



January 19, 2021

Members of the Planning Commission
City of Santa Clarita
23920 Valencia Boulevard, Suite 300
Santa Clarita, CA 91355

Dear Members of the Planning Commission:

The Santa Clarita Valley Economic Development Corporation (SCVEDC) worked with our partners at Southern California Edison (SCE) to deliver a high-level Economic Impact Analysis of Jobs on a proposed full-service resort located on the property of the Sand Canyon Country Club in the City of Santa Clarita. The SCE Economic & Fiscal Impact Model has been developed by Elliott D. Pollack & Company to provide a means to calculate the economic and fiscal impacts of any business currently located or planning to locate (or expand) operations in the region specified by SCE. County-level multipliers from the IMPLAN Group, LLC are used to calculate the economic impacts of the construction and operational jobs generated from this proposed development. The results from the economic impact analysis are used to compute the impact on revenues generated to the State of California, the selected county and the selected city, in this case the City of Santa Clarita.

Economic impact analysis examines the regional implications of an activity in terms of three basic measures: output, earnings and job creation. The Pollack Economic & Fiscal Impact Model ("Model") computes the impact of either an existing business (retention) or a new business (relocation). It provides the economic impact during a construction period if entered, and during facility operations. For this analysis, we assumed consistent staffing over a five-year period and are presenting the results of impact relating only to new construction and ongoing operational jobs. Bed tax and other taxes unique to the hospitality sector are excluded from this analysis.

The assumptions were as follows:

Construction:

- \$80 million total investment in construction costs

Operations:

- 500 FTE, steady state over 5 years

The Model generated the following preliminary results. National averages were used for wage-related calculations in Other Amusement and Recreation Industries (NAICS 71391-3, 71399).

Construction of the facility will create one-time economic and fiscal impacts. The Model estimates these as:

Economic impacts:

- Total Jobs: 874
- Total Population: 1,767
- Total Personal Income: \$57M
- Total Output: \$135M

Fiscal impacts:

- State Taxes & Fees: \$7.1M
- County Taxes & Fees: \$1.6M
- City Taxes & Fees: \$0.4M

For the economic and fiscal impacts of operations, the Model assumed the full employment scenarios beginning year one and remaining so through a five-year period. The preliminary annual results are:

Economic impacts:

- Annual jobs: 650
- Annual population: 1,313
- Annual Personal Income: \$26M
- Annual Output: \$56M

Fiscal impacts (Annual):

- State: \$1.5M
- County: \$0.7M
- City: \$0.1M

I want to emphasize that this model only predicts the economic impact of the jobs that are created as a result of the project. The model does not reflect specific economic and fiscal impacts such as hotel occupancy tax or onsite entertainment spending.

Sincerely,

Holly Schroeder
President & CEO
Santa Clarita Valley Economic Development Corporation

Cc: Members of the Santa Clarita City Council