

TO: Chris Sullivan, Senior Planner, Planning and Neighborhood Services

FROM: Kortne Deloney, Analyst II, Budget Office

DATE: March 18, 2026

SUBJECT: Kettle Creek Annexation and Land Use Plan - Fiscal Impact Analysis

A copy of the Fiscal Impact Analysis for the Kettle Creek Annexation and Land Use Plan is attached. At the request of the Planning Department, in accordance with City Code, the Budget Office prepared a Fiscal Impact Analysis estimating the City expenditure and revenues attributable to the Kettle Creek Annexation and Land Use Plan for a ten-year horizon. The Fiscal Impact model incorporates the land uses proposed by the annexation and calculates the average City expenditures and revenue generated by the project.

Kettle Creek Annexation and Land Use Plan annexes an 19.884-acre property in the City. Based on the planned zoning uses, this analysis evaluates the fiscal impact to the City of annexing 19.884 acres, of which 15.97 acres is single family detached residential properties at 8 dwelling unit per acre, 2.418 acres of right of way, and the remaining use will be a stormwater pond, a portion of the property is encumbered by Preble's Meadow Jumping Mouse habitat and/or is in the 150' Streamside Buffer area, which will remain as open space. There is no proposed parkland use within the development.

The result of the Fiscal Impact Analysis is a positive cumulative cashflow for the City during the 10-year timeframe. The reason for this outcome is that the use tax revenue collected from residential construction early in the development is enough to maintain a positive result for the timeframe.

A Combined Funds Summary of the cumulative fiscal impact is attached. In addition, the Fiscal Impact Model Notes at the end of this memo provide an overview of the Fiscal Impact model.

COMBINED FUNDS SUMMARY - Kettle Creek Annexation and Land Use Plan

	1 2025	2 2026	3 2027	4 2028	5 2029	6 2030	7 2031	8 2032	9 2033	10 2034
Revenue										
General Fund	\$202,434	\$233,713	\$62,557	\$62,557	\$62,557	\$62,557	\$62,557	\$62,557	\$62,557	\$62,557
Special Revenue Funds	\$248,181	\$255,087	\$13,811	\$13,811	\$13,811	\$13,811	\$13,811	\$13,811	\$13,811	\$13,811
TOTAL REVENUE	\$450,616	\$488,800	\$76,369							
Expenditures										
Operating	\$37,408	\$74,819	\$74,819	\$74,819	\$74,819	\$74,819	\$74,819	\$74,819	\$74,819	\$74,819
Special Revenue Fund Expenditu	\$28,311	\$56,623	\$56,623	\$56,623	\$56,623	\$56,623	\$56,623	\$56,623	\$56,623	\$56,623
Capital Expenditures	\$22,990	\$23,470	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$88,710	\$154,912	\$131,442							
GRAND TOTAL NET RESULT	\$361,906	\$333,888	(\$55,073)							
CUMULATIVE NET RESULT	\$361,906	\$695,794	\$640,721	\$585,648	\$530,575	\$475,502	\$420,429	\$365,356	\$310,282	\$255,209