Appendix 1

Buildout Projection Methodology

Lakeland Village

Initial Study

Michael Baker INTERNATIONAL

We Make a Difference

Memorandum

To:	Robert Flores (Riverside County Planning Department)
From:	Peter Minegar (Project Manager)
Project:	Lakeland Village Phase II/III (GPA No. 1208)
Date:	January 8, 2019
Subject:	**Development Projections Methodology**

Michael Baker International (MBI), as directed by County Staff, has undertaken a review of the existing development in the Lakeland Village Policy Area, and developed a development projection methodology to be utilized for the Lakeland Village Policy Area CEQA analysis. This memorandum outlines the assumptions utilized to calculate future development in the Policy Area, and provides a detailed outline of the steps to project future development in the Policy Area.

1. **Existing Conditions:**

   In order to identify the number of existing units within the Lakeland Village Policy Area, MBI utilized the County Assessor's data and sorted the parcel specific data by General Plan Land Use Designation. For residential land uses, MBI then utilized the "Units" field to quantify the number of dwelling units in each land use category. For non-residential land uses, MBI used the "Area" field to quantify the existing square-footage.

2. **Proposed (20-Year Development Potential):**

   In order to project future development for the Policy Area, MBI utilized a number of methods to understand potential future development based on past growth within the Policy Area. MBI is proposing that future development be projected based on a 20-year development timeline (2019-2039).

   a. ***Review of Permit Data:*** To understand the development activity within the Policy Area, MBI reviewed the Planning Department permit data in the Policy Area for the last 10 years (2007-2017). This time period included the Great Recession, as well as the recovery period. This review found that there was a limited amount of permit activity in the policy area that resulted in the development of new dwelling units or non-residential structures. The majority of permit activity was related to modifications to existing buildings and other minor development activities (such as construction of a free-standing garage, mobile home renovations/additions, wireless facilities, and other misc. permits). While this review was not ultimately utilized to

develop the development projections, this review did provide confirmation of the limited development that has occurred within the Policy Area.

b. ***Review of Assessor's Data:*** Since the review of the permit data did not provide sufficient data to determine a historic level of growth, MBI utilized the Assessor's data to develop growth rates for each land use type. MBI reviewed the development that has occurred in the past 20 years (from 1998-2017) based on the Assessor's Parcel Data. MBI used the Assessor's data to calculate the growth rate for each land use category for the past 20 years. MBI found that a 20-year review of development includes a number of development cycles, including times of large real estate growth, economic recession, and economic recovery. As such, MBI believes that the review of 20-years of development will serve as an accurate indicator of future growth in Lakeland Village. For each land use type (Residential, Non-Residential, and Mixed Use) MBI has outlined the assumptions utilized to project development below.

   i. ***Residential Development:*** To calculate future residential development, MBI applied the 20-year growth rates from the Assessor's data to the existing development for each of the residential land uses to calculate anticipated buildout for the next 20 years. To ensure that the anticipated development calculations provide a conservative estimate of future growth, a buffer of 10% has been added to the 20-Year Development Potential calculations.

   ii. ***Non-Residential Development:*** To calculate future non-residential development, MBI took the existing non-residential square-footage for each land use and assumed that the existing development quantity will grow by 35% over the next 20 years. There was limited non-residential growth in the past 20-years, and as such MBI had a data set that was too limited to determine a growth rate. To project non-residential growth, MBI utilized a future growth rate of 35% for non-residential development which was based on the cumulative growth rate for residential land uses. This assumed growth rate is above the historic non-residential development growth rate, and as such represents a conservative growth rate for the policy area. To ensure that the anticipated calculations provide conservative projection for future development, a buffer of 10% has been added to the 20-Year Development Potential calculations.

   iii. ***Mixed Use Development:*** Since the Mixed Use Areas (MUA) are a new land use in the Policy Area, there is not a development history for these land uses. To forecast future growth for these areas, MBI utilized the highest development rate for residential and non-residential development. For residential growth, MBI assumed the level of development associated with Medium Density Residential, which is the land use generating the highest number of dwelling units and Commercial Retail, which has the largest square-footage of all non-residential land uses in the Policy Area.

3. MBI has developed a growth projection table that outlines the calculated growth projections for each of the General Plan Land Uses in the Lakeland Village Policy Area. The projection

table, which is included as Attachment 1 of this memorandum, includes existing development, growth rate, buffer, projected growth, and projected 20-year buildout. The projections were developed utilizing the methodology outlined in the sections above.

MBI will outline the above-listed methodology in detail in the CEQA Project Description, as well as how these estimates will be used to assist in evaluating whether additional CEQA analysis is required for future projects. In the event that unforeseen development or infrastructure constraints change during the 20-year projection period that exceed the CEQA assumptions, further CEQA analysis will may be required.

Attachments:

Attachment 1: Lakeland Village Growth Projections

Attachment 1
Lakeland Village Policy Area Growth Forecast

	Existing Development		Growth at Current Rate			Additional Buffer for Unforeseen Development	Projected Growth		Projected 20-Year Buildout	
Land Use	Existing Dwelling Units (Residential)	Existing Square Feet (Non-Residential)	Historic 20-Year Growth Rate (1998-2017)	Projected 20-Year Growth (Dwelling Units)	Projected 20-Year Growth (Non-Residential SF)	Buffer (10%)	Additional Dwelling Units	Additional Non-Residential SF	Anticipated 20 Year Residential Development Capacity	Anticipated 20 Year Non-Residential Development Capacity
Rural Mountainous (RM)	192		18%	34		3	38		230	
Rural Residential (RR)	7		75%	5		1	6		13	
Rural Community- Estate Density Residential (RC-EDR)	224		21%	47		5	52		276	
Rural Community- Low Density Residential (RC-LDR)	-		0%	0		-	-		-	
Rural Community- Very Low Density Residential (RC-VLDR)	-		0%	0		-	-		-	
Open Space-Conservation (OS-C)	-		0%	0		-	-		-	
Estate Density Residential (EDR)	2		0%	0		-	-		2	
Low Density Residential (LDR)	113		24%	27		3	30		143	
Medium Density Residential (MDR)	1,766		18%	320		32	352		2,118	
Medium High Density Residential (MHDR)	18		0%	0		-	-		18	
High Density Residential (HDR)	25		0%	0		-	-		25	
Very High Density Residential (VHDR)			N/A			-	-		-	
Commercial Retail (CR)*		19,818	35%		6,963	696		7,659		27,477
Light Industrial (LI)*		9,819	35%		3,450	345		3,795		9,819
Public Facilities (PF)*		2,947	35%		1,035	104		1,139		2,947
Mixed Use Area (MUA)*										
Residential Units	14						352		366	
Non-Residential SF		9,085						7,659		9,085
	2,361						829	20,251	3,190	49,328

Change in DU's	829
Change in Non-Residential SF	20,251

Notes: Column totals are rounded

Last Updated: 1/11/2019