIS

The potential economic benefits resulting from the location of the Project Jaguar in Glendale can be measured in terms of both the one-time construction impacts and on-going operations impacts. These impacts would include direct and indirect jobs, labor income and output that would be generated by the project. Indirect impacts are the result of the multiplier effect and capture supported supplier and consumer businesses and employees in the city that would benefit from this company.

Construction Impacts

Project Jaguar is anticipated to support investment of \$68.7 million in Glendale for the construction of a new shell building and tenant improvements. The multiplier effect of this spending could result in a total increase in economic activity of about \$104.1 million during the two-year construction period. The approximately 790 direct and indirect jobs created in Glendale by the construction project could also generate more than \$47.5 million in labor income over the construction period. Total labor income, or earnings, and the total increase in economic activity from construction are shown in Figure 1.

**FIGURE 1
PROJECTED CONSTRUCTION IMPACTS OF PROJECT JAGUAR**

| Year | Direct | | | Total | | |
|--------------|---------------------------|------------|---------------------|----------------------|------------|---------------------|
| | Construction Expenditures | Jobs | Labor Income | Output | Jobs | Labor Income |
| 2022 | \$52,500,000 | 440 | \$27,587,029 | \$79,541,983 | 604 | \$36,328,875 |
| 2023 | \$16,201,890 | 134 | \$8,513,562 | \$24,547,247 | 186 | \$11,211,361 |
| Total | \$68,701,890 | 575 | \$36,100,591 | \$104,089,230 | 790 | \$47,540,235 |

Operations Impacts

The projected economic impacts from the Project Jaguar’s distribution and administrative activities in Glendale are shown in Figure 2. The company is anticipated to create 2,158 new light manufacturing and distribution jobs with an estimated annual payroll of \$89.2 million, and an additional 307 management and administrative jobs with an annual payroll of \$24.6 million by the sixth year of operations. Through local supplier purchases, as well as employee spending, Project Jaguar could create an annual economic impact of \$427.7 million in Glendale at stabilized operating levels (Figure 2). The multiplier effect of the company’s operations on the city could result in a total economic impact of \$3.4 billion over the next ten years, supporting an estimated 3,435 direct and indirect jobs and \$1.3 billion in total labor income.

FIGURE 2
PROJECTED ANNUAL OPERATIONS IMPACT OF PROJECT JAGUAR

| Year | Direct | | | Total | | |
|----------------------|------------------------|--------------|----------------------|------------------------|--------------|------------------------|
| | Output | Jobs | Labor Income | Output | Jobs | Labor Income |
| 2023 | \$3,909,393 | 42 | \$1,883,207 | \$6,312,028 | 56 | \$2,604,191 |
| 2024 | \$181,852,845 | 1,716 | \$78,522,924 | \$292,732,170 | 2,381 | \$112,303,209 |
| 2025 | \$194,398,215 | 1,819 | \$83,747,182 | \$312,869,521 | 2,530 | \$119,873,527 |
| 2026 | \$207,154,988 | 1,923 | \$89,059,054 | \$333,343,472 | 2,680 | \$127,571,743 |
| 2027 | \$220,216,244 | 2,029 | \$94,458,236 | \$354,304,311 | 2,834 | \$135,414,717 |
| 2028 | \$265,768,992 | 2,465 | \$113,758,098 | \$427,654,366 | 3,435 | \$163,170,007 |
| 2029 | \$265,768,992 | 2,465 | \$113,758,098 | \$427,654,366 | 3,435 | \$163,170,007 |
| 2030 | \$265,768,992 | 2,465 | \$113,758,098 | \$427,654,366 | 3,435 | \$163,170,007 |
| 2031 | \$265,768,992 | 2,465 | \$113,758,098 | \$427,654,366 | 3,435 | \$163,170,007 |
| 2032 | \$265,768,992 | 2,465 | \$113,758,098 | \$427,654,366 | 3,435 | \$163,170,007 |
| 10 Year Total | \$2,136,376,646 | 2,465 | \$916,461,091 | \$3,437,833,330 | 3,435 | \$1,313,617,425 |

The new jobs generated directly and indirectly by Project Jaguar could support a resident base of about 2,100 people in Glendale. This includes families of direct employees, as well as families of employees at related supplier and consumer businesses, and assumes that about 29 percent of the employees will work and live in the city.²

The secondary or indirect/induced impacts described here are called multiplier effects. Multiplier effects are a way of representing the larger economic effects on the local economy. The multiplier effects translate an increase in output (defined as labor cost, plus cost of inputs plus profits) into a corresponding increase in jobs and labor income. In essence, the multiplier effect represents the recycling of local spending. This recycling process creates new business opportunities.

The multipliers used in this analysis are from IMPLAN, a national vendor of economic impact software, and are specific to the economic base of Glendale. Industry specific multipliers for warehousing, management and industrial construction were used in the analysis. The output multiplier for this project is 1.61. This means that for every \$1 million of output created by the company, an additional \$610,000 in economic activity is generated in the local economy, along with about 4 jobs and about \$186,000 in payroll at other local businesses.

² Based on data from the Maricopa County Rideshare Survey, 29 percent of people who work in Glendale also live in Glendale.

REVENUE IMPACTS

In addition to supporting jobs and output at related businesses in the city, Project Jaguar could also result in new tax revenues. In total, the company could generate an estimated \$7.5 million in direct revenues and \$7.0 million in employee tax revenues in Glendale over the next ten years, based on the assumptions used in this analysis. There would be additional revenues to the school district, county and state. Details on local property taxes by jurisdiction, with and without FTZ benefits, are included in Appendix A.

Company Impacts

Direct revenues generated by the company over ten years, based on the pro-forma assumptions provided by the company, are estimated at \$7.5 million, assuming they qualify for FTZ property tax reductions. Direct property tax revenues to the city with the FTZ could total \$941,000 over the first ten years of operations, including both real and personal property (Figure 3). Note that the proposed site is currently vacant and is will generate approximately \$14,000 in annual property taxes to the city in 2022.

Property taxes are based on the estimated limited property value of the new building and the annual depreciated value of new equipment. For purposes of this analysis, all equipment is depreciated based on a 10-year life. Accelerated depreciation is also applied in the first five years following equipment purchase, per state statute. It is assumed that real property value would increase by 5 percent per year, based on recent increases in LPV for the other manufacturing and warehouse properties in the city and statutory guidelines.

In addition to property taxes, there would be one-time sales taxes, planning/permit fees and development impact fees from facility construction estimated at \$3.7 million to the city during the four-year construction and equipment investment period. Permit-related fees are roughly estimated at \$2.0 million, and the remaining \$1.7 million would be made up of construction sales tax and use taxes on non-manufacturing equipment.

There could be on-going sales tax revenues associated with the company's utility usage and real and personal property leases estimated at \$255,000 per year, plus utility franchise fees of \$30,000 per year. Total sales and franchise taxes are estimated at \$3.3 million over ten years, excluding construction sales tax.

FIGURE 3
ESTIMATED DIRECT REVENUE IMPACT OF PROJECT JAGUAR

| Year | Sales Tax ¹ | Property Tax ² | Plan/Permit Fees ³ | Utility Franchise | Total City Revenues |
|----------------------|------------------------|---------------------------|-------------------------------|-------------------|---------------------|
| 2022 (Const.) | \$1,379,982 | \$0 | \$1,960,377 | \$0 | \$3,340,359 |
| 2023 | \$611,009 | \$63,884 | \$0 | \$9,812 | \$684,705 |
| 2024 | \$238,645 | \$79,727 | \$0 | \$26,778 | \$345,151 |
| 2025 | \$300,975 | \$91,110 | \$0 | \$26,658 | \$418,743 |
| 2026 | \$250,270 | \$102,063 | \$0 | \$26,672 | \$379,005 |
| 2027 | \$254,805 | \$109,198 | \$0 | \$29,542 | \$393,546 |
| 2028 | \$254,805 | \$110,050 | \$0 | \$29,542 | \$394,398 |
| 2029 | \$254,805 | \$105,884 | \$0 | \$29,542 | \$390,232 |
| 2030 | \$254,805 | \$99,770 | \$0 | \$29,542 | \$384,118 |
| 2031 | \$254,805 | \$92,697 | \$0 | \$29,542 | \$377,045 |
| 2032 | \$254,805 | \$86,801 | \$0 | \$29,542 | \$371,149 |
| 10 Year Total | \$4,309,715 | \$941,185 | \$1,960,377 | \$267,174 | \$7,478,451 |

¹ Includes nonrecurring construction and equipment sales tax in first four years.

² Includes building value and depreciated equipment value at 5% assessment ratio.

³ Includes permit fees, plan review fees and development impact fees.

Employee Revenues

In addition to the direct taxes paid by the company, there could also be taxes generated by employees living in Glendale estimated at \$7.0 million over the ten year period, based on 2,465 new jobs (Figure 4). Using the results from the economic impact analysis, it is possible to estimate employee tax impacts.

Employee sales taxes are estimated at \$2.5 million over ten years. Employee sales tax revenues represent sales taxes on household spending by direct employees living in Glendale. Sales taxes to the city are estimated by multiplying direct labor income from the economic impact by 33 percent (share of taxable expenditures), multiplied by a residency ratio of 29 percent and the city sales tax rate of 2.9 percent.³ There could be an additional 2 percent franchise tax on residential utility expenditures resulting in an estimated \$240,000 in utility franchise taxes over the next ten years from employees, assuming an average monthly utility bill of \$192.⁴

Direct employees could also generate an estimated \$867,000 in property tax revenues to the city over ten years. Employee property tax revenues were based on average residential assessed value per capita in Glendale multiplied by the annual supported population, times the current city property tax rate of 1.73 percent.

³ According to the Census Bureau *Consumer Expenditure Survey*, persons in the median income range spend about 33 percent of their income on taxable goods.

⁴ Council for Community and Economic Research, *Cost of Living Index*, Q3 2021.

FIGURE 4
ESTIMATED EMPLOYEE REVENUE IMPACT OF PROJECT JAGUAR

| Year | Sales Tax ¹ | Property Tax ² | Utility Franchise | State-Shared Revenues ¹ | Total City Revenues |
|----------------------|------------------------|---------------------------|-------------------|------------------------------------|---------------------|
| 2023 | \$5,226 | \$1,835 | \$507 | \$7,126 | \$14,694 |
| 2024 | \$217,925 | \$74,963 | \$20,717 | \$291,128 | \$604,734 |
| 2025 | \$232,424 | \$79,463 | \$21,961 | \$308,603 | \$642,450 |
| 2026 | \$247,166 | \$84,006 | \$23,216 | \$326,247 | \$680,635 |
| 2027 | \$262,150 | \$88,637 | \$24,496 | \$344,231 | \$719,513 |
| 2028 | \$315,713 | \$107,683 | \$29,760 | \$418,200 | \$871,356 |
| 2029 | \$315,713 | \$107,683 | \$29,760 | \$418,200 | \$871,356 |
| 2030 | \$315,713 | \$107,683 | \$29,760 | \$418,200 | \$871,356 |
| 2031 | \$315,713 | \$107,683 | \$29,760 | \$418,200 | \$871,356 |
| 2032 | \$315,713 | \$107,683 | \$29,760 | \$418,200 | \$871,356 |
| 10 Year Total | \$2,543,454 | \$867,321 | \$239,696 | \$3,368,336 | \$7,018,807 |

Note: All figures are in constant 2022 dollars. Analysis assumes 29% of employees live in the City of Glendale for the calculation of employee revenues.

¹ Includes Urban Revenue Sharing, State Sales Tax and Auto Lieu Tax.

New employees living in Glendale could also result in increased state shared revenues. State shared revenues include state sales tax, urban revenue sharing and auto lieu tax, all of which are distributed to the city based on population. Applying the current amount the city is receiving per capita to the projected new residents associated with this project, the city could receive an estimated \$3.4 million in new state shared revenues over the next ten years, assuming 29 percent of the new employees live in Glendale. All total, revenues from the direct employees of Project Jaguar to the city are estimated at \$7.0 million over ten years.

Summary

The operations of the Project Jaguar in Glendale, as described in this analysis, could create significant economic benefits for the city. The company would not only create a large number of new light manufacturing, warehouse and management jobs, but would also create additional demand for other local businesses based on supplier purchases and employee spending. Along with supporting economic activity in the private sector, the company's operations could generate new tax revenues to the city, as well as to other local taxing entities, in the form of increased sales, utility franchise and property taxes.

APPENDIX A

This Appendix details the potential impacts of FTZ tax reductions to the city, county, school districts and other taxing districts associated with Project Jaguar. These are rough estimates based on initial capital investment information provided by the company and could vary significantly depending on the actual assessed value of real and personal property.

Using current mill rates at the proposed site and estimated limited property value of the building plus the depreciated value of personal property investments by the company, Figure A-1 shows the amount of new property taxes by year that would be paid to the city, school districts, county and other local taxing jurisdictions if an FTZ application for property reclassification is approved. The FTZ property tax benefits reduce the assessment ratio on real and personal property to 5 percent, down from the normal 17 percent ratio for commercial and industrial property.⁵ This could result in \$7.4 million in new tax revenues to the city, county, schools and other special districts over the next ten years, assuming a 5 percent annual increase in the value of real property.

**FIGURE A-1
PROPERTY TAX IMPACT OF PROJECT JAGUAR CAPITAL INVESTMENT
WITH FTZ PROPERTY TAX BENEFITS**

| Year | New Investment | Annual Taxable Value* | Property Tax by Jurisdiction with FTZ | | | | | | | Total |
|--------------------|----------------------|------------------------|---------------------------------------|-----------------------|-----------------------|------------------|-----------------------------|-------------------------|--------------------|-------|
| | | | City of Glendale | Agua Fria High School | Litchfield Elementary | Maricopa County | Maricopa Community Colleges | Other Special Districts | | |
| 2022 | \$120,333,170 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2023 | \$44,936,808 | \$74,037,813 | \$63,884 | 122154.987 | \$129,381 | \$49,824 | \$45,374 | \$89,116 | \$499,733 | |
| 2024 | \$0 | \$92,400,063 | \$79,727 | \$152,451 | \$161,469 | \$62,181 | \$56,627 | \$111,217 | \$623,673 | |
| 2025 | \$11,730,676 | \$105,591,742 | \$91,110 | \$174,216 | \$184,522 | \$71,058 | \$64,712 | \$127,095 | \$712,713 | |
| 2026 | \$0 | \$118,286,137 | \$102,063 | \$195,160 | \$206,705 | \$79,601 | \$72,492 | \$142,375 | \$798,396 | |
| 2027 | \$0 | \$126,554,774 | \$109,198 | \$208,803 | \$221,154 | \$85,165 | \$77,559 | \$152,328 | \$854,207 | |
| 2028 | \$0 | \$127,542,999 | \$110,050 | \$210,433 | \$222,881 | \$85,830 | \$78,165 | \$153,517 | \$860,877 | |
| 2029 | \$0 | \$122,714,602 | \$105,884 | \$202,467 | \$214,444 | \$82,581 | \$75,206 | \$147,705 | \$828,287 | |
| 2030 | \$0 | \$115,628,282 | \$99,770 | \$190,775 | \$202,060 | \$77,812 | \$70,863 | \$139,176 | \$780,456 | |
| 2031 | \$0 | \$107,431,428 | \$92,697 | \$177,251 | \$187,736 | \$72,296 | \$65,839 | \$129,310 | \$725,130 | |
| 2032 | \$0 | \$100,598,048 | \$86,801 | \$165,977 | \$175,795 | \$67,697 | \$61,652 | \$121,085 | \$679,007 | |
| 10 Yr Total | \$177,000,654 | \$1,090,785,888 | \$941,185 | \$1,799,688 | \$1,906,148 | \$734,044 | \$668,488 | \$1,312,924 | \$7,362,478 | |

**Includes additional and regular depreciation and 5 percent assessment ratio. Real property value is increased by 5 percent per year.*

In order to clearly show the impacts of the FTZ property reclassification to local taxing jurisdictions, Figure A-2 details the amount of new property taxes by jurisdiction over the next ten years at a normal 16 to 17 percent assessment ratio. Under these conditions, the new capital investment by Project Jaguar could generate \$23.7 million in tax revenues to the city, county, schools and other local taxing jurisdictions over the next ten years.

⁵ The 2023 assessment ratio on commercial and industrial property will be 17 percent. This ratio is being reduced by 0.5 percent per year through 2025 to 16 percent.

**FIGURE A-2
PROPERTY TAX IMPACT OF PROJECT JAGUAR CAPITAL INVESTMENT
WITHOUT FTZ PROPERTY TAX BENEFITS**

| Year | New Investment | Annual Taxable Value* | Property Tax by Jurisdiction without FTZ | | | | | | | Total |
|--------------------|----------------------|------------------------|--|-----------------------|-----------------------|--------------------|-----------------------------|-------------------------|---------------------|-------|
| | | | City of Glendale | Agua Fria High School | Litchfield Elementary | Maricopa County | Maricopa Community Colleges | Other Special Districts | | |
| 2022 | \$120,333,170 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 2023 | \$44,936,808 | \$74,037,813 | \$217,204 | \$415,327 | \$439,896 | \$169,401 | \$154,272 | \$302,993 | \$1,699,092 | |
| 2024 | \$0 | \$92,400,063 | \$263,100 | \$503,088 | \$532,848 | \$205,196 | \$186,870 | \$367,017 | \$2,058,120 | |
| 2025 | \$11,730,676 | \$105,591,742 | \$291,551 | \$557,491 | \$590,469 | \$227,385 | \$207,078 | \$406,706 | \$2,280,680 | |
| 2026 | \$0 | \$118,286,137 | \$326,602 | \$624,513 | \$661,456 | \$254,722 | \$231,973 | \$455,600 | \$2,554,867 | |
| 2027 | \$0 | \$126,554,774 | \$349,433 | \$668,169 | \$707,694 | \$272,528 | \$248,189 | \$487,448 | \$2,733,462 | |
| 2028 | \$0 | \$127,542,999 | \$352,162 | \$673,386 | \$713,220 | \$274,656 | \$250,127 | \$491,255 | \$2,754,806 | |
| 2029 | \$0 | \$122,714,602 | \$338,830 | \$647,894 | \$686,220 | \$264,259 | \$240,658 | \$472,657 | \$2,650,518 | |
| 2030 | \$0 | \$115,628,282 | \$319,264 | \$610,480 | \$646,593 | \$248,999 | \$226,761 | \$445,363 | \$2,497,460 | |
| 2031 | \$0 | \$107,431,428 | \$296,631 | \$567,204 | \$600,757 | \$231,347 | \$210,686 | \$413,791 | \$2,320,416 | |
| 2032 | \$0 | \$100,598,048 | \$277,763 | \$531,126 | \$562,544 | \$216,632 | \$197,285 | \$387,471 | \$2,172,821 | |
| 10 Yr Total | \$177,000,654 | \$1,090,785,888 | \$3,032,540 | \$5,798,677 | \$6,141,698 | \$2,365,125 | \$2,153,900 | \$4,230,303 | \$23,722,242 | |

*Includes additional and regular depreciation and graduated assessment ratio from 17% in 2023 to 16% in 2025 and beyond. Real property value is increased by 5 percent per year.

The final figure shows the projected amount of property taxes that could be generated by the property based on its current limited property value, assuming no new development (Figure A-3). This vacant parcel is will generate about \$109,000 in total annual property taxes in 2022, or about \$1.4 million over 10 years assuming a 5 percent annual increase in property value.

**FIGURE A-3
PROPERTY TAX IMPACT WITH NO NEW DEVELOPMENT**

| Year | New Investment | Annual Taxable Value* | Property Tax by Jurisdiction | | | | | | | Total |
|--------------------|----------------|-----------------------|------------------------------|-----------------------|-----------------------|------------------|-----------------------------|-------------------------|--------------------|-------|
| | | | City of Glendale | Agua Fria High School | Litchfield Elementary | Maricopa County | Maricopa Community Colleges | Other Special Districts | | |
| 2022 | \$0 | \$5,373,115 | \$13,909 | \$26,595 | \$28,169 | \$10,848 | \$9,879 | \$19,402 | \$108,801 | |
| 2023 | \$0 | \$5,641,771 | \$14,604 | \$27,925 | \$29,577 | \$11,390 | \$10,373 | \$20,372 | \$114,241 | |
| 2024 | \$0 | \$5,923,860 | \$15,334 | \$29,321 | \$31,056 | \$11,959 | \$10,891 | \$21,391 | \$119,953 | |
| 2025 | \$0 | \$6,220,053 | \$16,101 | \$30,787 | \$32,609 | \$12,557 | \$11,436 | \$22,460 | \$125,950 | |
| 2026 | \$0 | \$6,531,055 | \$16,906 | \$32,327 | \$34,239 | \$13,185 | \$12,008 | \$23,583 | \$132,248 | |
| 2027 | \$0 | \$6,857,608 | \$17,751 | \$33,943 | \$35,951 | \$13,844 | \$12,608 | \$24,762 | \$138,860 | |
| 2028 | \$0 | \$7,200,488 | \$18,639 | \$35,640 | \$37,749 | \$14,537 | \$13,238 | \$26,001 | \$145,803 | |
| 2029 | \$0 | \$7,560,513 | \$19,571 | \$37,422 | \$39,636 | \$15,264 | \$13,900 | \$27,301 | \$153,094 | |
| 2030 | \$0 | \$7,938,538 | \$20,549 | \$39,293 | \$41,618 | \$16,027 | \$14,595 | \$28,666 | \$160,748 | |
| 2031 | \$0 | \$8,335,465 | \$21,577 | \$41,258 | \$43,699 | \$16,828 | \$15,325 | \$30,099 | \$168,786 | |
| 10 Yr Total | \$0 | \$67,582,466 | \$174,941 | \$334,513 | \$354,301 | \$136,439 | \$124,254 | \$244,037 | \$1,368,484 | |

*Parcel 501-50-002G