ECONOMIC SCENARIOS AND ASSOCIATED IMPACT STUDIES
Scenario A contemplates the construction of a traditional residential subdivision consisting of single family homes with a one (1) acre per lot minimum at the Beech Brook Site with no commercial uses included in the District. It also assumes a home cost of $700,000 and a household income of $256,000.

Because of the 1) 1-acre lot minimum, 2) the physical restrictions of the property and 3) the costs associated with its development, only 47 homes could be constructed and no connector road could be built or financed by tax proceeds generated by the project.

Additionally, based on lot size and proximity to the Orange City Schools, it likely that Scenario A will see a higher proportion of new families moving to Pepper Pike, then either Scenario B or C. The resulting economic impact is shown as a range. If the school district enrollment increases by 47 new students and the students are spread evenly through the grades, the additional incremental costs to the district will be less than the full allocation of the school district's cost per student. Often, however, families that purchase new construction have younger children, which could result in the new students being concentrated in the elementary grades and may result in additional costs to the district.

Ranges of net annual gains/losses in tax revenue to the City, County and Schools, are listed above.

Scenario A would not be permitted under the proposed overlay district ordinance, as drafted.

**It is customary in preparing an economic impact study to use the costs currently incurred by a municipality or the average cost per student spent by a school district as a predictor of the costs that will be incurred for the proposed project; however, using such a fully allocated cost may over estimate the projected cost if, due to the size of the proposed district, the fully allocated costs may not actually be incurred.**
Scenario B contemplates the creation of a mixed-use district with a range of commercial and residential uses and product types.

Because Scenario B 1) provides for a mixture of uses to the district but 2) does not provide sufficient parking to support additional commercial space through the use of structured parking, the size, level of design, and scope of the district is limited.

Additionally, Scenario B provides sufficient tax revenue proceeds to allow for the construction of a public connector road.

In terms of size and scope, Scenario B would allow for between approximately 8-15 retail users.

The resulting economic impact of Scenario B sees:

i) a net annual gain of $366,852 in tax revenue to the City of Pepper Pike,

ii) an annual net gain of $255,236 in tax revenue to the Orange City School District, and

iii) tax revenue sufficient for the finance and construction of a new road proposed to connect Lander Road to Chagrin Boulevard.

Scenario B would be permitted by the proposed draft ordinance, as drafted.
SCENARIO C

NET TOTAL = $2,606,601
PEPPER PIKE NET TOTAL = $454,476
SCHOOL NET TOTAL = $353,092

Scenario C contemplates the creation of a mixed-use district housing a range of commercial and residential uses and product types. Because Scenario C 1) provides for a mixture of uses to the district and 2) provides sufficient parking to support additional commercial space through the use of structured parking, the district is able to support a level of design and open space that exceeds the levels of existing and proposed projects in the region.

In terms of size and scope, Scenario C would allow for somewhere between approximately 8-20 retail users. The resulting economic impact of Scenario C sees i) a net annual gain of $454,476 in tax revenue to the City of Pepper Pike, ii) an annual net gain of $353,092 in tax revenue to the Orange City School District, and iii) tax revenue sufficient for the finance and construction of a new road proposed to connect Lander Road to Chagrin Boulevard.

Scenario C would be permitted by the proposed draft ordinance, as drafted.