

Project Narrative

I-10 Citrus Gateway

SWC of Citrus Road & Roosevelt Street

Application Number: P24-00226

1st Submittal: July 24, 2024

2nd Submittal: November 5, 2024

3rd Submittal: February 10, 2025

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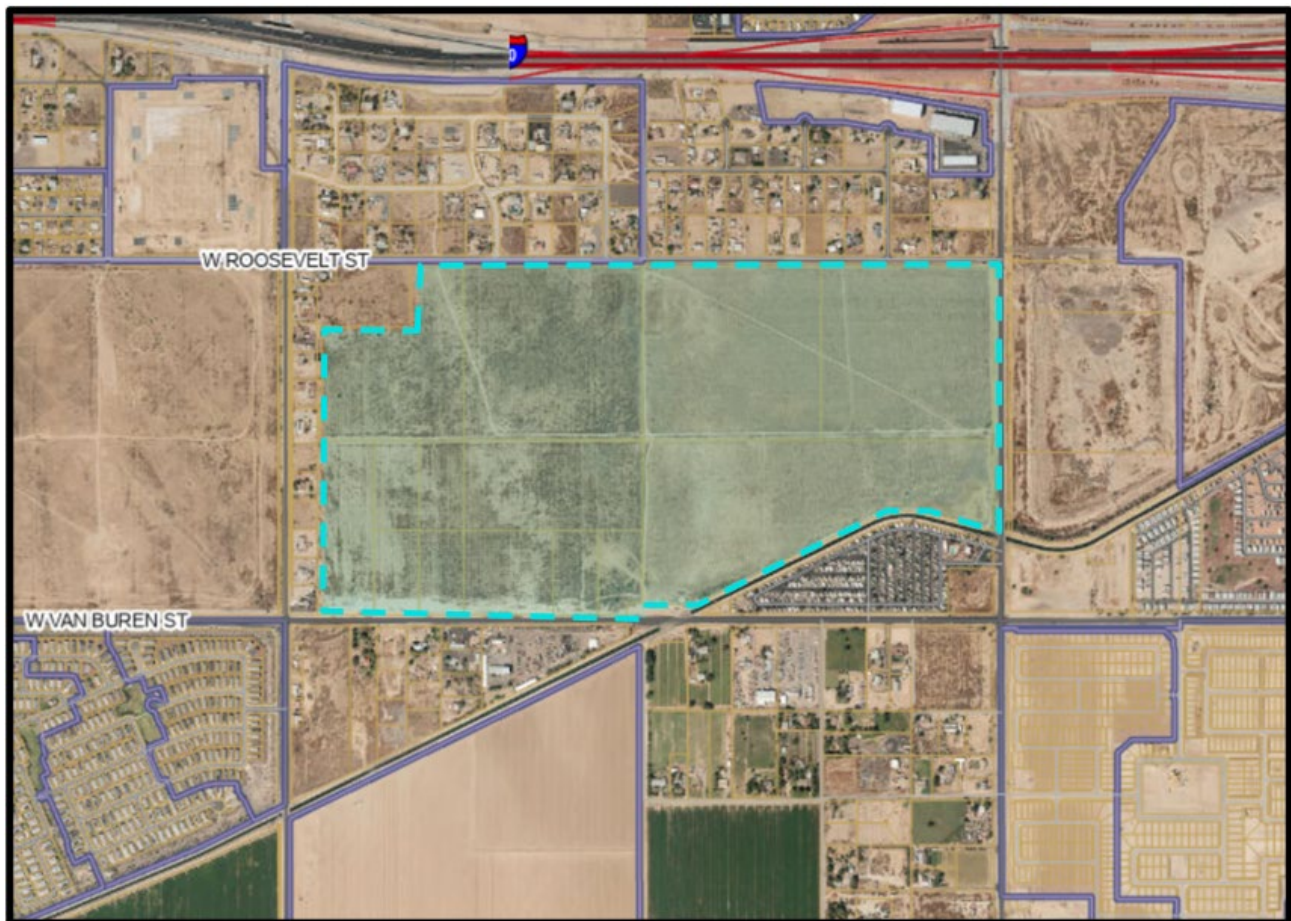
Suite 100

Scottsdale, Arizona 85251

REQUEST

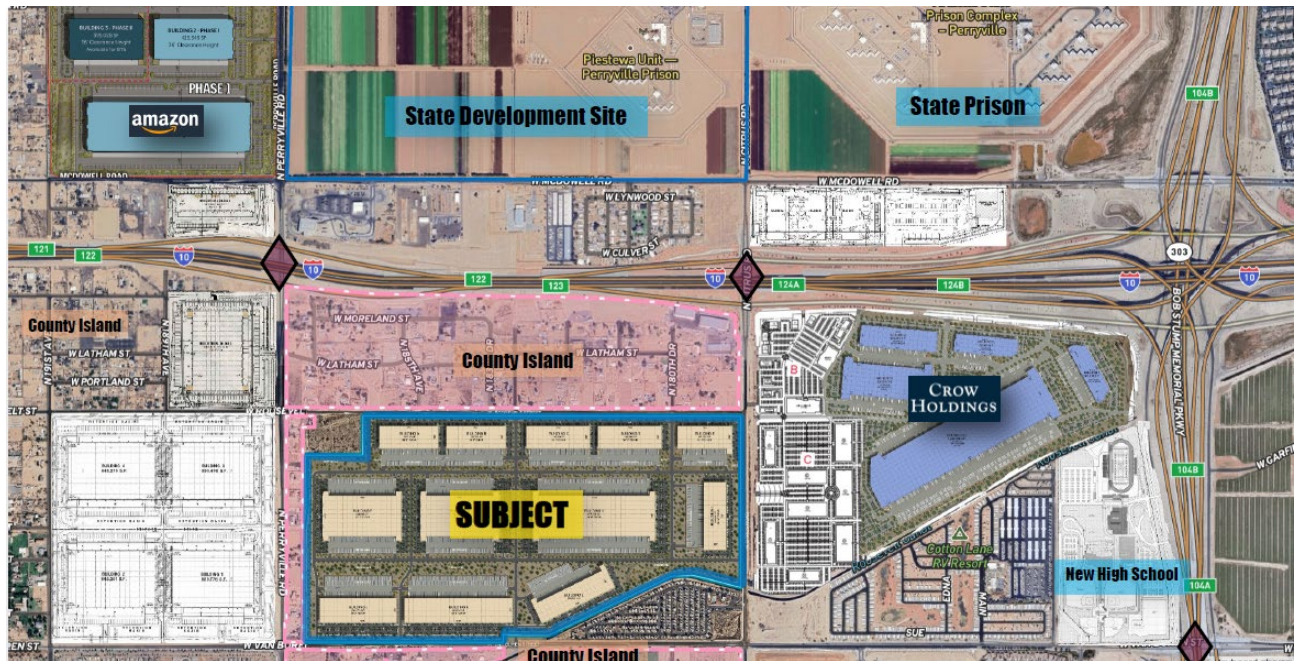
The purpose of this request is to seek a rezoning for a proposed industrial, business park, and commercial-oriented development on an approximately 267-acre property located at the southwest corner of Citrus Road and Roosevelt Street in the jurisdiction of Goodyear, Arizona (“the Site”). The Site is comprised of several parcels, as shown below. The Site is presently zoned as part of the Las Palmas at West Goodyear Planned Area Development (“Las Palmas PAD”) and has a City of Goodyear 2035 General Plan (the “General Plan”) designation of Neighborhood. A Major General Plan Amendment application will run concurrently with the rezoning request. The proposed request will amend the zoning from the Las Palmas PAD to Business Park District (BPD) with a PAD Overlay. Light Industrial District (I-1) and General Commercial District (C-2) uses will be permitted through the PAD Overlay as well.

Context Aerial



SURROUNDING CONTEXT

The Site is currently vacant, desert land that has never been developed. The Site is zoned as part of the Las Palmas PAD and designated as Neighborhood on the City of Goodyear 2035 General Plan (“General Plan”). The proposed land uses are consistent and compatible with the existing and planned uses in the surrounding area; however, a Major General Plan Amendment and rezoning will be required. The Site is located just south of the I-10 Freeway and west of the southern extension of the Loop 303 with three freeway exits in close proximity, and is ideally situated along Citrus Road, Roosevelt Street, and Van Buren Street. The Site is also located in the Luke Air Force Base (“LAFB”) flight path, which encourages non-residential development.

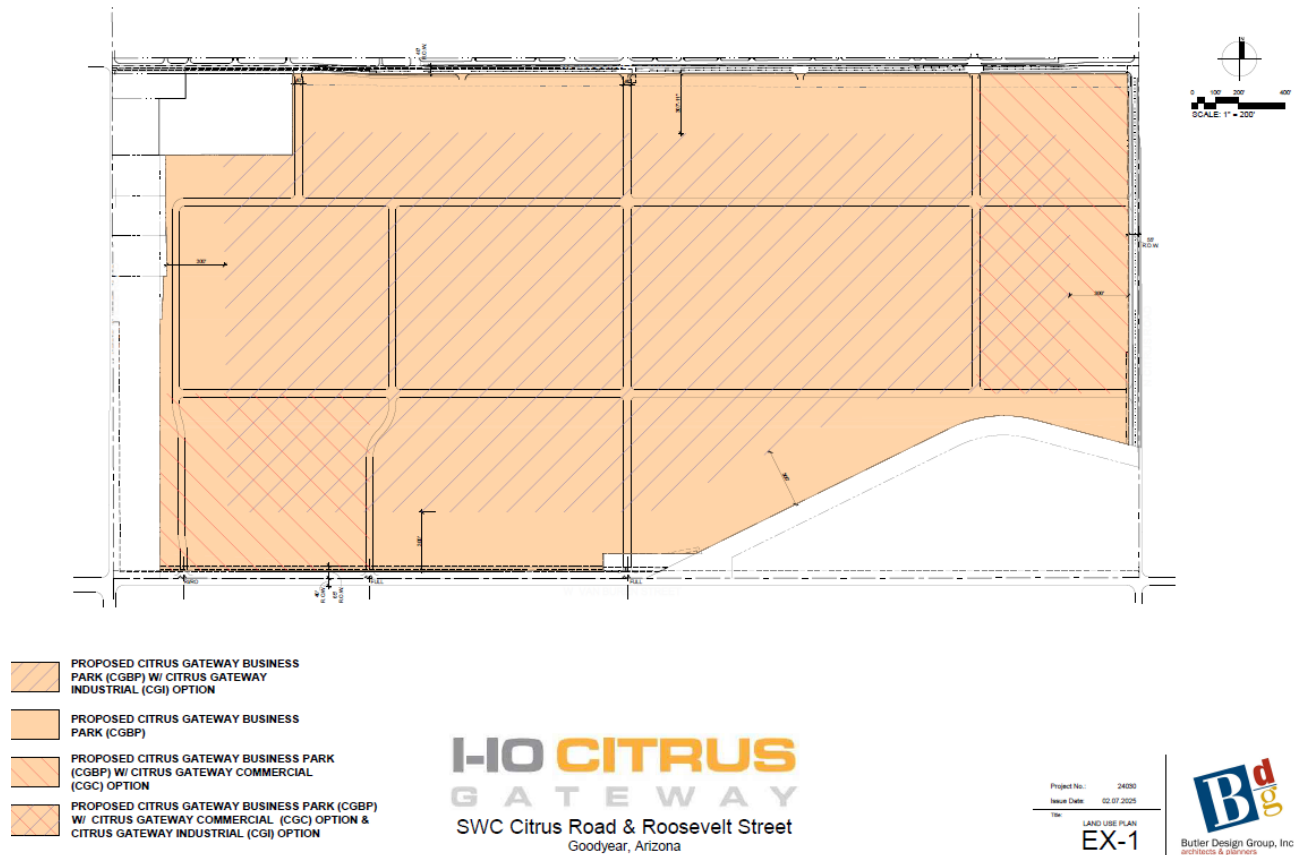


To the north of the Site, across Roosevelt Road, is the Quintana Estates single-family subdivision zoned Rural Zoning District – 1 acre per dwelling unit (“RU-43”), within the jurisdiction of Maricopa County. To the east of the Site, across Citrus Road, is vacant land zoned PAD as part of the Innovation Centre Mixed Use Masterplan, which will be developed with Commerce Park, Commercial, Retail and Entertainment, and Office uses. The southeast corner of the Site, across the canal, is a mobile home park, zoned Manufactured Home or Recreational Vehicle Park (“MH/RVP”). The southwest boundary of the Site is bounded by single-family homes in the jurisdiction of Maricopa County, zoned RU-43. The Site abuts single-family residences to the west, which are in the jurisdiction of Maricopa County and zoned RU-43; however, on the other side of Perryville Road, across from the Maricopa County residences is an approved +/- 147-acre industrial project in the City of Buckeye. Northwest of the Site, also in Buckeye’s jurisdiction, is a completed industrial project. In other words, the proposed uses are in line with what is approved and constructed in the immediate area.

FLEX ZONES

The Business Park District will be permitted over the entire 267-acre site, with industrial and

commercial uses permitted on specified portions of the Site, as shown on the land use plan below. The proposed Business Park with Light Industrial Park Option will be permitted in the middle of the Site, as demonstrated by the purple cross-hatching. The east side of the proposed development, fronting Citrus Road and the intersection of Citrus and Roosevelt, and at the southwest corner of the Site, east of the intersection of Perryville and Van Buren, allows for Business Park with General Commercial Option uses demonstrated by the red cross-hatching. Finally, between the Business Park with Light Industrial Option in the center of the Site and the Business Park with General Commercial Option on the eastern boundary of the Site is the flex zone that is designed to allow Business Park with both General Commercial Option and a Light Industrial District Option.



Conceptual Land Use Plan (See Exhibit A)

The flex zone was carefully planned between the most intense use at the center of the Site and the least intense use along Roosevelt and Citrus frontages. Allowing commercial uses along public frontages will further an inviting street presence and seamless transition to future development across Citrus Road. Further, the flex zone will attract build to suit users or companies looking to locate their headquarters in Goodyear. The flex zone will also allow the Site to develop organically in a way that responds to the current market conditions as the area grows.

ECONOMIC & FISCAL IMPACTS

An analysis was recently completed by Elliott D. Pollack & Company to summarize the economic and fiscal impacts of the construction and operations of the Site, see **Exhibit B**. According to the analysis, the Site would produce "...4,777 person years of employment during construction

generating \$361.1 million in wages and \$913.3 million in total economic output.” Post construction, once the Site is developed and operational, the Site will generate approximately “...7,537 total direct, indirect, and induced jobs paying \$449.7 million in annual wages.” The impact of annual operations on Greater Phoenix is \$2 billion each year.

The analysis also shows that “one-time construction revenues would total an estimated \$16.4 million for the City of Goodyear.” At buildout, the total operating tax revenue for the Site is over \$3 million each year for the City of Goodyear. “This includes direct real property taxes and estimated utility taxes as well as secondary revenue impacts generated by employees.” Additionally, the State of Arizona, Maricopa County, and other districts will gain significant tax revenue each year from the Site.

Economic Impact Summary Citrus 10 Commerce Center (2024 Dollars)			
	Industrial - Light Manufacturing	Industrial - Warehouse/ Distribution	Total
Construction Impact			
Person Years of Employment	2,844	1,932	4,777
Wages (\$ mil)	\$215.1	\$146.1	\$361.1
Output (\$ mil)	\$543.8	\$369.4	\$913.3
Operations Impact			
Jobs	4,954	2,583	7,537
Wages (\$ mil)	\$297.2	\$152.5	\$449.7
Output (\$ mil)	\$1,561.7	\$396.4	\$1,958.1
Source: Elliott D. Pollack & Company; IMPLAN			

Fiscal Impact Summary Citrus 10 Commerce Center (2024 Dollars)	
Construction Impacts	
City of Goodyear	
Primary direct taxes	\$15,984,400
Secondary impacts from employees	\$385,600
Total Construction Tax Revenues (one time)	\$16,370,000
Operations Impacts	
State of Arizona	
Primary direct taxes	\$470,400
Secondary impacts from employees	\$10,326,400
Maricopa County	
Primary direct taxes	\$643,800
Secondary impacts from employees	\$5,440,800
City of Goodyear	
Primary direct taxes	\$1,994,000
Secondary impacts from employees	\$1,044,500
Schools & Special Districts	
School Districts	\$3,337,700
Special Districts	\$914,300
Total Operations Tax Revenues (annual)	\$24,171,900
Source: Elliott D. Pollack & Co.; IMPLAN; ADOR; ATRA	

PAD DEVELOPMENT STANDARDS DEVIATIONS

The purpose of a PAD Overlay is to “provide flexibility in an otherwise established land use district” by allowing a property to develop with development standards or criteria that deviate from regulations in proscribed zoning districts. Article 3-5 of the City of Goodyear Zoning Ordinance. As

previously stated, the intent is to allow Business Park uses over the entire Site and allow C-2 and I-1 uses on portions of the Site, as shown on the Conceptual Land Use Plan. A PAD Overlay is proposed to deviate from specified development standards required in the BP, C-2, and I-1 zoning Districts, as discussed below.

Maximum Height: The proposal requests an increase in height over the entire Site to 70' 100', when not located within 300' of residential uses. An increase in the height to 100' will be permitted upon the approval of a Conditional Use Permit by the City.

Response: An option to increase the overall height permitted on the Site will serve to attract a more diverse array of potential users to the Site, such as build to suit users or companies looking to locate their headquarters in Goodyear. A height increase may allow potential users to maximize storage capacity, implement a multilevel design, or promote efficiency in use of resources. Further, additional space allows companies to expand, boosting the provision of employment opportunities and furthering economic growth.

Further, the requirement of a Conditional Use Permit to increase the height allows future users of the Site to work collaboratively with the City to ensure the intensity of future developments respond to the changes in the surrounding context and continues to respect surrounding land uses.

Open Space: The proposal requests a minimum of 5% of open space over the entire Site, inclusive of the proposed trail on Roosevelt Street and Citrus Road.

Response: The open space is calculated for the entire Site rather than for each tenant, which will allow the Site to develop in a cohesive manner with open space carefully placed throughout the proposed development. The open space was planned to respect the surrounding context by utilizing landscape buffers and open space tracts near adjacent residents. The design also provides a public trail along Citrus and Roosevelt roads that residents and surrounding stakeholders can utilize. The trail may connect to any existing or future trails.

INFRASTRUCTURE

As required, conceptual water, drainage, and sewer memoranda have been prepared and submitted with this application. More detailed analyses will be prepared as the project moves forward.

Full half-street offsite improvements will be made if required along the adjacent portions of the Citrus Road, Roosevelt Street, and Van Buren Street frontages. This includes new driveways, AC pavement, curb and gutter, sidewalk, and landscaping. The on-site improvements will be contained within the Site.

A conceptual graphic showing the proposed roadway improvements for Roosevelt Street is shown below and is included in the Traffic Impact Analysis submitted with this application. The developer is presently engaging in, and will continue to engage in, coordination with MCDOT, ADOT, and the City on roadway improvements. The below graphic is conceptual and subject to change as the

developer continues to engage with the City, MCDOT, and ADOT.



The conceptual design of Roosevelt Street improvements includes the creation of a frontage road on the north side of Roosevelt, adjacent to the existing residents. Separation of the frontage road from the southern portion of Roosevelt Street will be facilitated through a landscape buffer. The landscape buffer will contain ornamental trees and shrubs to create an attractive street presence and buffer the residents from Roosevelt Street and the proposed development. Again, the graphic below is conceptual in nature and is subject to change as the developer continues to work with the residents, City, MCDOT, and ADOT.



The grading and drainage for the site will be designed to retain the 100yr storm event in accordance with the City of Goodyear drainage design guidelines. Storm drainage will be conveyed via overland flow within channels, storm drain and over the surface to either retention basins or underground retention systems. The required storage volume will dissipate within 36 hours via drywells. The offsite stormwater flows will enter the site at its historic location and be routed to the proposed large basins along the north side of the RID canal or within drainage channels to the historic outfall along Van Buren Street. A LOMR will be processed to change the existing flood plain located with the property.

Water will be provided to the site by the Arizona Water Company. This project will be working with the Arizona Water Company to design and construct a new water campus and water well for the project. The new water campus will be located just east of Perryville Road, along

Roosevelt Street near the northwest corner of the site. In addition to the water campus, this project will be installing several new distribution lines to service the area. A fireflow test has already been performed and has demonstrated that there is adequate fireflow to service the site. A water report has been prepared and reviewed by the Arizona Water Company indicating there is adequate water infrastructure to support this development.

Sewer to the site will be provided by the City of Goodyear. This project is proposing to extend a new sewer line from Yuma Road to the site within Citrus Road. The on-site sewer is anticipated to be serviced with private sewer lines and maintained by the development. A sewer report has been provided which demonstrates the capacity of the downstream sewer system.

GENERAL PLAN

The City of Goodyear 2035 General Plan (the “General Plan”) was adopted in 2024 with a vision of continuing to develop the City of Goodyear (the “City”) as a *safe, attractive, vibrant community that supports the diversity of its economy, environment and people... through smart public and private investments*. (Goodyear 2035 General Plan, Pg. 10). The Site is designated as Neighborhood on the General Plan; however, a Major General Plan Amendment for this Site is being proposed concurrently.

REZONING CRITERIA

The City of Goodyear Zoning Ordinance (the “Ordinance”) identifies specific criteria that guide rezoning requests to respond appropriately to the surrounding context of the Site, address demand for the types of uses proposed, and provide consistency with long-range planning goals. This proposal meets and exceeds those criteria as outlined below.

a. Consistency with the goals, objectives, policies and future land use map of City’s General Plan; consideration of current market factors, demographics, infrastructure, traffic, and environmental issues; and if conditions have changed significantly since the Plan was adopted;

Response: This proposal is consistent with the long-range planning goals and policies outlined in the General Plan. The proposed uses provide much-needed employment and service uses in the area and will bring quality jobs to serve residents and visitors.

The proposed development is consistent with **Goal PI-2** of the General Plan, which encourages an “economic environment that nurtures locally based employment and economic opportunity.” The proposed development aims to allow a mix of Business Park, Light Industrial, and General Commercial uses to be developed, creating employment opportunities in various industries. The proposal engages in diverse job creation through a flexible mix of uses that work to build and strengthen the local economy.

The project will support/comply with the policies of **Goal LC-2, Policy 1** “Promote the policy that new development should pay for itself through providing necessary on-site and off-site improvements to serve the development or adhering to the cost recovery ordinance.” As the

subject site develops, appropriate public infrastructure will be installed and development impact fees will be paid as required by the City of Goodyear.

As previously mentioned, the developer is presently engaging in, and will continue to engage in, coordination with MCDOT, ADOT, and the City on roadway improvements. Full half-street offsite improvements will be made if required along the adjacent portions of Citrus Road, Roosevelt Street, and Van Buren Street including new driveways, AC pavement, curb and gutter, sidewalk, and landscaping.

b. Suitability of the subject property's physical and natural features for the uses permitted under the proposed zoning district;

Response: As previously mentioned, the Site is presently undeveloped land. This Site is generally flat with no physical or natural features that would hinder the development of the proposed project.

c. Compatibility of all potential uses allowed in the proposed zoning district with surrounding uses and zoning in terms of such things as land suitability, environmental impacts, density, nature of use, traffic impacts, aesthetics, infrastructure, and potential impact on property values;

Response: This rezoning request from PAD to BPD PAD, while retaining I-1 and C-2 uses on portions of the Site, will allow for consistent and compatible zoning. This proposal has been thoughtfully planned to respect the scale of the existing and planned land uses with focus on fitting the context of its surroundings, such as by positioning the more intense industrial buildings toward middle of the Site with significant buffers from residential. Ample building setbacks, landscape buffers, and open space tracts will serve to transition the proposed development into the surrounding uses. Increased traffic to the surrounding uses has been carefully considered and will be mitigated through roadway improvements and clearly delineated ingress and egress points.

d. Proposed zoning district's consistency with other land uses within the immediate area and whether uses allowed under proposed zoning district would be better suited to the subject property than the uses allowed under current zoning;

Response: The zoning is consistent with several approved industrial zoned projects in the immediate area. There are industrial approved projects to the west across Perryville Road at the northwest and southwest corners of Perryville and Roosevelt, and one to the northeast of the Site adjacent to the I-10 Freeway. The Site is also located adjacent to three roadways, Roosevelt Street, Van Buren, Street and Citrus Road.

Further, the adjacent residential in Maricopa County's jurisdiction will have significant buffers from the more intense industrial uses. As shown on the conceptual land use plan, industrial uses will be at least 300' from existing residential. Landscape buffers and large open space tracts will be concentrated around the perimeter of the design, specifically where adjacent to existing residential uses.

The developer is presently engaging in, and will continue to engage in, coordination with MCDOT and the City on roadway improvements.

e. Demand for the types of uses permitted in the proposed zoning district in relation to amount of land currently zoned and available to accommodate the demand;

Response: The proposed use is supported by other uses in the area. There are currently several industrial projects that are planned and/or being constructed in the immediate area. The proposed uses will complement what has already been approved. The uses will also provide much-needed employment and service uses in the area and will bring quality jobs to serve Goodyear residents and visitors.

Although users have not been identified for the Site at this time, the proposed development has been thoughtfully planned to incorporate a variety of Business Park, Industrial, and Commercial uses and development standards that will attract build to suit users or companies looking to locate their headquarters in Goodyear. Strategically placed flex zones, as discussed in detail previously, will allow the Site to develop organically and respond to market conditions as the area continues to grow and develop.

f. Demands for public services that will be generated by the uses permitted in the proposed zoning district and requirements for meeting such demands in terms of public infrastructure and facilities and other capital equipment, such as water supplies, water treatment, storage, and distribution facilities, wastewater treatment, recharge and distribution facilities, streets, bridges, schools and emergency services facilities and equipment;

Response: This proposal appropriately responds to the available public services and infrastructure in the surrounding vicinity. The Site is located within the Arizona Water Company's water service area and the City's sewer service area. While demand on sewer service will increase as a result from rezoning the Site from Residential to BPD PAD, the proposed and existing sewer lines have capacity to accommodate the increase. Access points to the Site will be located along existing roads. We do not anticipate any adverse impact to public infrastructure.

g. Potential adverse fiscal impacts that will result from providing services to areas not in proximity to where existing public services are provided;

Response: The Site is in proximity to a range of uses. We do not anticipate any adverse fiscal impacts. In fact, our economic and fiscal impact analysis shows that in total (at build out) the Site is projected to contribute an +/-24.2 million in tax revenue each year.

h. General public's concerns;

Response: The general public's input will be identified through the public review process. Given that this request is consistent with the existing and approved uses in the vicinity of the Site, it is not anticipated that there will be significant public concerns as a result of the proposal. That said, public outreach will be conducted as part of the rezoning process.

i. Whether the amendment promotes orderly growth and development; and

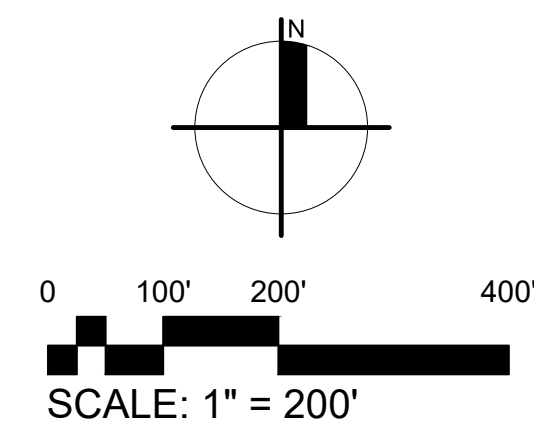
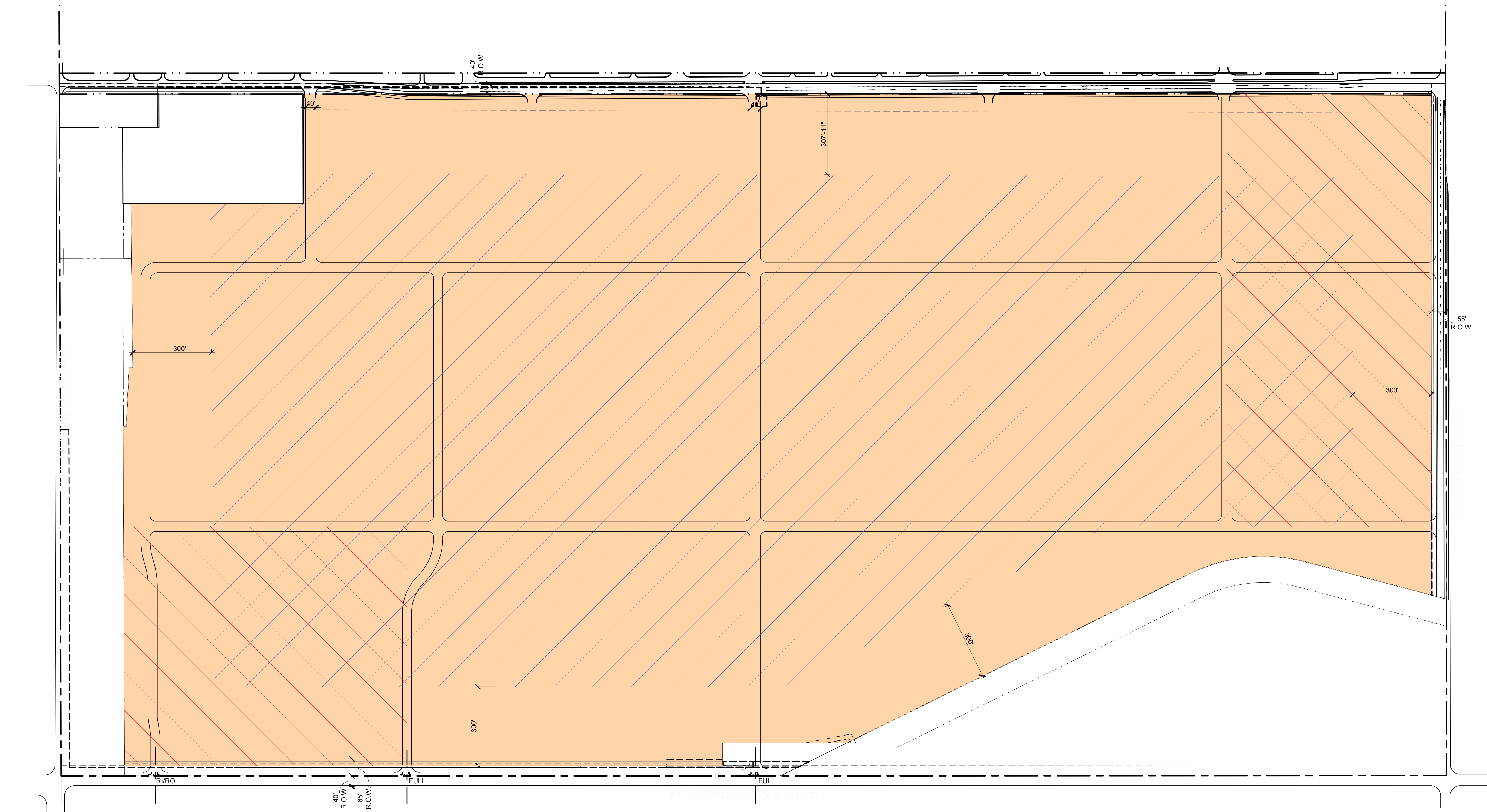
Response: This proposal presents a land use that will convert an underutilized, undeveloped Site into a property that will aid in the anticipated growth of the City. The proposal promotes the orderly growth and development of the area by adding commercial, business park, and industrial uses of an appropriate size and scale to their surrounding context. As previously mentioned, this project is consistent with several approved industrial zoned projects in the immediate area, including projects at the northwest and southwest corners of Perryville and Roosevelt, and one northeast of the Site adjacent to the I-10 Freeway. The Site is also located adjacent to three roadways, Roosevelt Street, Van Buren, Street and Citrus Road. Specific users have not yet been identified; however, the Conceptual Land Use Plan demonstrates how uses on the Site are planned to develop. To ensure a cohesive development, future users of the Site will be required to submit a site plan for review by the City.

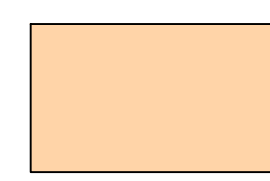
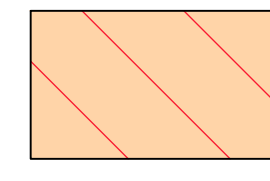
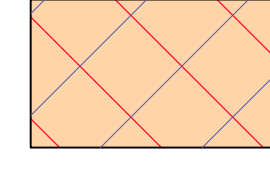
j. Any other factors related to the impact of the amendment on the general health, safety and welfare of the citizens of the City and the general public.

Response: This proposal converts an underutilized, undeveloped Site into needed commercial, business park, and industrial uses that will create quality jobs and services for Goodyear residents and visitors and will have an overall positive impact on the City of Goodyear.

Exhibit A

Conceptual Land Use Plan



-  **PROPOSED CITRUS GATEWAY BUSINESS PARK (CGBP) W/ CITRUS GATEWAY INDUSTRIAL (CGI) OPTION**
-  **PROPOSED CITRUS GATEWAY BUSINESS PARK (CGBP)**
-  **PROPOSED CITRUS GATEWAY BUSINESS PARK (CGBP) W/ CITRUS GATEWAY COMMERCIAL (CGC) OPTION**
-  **PROPOSED CITRUS GATEWAY BUSINESS PARK (CGBP) W/ CITRUS GATEWAY COMMERCIAL (CGC) OPTION & CITRUS GATEWAY INDUSTRIAL (CGI) OPTION**

I-10 CITRUS
G A T E W A Y

SWC Citrus Road & Roosevelt Street
Goodyear, Arizona

Project No.: 24030
Issue Date: 02.07.2025

Title: LAND USE PLAN
EX-1



Butler Design Group, Inc
architects & planners

Exhibit B

Economic & Fiscal Impact Analysis

Citrus 10 Commerce Center Economic & Fiscal Impact Report Goodyear, Arizona



Prepared for:
Rankin Real Estate LLC

June 2024

Prepared by:



Elliott D. Pollack & Company
5111 N. Scottsdale Road, Suite 202
Scottsdale, Arizona 85250

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EXECUTIVE SUMMARY

Elliott D. Pollack & Company was retained to perform an analysis of the economic and fiscal impacts of the construction and operations of the 256.6-acre Citrus 10 Commerce Center. The project is planned for the site along Citrus Road north of Van Buren Street in Goodyear, Arizona. The site plan includes a total of approximately 3.5 million square feet of industrial space with a split of about 56%/44% for light manufacturing versus warehousing. Total construction costs are estimated at \$461.7 million with total equipment purchases of \$54.8 million.

Economic Impacts

Based on the assumptions of development for the site, the property will generate 4,777 person years of employment during the construction generating \$361.1 million in wages and \$913.3 million in total economic output.

Once construction is completed and the new development is operating at stabilization, the site will create an estimated 7,537 total direct, indirect, and induced jobs paying \$449.7 million in annual wages. The total economic impact from annual operations on the Greater Phoenix region will be nearly \$2.0 billion each year.

Economic Impact Summary Citrus 10 Commerce Center (2024 Dollars)			
	Industrial - Light Manufacturing	Industrial - Warehouse/ Distribution	Total
Construction Impact			
Person Years of Employment	2,844	1,932	4,777
Wages (\$ mil)	\$215.1	\$146.1	\$361.1
Output (\$ mil)	\$543.8	\$369.4	\$913.3
Operations Impact			
Jobs	4,954	2,583	7,537
Wages (\$ mil)	\$297.2	\$152.5	\$449.7
Output (\$ mil)	\$1,561.7	\$396.4	\$1,958.1
Source: Elliott D. Pollack & Company; IMPLAN			



Fiscal Impacts

One-time construction revenues would total an estimated \$16.4 million for the City of Goodyear. This includes approximately \$16.0 million from direct construction sales, use taxes, building permit fees and impact fees as well as an estimated \$385,600 from the secondary impacts generated by the spending of construction employees.

Total operating tax revenue for the site (at buildout) is estimated at over \$3.0 million each year for the City of Goodyear annually. This includes direct real property taxes and estimated utility taxes as well as secondary revenue impacts generated by employees. The local Buckeye High School and Liberty Elementary school districts would also benefit from the improvements to the site. Real property taxes are estimated to total over \$3.3 million each year for these districts.

Other levels of government, such as the State of Arizona, Maricopa County, and other special districts will realize substantial tax revenue each year from the site as well. **In total, the Citrus 10 Commerce Center is projected to contribute an estimated \$24.2 million in tax revenue every year at build out.**

Fiscal Impact Summary Citrus 10 Commerce Center (2024 Dollars)	
Construction Impacts	
City of Goodyear	
Primary direct taxes	\$15,984,400
Secondary impacts from employees	\$385,600
Total Construction Tax Revenues (one time)	\$16,370,000
Operations Impacts	
State of Arizona	
Primary direct taxes	\$470,400
Secondary impacts from employees	\$10,326,400
Maricopa County	
Primary direct taxes	\$643,800
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Primary direct taxes	\$1,994,000
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Total Operations Tax Revenues (annual)	\$24,171,900
Source: Elliott D. Pollack & Co.; IMPLAN; ADOR; ATRA	



1.0 Introduction

Elliott D. Pollack & Company was retained to perform an analysis of the economic and fiscal impacts of the construction and operations of the 256.6-acre Citrus 10 Commerce Center. The project is planned for the site along Citrus Road north of Van Buren Street in Goodyear, Arizona. The site plan includes a total of approximately 3.5 million square feet of industrial space with a split of about 56%/44% for light manufacturing versus warehousing. This report will demonstrate the impacts to the City of Goodyear, local school districts, and regional levels of government.

Economic impact analysis examines the regional implications of an activity in terms of three basic measures: output, earnings, and job creation. Fiscal impact analysis, on the other hand, evaluates the public revenues and costs created by a particular activity. In fiscal impact analysis, the primary revenue sources of a city, county or state government are analyzed to determine how the activity may financially affect them.

This study prepared by Elliott D. Pollack & Company is subject to the following considerations and limiting conditions.

- It is our understanding that this study is for the client's due diligence and other planning purposes. Neither our report, nor its contents, nor any of our work were intended to be included and, therefore, may not be referred to or quoted in whole or in part, in any registration statement, prospectus, public filing, private offering memorandum, or loan agreement without our prior written approval.
- The reported recommendation(s) represent the considered judgment of Elliott D. Pollack & Company based on the facts, analyses and methodologies described in the report.
- Except as specifically stated to the contrary, this study will not give consideration to the following matters to the extent they exist: (i) matters of a legal nature, including issues of legal title and compliance with federal, state and local laws and ordinances; and (ii) environmental and engineering issues, and the costs associated with their correction. The user of this study will be responsible for making his/her own determination about the impact, if any, of these matters.
- This study is intended to be read and used as a whole and not in parts.
- This study has not evaluated the feasibility or marketability of any site for planned uses.
- All estimates regarding future development and improvements were provided by the client as estimates, with the understanding that final users may vary to meet their corporate needs. Data has been reviewed and verified to determine its reasonableness and applicability to the projects.



- The economic and fiscal impact results of this analysis could be higher or lower than estimated due to the uncertainty of the nature of the businesses that would locate to the project. The figures used in this analysis have been taken from a broad average of users and are meant to represent an example of what could happen should the averages be met.
- This economic and fiscal impact study evaluates the potential “gross impacts” of construction and operations activities. The term “gross impacts” as used in this study refers to the total revenue, jobs and economic output that would be generated by the construction and operations. The study does not consider the potential impact on other businesses in the trade area that may occur as a result of the proposed project.
- All dollar amounts are stated in current dollars and, unless indicated, do not take into account the effects of inflation.
- Our analysis is based on currently available information and estimates and assumptions about immediate as well as long-term future development trends. Such estimates and assumptions are subject to uncertainty and variation. Accordingly, we do not represent them as results that will be achieved. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur; therefore, the actual results achieved may vary materially from the forecasted results. The assumptions disclosed in this study are those that are believed to be significant to the projections of future results.

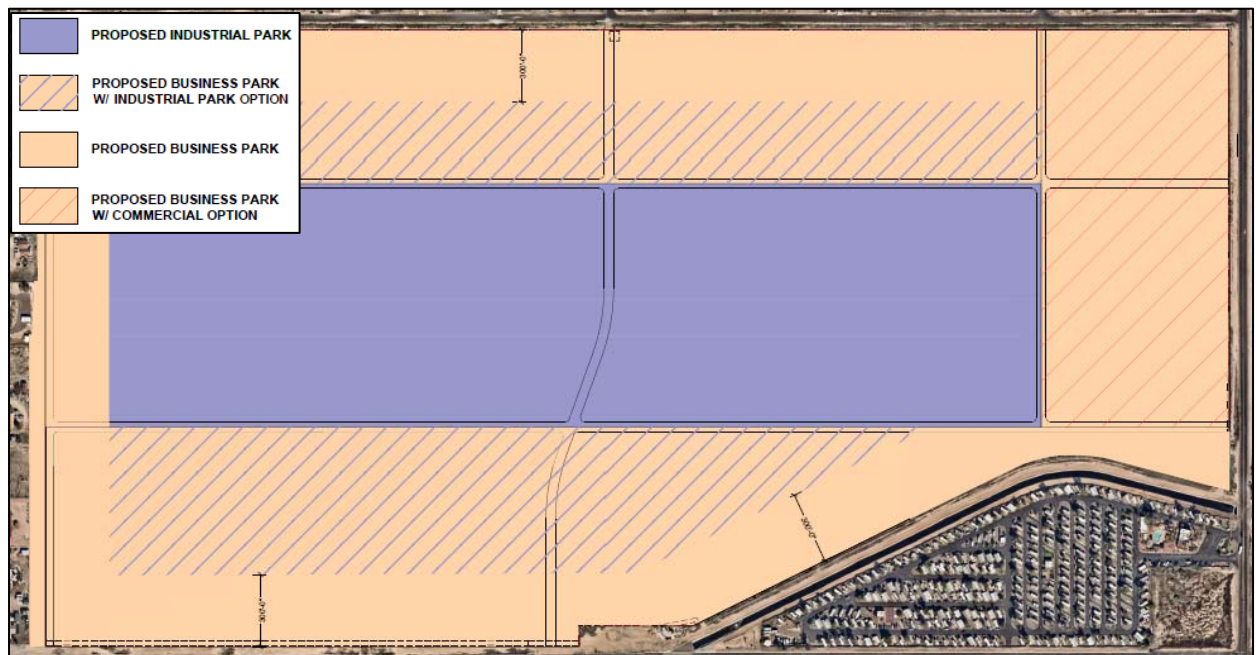


2.0 Background, Assumptions & Methodology

2.1 Background

The 256.6-acre site is located along Citrus Road south of Roosevelt Street in Goodyear, Arizona. The following site plan provides the proposed building square footage for the site. This report assumes an estimated 3.5 million total square feet with a 56%/44% split between light manufacturing and warehouse/distribution uses.

Proposed Site Plan



2.2 Analysis Assumptions

The assumptions used to estimate the economic and fiscal impacts of construction and operations for the commerce center are outlined below. The primary inputs are based on both assumptions supplied by the client as well as on basic economic fundamentals regarding economic impact analysis. For example, the Consumer Expenditure Survey is used to determine spending patterns of staff based on their respective wages and Census survey results are used for calculating the percentage of employees that live within the county or city in which they work. Certain industry standard assumptions were provided by the Maricopa Association of Governments, ULI and the Department of Energy. All values are expressed in 2024 dollars. Unless otherwise indicated, an inflation factor has not been included in this analysis.

The following table outlines the proposed project site plans for this analysis. The site plan includes a total of approximately 3.5 million square feet of industrial space with a split of about 56/44 for light manufacturing versus warehousing. Construction costs are projected to total \$461.7 million with \$54.8 million in total furniture, fixtures, and equipment (only a portion of the estimated FF&E would be subject to taxes as the manufacturing industry is exempt from sales and use taxes levied on equipment).

Project Site Plan Assumptions Citrus 10 Commerce Center (2024 Dollars)				
Land Use	Square Feet	Cost per SF	Construction Cost	FF&E
Industrial - Light Manufacturing	1,963,600	\$140	\$274,908,000	\$39,273,000
Industrial - Warehouse/ Distribution	1,556,300	\$120	\$186,753,000	\$15,563,000
Total	3,519,900		\$461,661,000	\$54,836,000
NOTE: Equipment used in manufacturing process is exempt from sales tax in Arizona. Source: Elliott D. Pollack & Company; Rankin Real Estate LLC, ULI; SIOR				

Assumptions used in calculating the impact of operations are outlined in the following table. Square feet per employee range from 750 for light manufacturing and 1,000 for warehousing industrial uses. Rents are projected to average \$10.80 per square foot and monthly utilities are projected at \$3.50 per square foot for light manufacturing to \$3.00 for warehousing uses. The stabilized occupancy throughout the project is expected to average 95%.



Operating Assumptions Citrus 10 Commerce Center (2024 Dollars)				
Land Use	Square Feet per employee	Rent per SF	Stabilized Occupancy	Utilities per SF
Industrial - Light Manufacturing	750	\$10.80	95%	\$3.50
Industrial - Warehouse/ Distribution	1,000	\$10.80	95%	\$3.00
Source: SIOR; Marshall & Swift; Rankin Real Estate LLC				

2.3 Economic Impact Methodology

Economic impact analysis examines the economic implications of an activity in terms of output, earnings, and employment. For this study, the analysis focused on the construction impacts as well as the ongoing operations including direct expenditures by the projected companies that will occupy the commercial space, on property taxes, salaries, sales, and operating supplies.

The different types of economic impacts are known as direct, indirect, and induced, according to the manner in which the impacts are generated. For instance, direct employment consists of permanent jobs held by project employees. Indirect employment is those jobs created by businesses that provide goods and services essential to the operation or construction of the project. These businesses range from manufacturers (who make goods) to wholesalers (who deliver goods) to janitorial firms (who clean the buildings). Finally, the spending of the wages and salaries of direct and indirect employees on items such as food, housing, transportation, and medical services creates induced employment in all sectors of the economy, throughout the region. These secondary effects are captured in the analysis conducted in this study.

Multipliers have been developed to estimate the indirect and induced impacts of various direct economic activities. The IMPLAN Group developed the multipliers used in this study and were selected based on the land use type.

The economic impact is categorized into three types of impacts:

- (1) **Employment Impact** – the total wage and salary and self-employed jobs in a region. Jobs include both part time and full time workers.
- (2) **Earnings Impact** – the personal income, earnings, or wages, of the direct, indirect, and induced employees. Earnings include total wage and salary payments as well as benefits of health and life insurance, retirement payments and any other non-cash compensation.



- (3) **Economic Output** – also referred to economic activity, relates to the gross receipts for goods or services generated by the company’s operations.

Economic impacts are by nature regional in character. Such impacts are best illustrated when not assigned to a specific locality, although clearly the primary impact of job creation would be on the county where the project is located. However, many other communities in the surrounding region would also benefit from the operations of the proposed development.

2.4 Fiscal Impact Methodology

Fiscal impact analysis studies the public revenues associated with a particular economic activity. The primary revenue sources of local, county, and state governments (i.e., taxes) are analyzed to determine how an activity may affect the various jurisdictions. This section will evaluate the impact of the project on City of Goodyear revenues. The fiscal impact figures cited in this report have been generated from information provided by a variety of sources including the U.S. Bureau of the Census; the U.S. Department of Labor; the Internal Revenue Service; the State of Arizona; the Arizona Tax Research Association; and the U.S. Consumer Expenditure Survey. Elliott D. Pollack & Company has relied upon the estimates of operating revenues outlined in this study. Unless otherwise stated, all dollar values are expressed in 2024 dollars.

Fiscal impacts are categorized by type in this study, similar to economic impact analysis. The major sources of revenue generation for governmental entities are calculated based on ongoing operations. Employees will spend part of their salaries on local goods and services and pay taxes on the homes they occupy. This spending will contribute to revenues collected by the State that are ultimately shared with local governments.

Some revenues are more direct and definitive than others. Revenues have been defined in this analysis as either **primary** or **secondary**, depending on their source and how the dollars flow through the economy into government tax accounts. For instance, some revenues, such as construction sales tax or retail sales taxes are definable, straightforward calculations based on the value of construction or direct sales. These revenues are described in this study as primary revenues. Secondary revenues, on the other hand, flow from the wages of those direct, indirect, and induced employees who are supported by the project. Revenue projections are based on typical wages of the employees working on the project, their spending patterns, projections of where they might live, and other assumptions outlined earlier in this report. The following is a description of the applicable revenue sources that will be considered for this analysis.

- **Construction Sales Tax**

The State, counties, and local governments levy a sales tax on materials used in the construction of buildings or development of land improvements. That tax is calculated by State law under the assumption that 65% of the construction cost of the facility and its land improvements are related to construction materials with the remaining 35% devoted to labor. The sales tax rate is then applied to the 65% materials figure. The sales tax on construction materials is a one-time collection by the governmental entity. The State



levies a 5.6% sales tax on construction activity (a portion of which is shared with local governments) while the City of Goodyear's rate is 3.5%.

- Sales Tax on Retail, Restaurants, Commercial Lease & Utilities

The State, counties, and local cities in Arizona charge sales tax on retail goods, and utility usage. Cities and towns also levy tax on commercial leases. The sales tax rate for the State is 5.6%. Portions of this tax are redistributed through revenue sharing to counties and cities throughout Arizona based on population. The City of Goodyear's retail sales tax rate and utility sales tax rate is 2.5%. These tax rates are applied to commercial lease revenue and direct utility usage, as well as to the spending of direct, indirect, and induced employees.

- Property Taxes

The development will be subject to direct property taxes. By 2027, commercial properties will be levied at a 15% assessment ratio. Employees supported by the operations of the businesses will pay property taxes on the homes they occupy. In order to estimate these secondary property taxes, the assessed full cash value along with the projected value of a typical housing unit has been calculated. Residential properties are valued at a 10% assessment ratio. The following table provides the tax rates used in the analysis for each jurisdiction.

Property Tax Rates	
	Rate
County General Fund	1.2044
City of Goodyear	1.7350
Goodyear School Districts	
Liberty Elementary	4.0943
Buckeye High School	2.9938
Special Districts	
Central AZ Water District	0.1400
Maricopa Special Health District	0.2716
Fire District Assistance Tax	0.0081
Flood Control Of Maricopa County	0.1536
Library District	0.0488
Community College District	1.1388
WEST-MEC	0.1807
TOTAL	11.9691
Source: Maricopa County Treasurer	

- State Shared Revenues

Each city or city in Arizona receives a portion of State revenues from four different sources - State sales tax (see description above), State income tax, vehicle license tax and highway user tax. The formulas for allocating these revenues are primarily based



on population. Counties also share in the revenue sources of the State, with the exception of income tax.

State Income Tax

The State of Arizona collects taxes on personal income. The tax rate used in the analysis averages about 1.6% of earnings. These percentages are based on the most recently available income tax data from the State and the projected wage levels of jobs created by the construction and operations impact. This tax is applied to the wages and earnings of direct and indirect employment. Portions of this tax are redistributed through revenue sharing to cities throughout Arizona based on population.

HURF Taxes

The State of Arizona collects specific taxes for the Highway User Revenue Fund (HURF). Both the registration fees and the motor vehicle fuel tax (gas tax) are considered in this analysis. The motor vehicle fuel tax is \$0.18 per gallon and is calculated based on a vehicle traveling 12,000 miles per year at 20 miles per gallon. Registration fees average \$66 per employee in the State of Arizona. These factors are applied to the projected direct and indirect employee count. Portions of these taxes are distributed to cities and counties throughout Arizona based on a formula that includes population and the origin of gasoline sales.

Vehicle License Tax

The vehicle license tax is a personal property tax placed on vehicles at the time of annual registration. This factor is applied to the projected direct, indirect, and induced employee count. The average tax used in this analysis is \$325 and portions of the total collections are distributed to the Highway User Revenue Fund. The remaining funds are shared between cities and counties in accordance with population-based formulas.

The above tax categories represent the largest sources of revenues that would be generated to the City of Goodyear and its school districts. The revenue impacts do not include certain revenue sources such as personal property taxes or corporate income taxes. All tax collections represented in this analysis are gross collections and do not take into consideration any incentives or development agreements that may occur.



3.0 Economic Impacts

The economic impact includes total economic output, job creation, and wages during construction as well as ongoing impacts from the proposed uses of the site and the operations of these businesses. The results presented are based on the assumptions regarding land use described in Section 2.0 of this report. Though employment would primarily impact the local area, the development would likely draw employees from the entire Greater Phoenix area. Therefore, the economic impacts are expressed as a regional benefit.

3.1 Economic Impact of Construction

The impact from construction is based on the total value of the proposed structures being built. Since the impacts represent the entire construction phase, employment impacts are expressed as person years of employment. Person-years of employment are the aggregate of each construction job that is recreated year after year throughout the construction period. To derive the annual average, employment, wages, and economic output can be divided by the expected number of years it may take to complete the development. Annual averages may be higher or lower depending on the timing of final buildout. Additionally, these construction impacts will disappear when the development reaches completion.

Over the course of construction, an estimated 2,769 direct person years of employment would be generated from the construction of the project. These are the on-site construction jobs. An additional 1,004 indirect and induced person years of employment would be created for a total employment impact of 4,777 person years of employment created by the construction and other site work on the properties. In total, \$361.1 million in wages would be paid to these workers and the construction would create \$913.3 million in economic impact throughout the region.

Economic Impact of Construction Citrus 10 Commerce Center (2024 Dollars)			
	Person Years of Employment	Wages (\$ mil)	Economic Output (\$ mil)
Direct	2,769	\$220.3	\$461.7
Indirect	655	\$53.8	\$175.4
Induced	1,353	\$87.1	\$276.1
Total	4,777	\$361.1	\$913.3
NOTE: The total may not equal the sum of the impacts due to rounding. All dollar figures are in constant dollars. Inflation has not been included in these figures. Source: Elliott D. Pollack & Company; IMPLAN			



3.2 Economic Impact of Operations

Operational impacts are considered permanent once all operations have reached stabilization. The impacts described in this section are expected to recur each year as long as the anticipated land use mix builds out as projected.

The projected light industrial uses would support 2,487 direct jobs. Taking into account the ripple effects throughout the economy, a total of 4,954 jobs would be created from the proposed light industrial development with \$297.2 million in wages and \$1.6 billion in economic output.

The warehouse and distribution uses at the site would generate an estimated 1,478 direct jobs (based on 1,000 square feet per employee and a 95% occupancy). The total impact of this industrial use would be an estimated 2,583 jobs, \$152.5 million in wages and \$396.4 million in economic output.

In total, the proposed project would generate an estimated of 7,537 jobs annually, \$449.7 million in wages and nearly \$2.0 billion each year in economic output.

Economic Impact of Operations Citrus 10 Commerce Center (2024 Dollars)			
	Industrial - Light Manufacturing	Industrial - Warehouse/ Distribution	Total
Jobs			
Direct	2,487	1,478	3,966
Indirect	1,353	534	1,887
Induced	1,113	571	1,685
Total	4,954	2,583	7,537
Wages (\$ mil)			
Direct	\$126.6	\$82.1	\$208.7
Indirect	\$98.9	\$33.6	\$132.5
Induced	\$71.7	\$36.8	\$108.5
Total	\$297.2	\$152.5	\$449.7
Economic Output (\$ mil)			
Direct	\$994.8	\$168.7	\$1,163.5
Indirect	\$339.5	\$111.0	\$450.5
Induced	\$227.4	\$116.7	\$344.1
Total	\$1,561.7	\$396.4	\$1,958.1
NOTE: The total may not equal the sum of the impacts due to rounding. All dollar figures are in constant dollars. Inflation has not been included in these figures. Source: Elliott D. Pollack & Company; IMPLAN			



4.0 Fiscal Impacts

The tables included in this section summarize revenues that would ultimately flow to the City of Goodyear during construction and then ongoing annually once construction is complete. Both the primary (direct) and secondary (generated by the spending of employees) are included. Revenue projections are based on assumptions outlined earlier in this report.

4.1 Fiscal Impact of Construction

The fiscal impact of construction includes the tax revenues generated from construction sales taxes, use taxes, building permit and impacts fees, along with the secondary impacts from the spending of employees.

The City of Goodyear will collect an estimated \$9.3 million from the construction of the light manufacturing portion of the project and \$7.1 million from the proposed warehousing and distribution uses for a total of \$16.4 million. This includes both the direct primary taxes collected from construction sales and use tax as well as the secondary revenue generated by the spending of construction employees.

Fiscal Impact of Construction Citrus 10 Commerce Center City of Goodyear (2024 Dollars)			
	Industrial - Light Manufacturing	Industrial - Warehouse/ Distribution	Total
Primary Impacts			
Construction Sales Tax	\$4,467,300	\$3,034,700	\$7,502,000
Use Tax	N/A	\$389,100	\$389,100
Permit/Impact Fees	\$4,588,800	\$3,504,500	\$8,093,300
Sub-Total	\$9,056,100	\$6,928,300	\$15,984,400
Secondary Impacts from Employees			
Retail Sales Tax	\$111,500	\$75,700	\$187,200
Property Tax	\$92,000	\$62,500	\$154,500
State Shared Revenues	\$26,200	\$17,700	\$43,900
Sub-Total	\$229,700	\$155,900	\$385,600
Grand Total	\$9,285,800	\$7,084,200	\$16,370,000
Source: Elliott D. Pollack & Co.; IMPLAN; AZ Dept. of Revenue; AZ Tax Research Association			



4.2 Fiscal Impact of Operations

At build-out, the commerce park would begin to generate ongoing annual tax revenue for the City of Goodyear and its school districts every year. Primary revenues would be collected from property taxes, commercial lease taxes, and utility consumption. Secondary revenue, which is generated by employee spending, includes sales tax, property tax, and State-shared revenues such as income tax, vehicle license tax, and gasoline tax. The figures are exclusive of corporate income tax and do not include property tax levied on personal property.

Years prior to build out and stabilized occupancy would experience a relative portion of this total annual impact. Once the project is built out and operating at stabilized levels, the effects of the operations outlined in the following tables will be realized on an annual basis.

The City of Goodyear is projected to collect \$1.9 million each year at buildout from primary and secondary sources generated by proposed light manufacturing uses. Another \$1.2 million would be generated from warehousing and distribution for a total of over \$3.0 million in annual ongoing tax revenue for the city. The local school districts would collect an additional \$3.3 million each year based on the estimated net assessed value for the properties.

Overall, the annual operations of the proposed commerce center will generate an estimated \$6.4 million each year for the local community at build out.

Fiscal Impact of Operations Citrus 10 Commerce Center City of Goodyear (2024 Dollars)			
	Industrial - Light Manufacturing	Industrial - Warehouse/ Distribution	Total
Property Tax	\$486,500	\$330,500	\$817,000
Lease	\$503,700	\$399,200	\$902,900
Utility Tax	\$163,200	\$110,900	\$274,100
Secondary Impacts from Employees			
Property Tax	\$376,200	\$175,500	\$551,700
State Shared Revenues	\$32,000	\$16,100	\$48,100
Total for City	\$1,865,600	\$1,172,900	\$3,038,500
Revenues for Local School Districts	\$1,987,500	\$1,350,200	\$3,337,700
Grand Total	\$3,853,100	\$2,523,100	\$6,376,200
Source: Elliott D. Pollack & Co.; IMPLAN; AZ Dept. of Revenue; AZ Tax Research Association			



Across all levels of government, the Citrus 10 Commerce Center is projected to contribute an estimated \$24.2 million in tax revenue every year at build out. This includes \$10.8 million to the state, \$6.1 million to the county, \$3.0 million to the City of Goodyear, and \$4.3 million to schools and special districts.

Fiscal Impact of Operations Citrus 10 Commerce Center (2024 Dollars)			
	Industrial - Light Manufacturing	Industrial - Warehouse/ Distribution	Total
State of Arizona			
Utility tax	\$280,100	\$190,300	\$470,400
Secondary impacts from employees			
Spending sales tax	\$4,623,500	\$2,138,600	\$6,762,100
Income tax	\$303,200	\$155,500	\$458,700
Unemployment tax	\$936,300	\$488,200	\$1,424,500
Vehicle license tax	\$724,500	\$377,800	\$1,102,300
Gas tax	\$380,400	\$198,400	\$578,800
Total for the State of Arizona	\$7,248,000	\$3,548,800	\$10,796,800
Maricopa County			
Property Tax	\$337,700	\$229,400	\$567,100
Utility Tax	\$45,700	\$31,000	\$76,700
Secondary impacts from employees			
Spending sales tax	\$815,800	\$377,600	\$1,193,400
Property tax	\$1,804,300	\$841,800	\$2,646,100
State shared revenues	\$1,074,300	\$527,000	\$1,601,300
Total for Maricopa County	\$4,077,800	\$2,006,800	\$6,084,600
City of Goodyear			
Property Tax	\$486,500	\$330,500	\$817,000
Lease	\$503,700	\$399,200	\$902,900
Utility Tax	\$163,200	\$110,900	\$274,100
Secondary impacts from employees			
Spending sales tax	\$304,000	\$140,700	\$444,700
State shared revenues	\$32,000	\$16,100	\$48,100
Total for Local Governments	\$1,865,600	\$1,172,900	\$3,038,500
Other Districts			
School districts	\$1,987,500	\$1,350,200	\$3,337,700
Special districts	\$544,400	\$369,900	\$914,300
Total for Other Districts	\$2,531,900	\$1,720,100	\$4,252,000
Total Tax Revenues	\$15,723,300	\$8,448,600	\$24,171,900
Source: Elliott D. Pollack & Co.; IMPLAN; AZ Dept. of Revenue; AZ Tax Research Association			

