

## **The Sacramento Area Would Lose Over One Billion Dollars of Property Value if Mather Becomes a Major Cargo Hub!**

The attached 2000 study, by Randall Bell, "The Impact of Airport Noise on Residential Real Estate"<sup>1</sup>, shows the losses incurred by real estate adjacent to airports. Bell also cites the FAA's 1994 report on LAX, JFK, and BWI (Baltimore/Washington) airport's impact on nearby home values. It concluded, "Losses of the total home market value ranged from -.08% for low priced homes and ranged from -15.7% to -19% for moderately priced homes. [and] "Further, the reduction in value of a high priced home will be approximately 2.5 times that of moderately priced homes." Finally stating, **The majority of home buyers would not buy a home near or under an airport approach at any price.**

Using conservative value estimates, (based on 2005 data)<sup>2</sup>, there would be a billion dollar loss of property values due to jet noise under the Mather ILS (instrument landing system) southwest approach path. It does not even take into account surrounding areas such as Elk Grove, Cameron Park, Shingle Springs or Fair Oaks, that are impacted under non direct approaches, and by planes that arrive from north or south of the field on a regular basis. At least 10,000 more homes would encompass this area.

The maximum noise impact zone, which is one half mile either side of the ILS runways 22L & 22R, (together, they are 1000' across), or a swath that is 6,280 feet wide, and is 13 miles long. It's outer edge is El Dorado Hills in El Dorado county, where incoming planes are only 1500' over rooftops. It encompasses 15 square miles of homes, and at 640 acres per square mile, it equals 9,600 acres of mostly residential land.

**At a low average of 4 homes per acre that is a potential build out of 38,000 affected homes.**

**Area 1.** There are approx. 2,000 existing homes in El Dorado Hills that are under the ILS approach, with an average value of \$700,000<sup>3</sup>. The reduced value for these high end homes would be a minimum of 25%<sup>4</sup>, or \$175,000 each, and a community loss of \$350 million. (There are plans for three times that many homes in that zone.)

**Area 2.** The next largest impacted area would be Folsom. It's density is higher

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<sup>1</sup> See attached Randall Bell Study

<sup>2</sup> See attached real estate home values for subject areas

<sup>3</sup> see attached real estate values

<sup>4</sup> See Randall Bell Stud

and its exposure to over flight is longer. Approx. 5,000 homes would be under the ILS. With an average value of \$500,000 per home, and a more modest decline of 20%, we have a property loss of \$100,000 each, and a total of \$500 million.

**Area 3.** Finally, we have the area adjacent to Mather Field, Rancho Cordova. It has a lower average home value of \$300,000 , at an average loss of 15%. Based on an existing 4,000 affected homes, at a loss of \$45,000 per home, the total is \$180 million. (Rancho Cordova has approved, and is building 12,000 dwellings right up to the end of runways 22L & 22R; this will become a future slum!)

**Summary:** The total minimum loss that would occur if Mather becomes a fully engaged cargo facility would be as follows:

El Dorado hills:	\$ 350,000,000
Folsom:	\$ 500,000,000
Rancho Cordova:	<u>\$ 180,000,000</u>
Total:	\$1,030,000,000

**Conclusion:** Opening a primarily night flying cargo hub over a residential area would severely reduce all property values

**How will El Dorado and Sacramento counties make up for this ongoing, ever increasing tax loss? Not by spending over 100 million on a cargo airport that at best hopes to break even.**