

**KENILWORTH DEVELOPMENT ANNEXATION
OAKLAND, ALAMEDA COUNTY, CALIFORNIA**

**ENGINEER'S REPORT
FOR KENILWORTH DEVELOPMENT**

SUBMITTED TO
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5801 Scarborough Drive
Oakland, CA 94611

PREPARED BY
ENGEO Incorporated

March 31, 2022

PROJECT NO.
5410.001.000

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ENGINEER'S REPORT

OAKLAND AREA GEOLOGIC HAZARD ABATEMENT DISTRICT KENILWORTH DEVELOPMENT ANNEXATION (Pursuant to the Public Resources Code of the State of California, Section 26500 et seq.)

CERTIFICATION OF FILING

The Geologic Hazard Abatement District ("GHAD") provides monitoring and maintenance of improvements related to geologic hazard management and other responsibilities as a landowner, within the Kenilworth Development portion of the Oakland Area GHAD. The GHAD also levies and collects assessments on properties within the GHAD in order to perform its activities.

The GHAD responsibilities, which are the subject of this report, are defined as any activity that is necessary or incidental to the prevention, mitigation, abatement, or control of a geologic hazard, construction, maintenance, repair, or operation of improvement; or the issuance and servicing of bonds issued to finance any of the foregoing (Section 26505).


This report consists of seven parts, as follows.

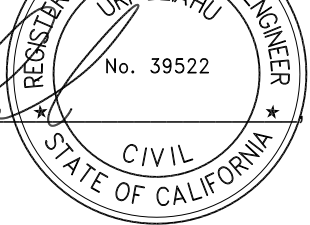
- I. INTRODUCTION
- II. BACKGROUND
- III. GEOLOGIC HAZARD ABATEMENT DISTRICT DIAGRAM
- IV. SERVICE LEVELS
- V. DESCRIPTION OF GHAD-MAINTAINED IMPROVEMENTS
- VI. ASSESSMENT METHOD
- VII. ASSESSMENT LIMIT - BUDGET PROJECTION

The undersigned respectfully submits the enclosed Engineer's Report.

Date: March 31, 2022

By: ENGEO Incorporated


Uri Eliahu



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I HEREBY CERTIFY that the enclosed Engineer's Report was filed on the 19th day of April 2022.

Patricia Curtin
Attorney and Clerk of the Board
Oakland Area Geologic Hazard Abatement District
Oakland, Alameda County, California

I HEREBY CERTIFY that the enclosed Engineer's Report was approved and confirmed by the GHAD Board on the 19th day of April 2022.

Eric Harrell
GHAD Manager
Oakland Area Geologic Hazard Abatement District
Oakland, Alameda County, California

ENGINEER'S REPORT

for

OAKLAND AREA GEOLOGIC HAZARD ABATEMENT DISTRICT KENILWORTH DEVELOPMENT ANNEXATION OAKLAND, ALAMEDA COUNTY, CALIFORNIA for the ESTABLISHMENT OF AN ASSESSMENT LIMIT

I. INTRODUCTION

The Oakland City Council adopted Resolution 80058 C. M. S. on July 18, 2006, approving the formation of the Oakland Area GHAD under the authority of the California Public Resources Code, Division 17, Section 26500 et seq. On February 21, 2017, the Oakland Area GHAD Board of Directors passed Resolution No. 15 approving annexation of the Kenilworth Development ("GHAD Annexation Area") into the Oakland Area GHAD. The members of the Oakland City Council act as the Board of Directors of the GHAD.

II. BACKGROUND

The Oakland Area GHAD Board of Directors approved the Plan of Control for the Kenilworth Development Annexation ("Plan of Control") with the approval of Resolution No. 15 on February 21, 2017. The Plan of Control describes the GHAD's responsibilities to permanently monitor and maintain GHAD improvements within the GHAD Annexation Area. This Engineer's Report describes the establishment of an assessment to fund GHAD activities necessary or incidental to geologic hazard mitigation, abatement, and control.

III. GEOLOGIC HAZARD ABATEMENT DISTRICT BOUNDARIES

The boundaries for the GHAD Annexation Area are shown in the plat and legal description attached hereto as Exhibit A.

IV. SERVICE LEVELS

The GHAD's activities are those that are necessary or incidental to the prevention, mitigation, abatement, or control of geologic hazards including construction, maintenance, repair, or operation of any improvement; and the issuance and servicing of bonds issued to finance any of the foregoing.

The GHAD provides for the administration and review of facilities within the budgeted limits, including the following services.

1. Oversight of GHAD operations, including reporting to the GHAD Board of Directors.
2. In conjunction with the Alameda County Assessor's Office, setting the annual levying of assessments on the property tax rolls.

3. Engagement of technical professionals to perform the monitoring duties as described in the Plan of Control.
4. Performance of GHAD maintenance activities in accordance with the Plan of Control. These maintenance activities within the GHAD Annexation Area include:
 - Monitoring, maintenance, and repair of the concrete-lined drainage ditches, storm drain inlets, subdrain outlets, and risers.
 - Maintenance of retaining wall and appurtenant drainage improvements associated with Kenilworth Road.
 - Maintenance of slopes for erosion and geologic hazard abatement.
 - Preparation of annual GHAD budgets for approval by the GHAD Board of Directors.

V. DESCRIPTION OF THE IMPROVEMENTS MAINTAINED BY THE GHAD

The GHAD-maintained improvements are described in the Plan of Control. In general, these improvements include drainage systems; concrete-lined ditches; storm drain inlets and outlets; subdrains and outlets; and selected retaining walls.

VI. ASSESSMENT METHOD

The improvements and GHAD responsibilities described in Section V are distributed within the GHAD Annexation Area. The improvements described in this document will confer the following special benefits to the assessed parcels.

1. Protection from slope instability
2. Protection from erosion due to uncontrolled surface water
3. Protection of water quality

The GHAD assessment is distributed among all residential property owners within the GHAD Annexation Area. The improvements and responsibilities listed in Section V provide specific benefits to the properties within the GHAD Annexation Area and the improvements are constructed for the benefit of those assessed and not the general public.

The GHAD Annexation Area consists of seven single-family residences. The total number of residential units within the GHAD Annexation Area was considered in light of the annual GHAD Annexation Area budget in developing the annual assessment amount.

The Engineer hereby finds that each of the residential properties within the GHAD Annexation Area will receive approximately equal special benefit from the work and improvements within the GHAD. As a result, the GHAD assessment for the GHAD Annexation Area is distributed equally among all owners of parcels.

A financial analysis was performed to provide a framework for an operating budget for the ongoing abatement, mitigation, prevention, and control of geologic hazards within the GHAD Annexation Area. In preparation of the budget, several factors were considered including:

1. Site geology
2. Remedial grading
3. Proximity of geologic hazards to proposed residences
4. Improvements and structures
5. Site access considerations
6. Elements requiring routine maintenance, including:
 - Surface drainage facilities
 - Graded slopes
 - Retaining walls
 - Fire breaks

VII. ASSESSMENT – BUDGET

The purpose of this Engineer's Report is to establish the assessment level and the apportionment of the assessment within the GHAD Annexation Area as required under Proposition 218. The annual budget in each subsequent fiscal year will apprise the GHAD Board of Directors of the estimated budget for the upcoming year.

Based on the estimated expenses for ongoing operations, and allowing for larger (approximately \$100,000) geologic events at 20-year intervals and the accumulation of a reserve of \$136,000 by 2062 (Fiscal Year 2022/2023 dollars), a budget was prepared for the purpose of estimating initial assessment levels (Exhibit B).

The Engineer recommends an annual assessment limit for the GHAD Annexation Area of \$5,364 per single-family residential unit (Fiscal Year 2022/2023 dollars). The proposed initial assessment level is intended to be automatically adjusted annually on June 30 to reflect the percentage change in the San Francisco-Oakland-Hayward Consumers Price Index for All Urban Consumers. The assessments are to be levied in conjunction with the issuance of a building permit for the assessed parcel.

While the assumptions and estimated expenses listed in Exhibit B were used to determine the assessment levels for the GHAD Annexation Area, they do not represent the actual budget for any one year of the GHAD's operation, since assessment of the individual parcels will be based on the issuance of building permits, which will occur over a number of years. In addition, the Engineer anticipates that the projected expense amounts will be reached over time and that these amounts will be inflation-adjusted in the year that the expenses occur.

Pursuant to the schedule set forth in Appendix D of the Plan of Control for the Kenilworth Development, the GHAD reserve at the time of transfer must have a minimum of \$11,500. In addition, all 7 residential units shall be subject to the levy of the GHAD assessment. The minimum reserve amount represents the estimated total assessments that will be collected from within the Kenilworth Development during the period the Owner is responsible for all GHAD activities. The reserve amount requirement may be satisfied by including remaining cash and receivables from the Alameda County Tax Collector during the period that the Owner of the Kenilworth Development is responsible for performing the GHAD activities. Additional funds may be required of the developer in order to satisfy the above-stated minimum reserve requirement and shall be provided to the Oakland Area GHAD prior to its acceptance of the monitoring and maintenance responsibilities within the Kenilworth Development.

VIII. OWNER RESPONSIBILITIES

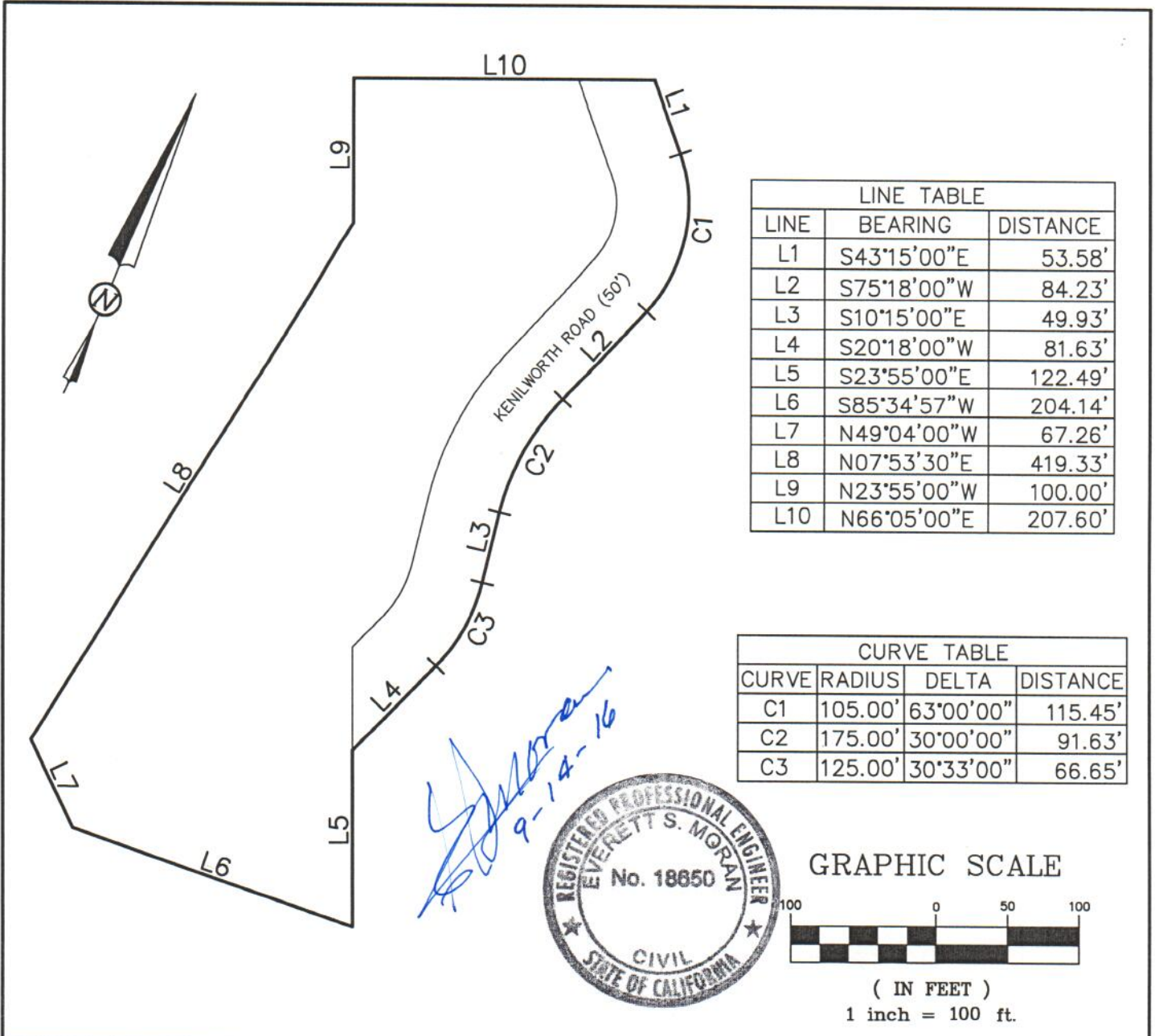
The Property Owner (“Owner”) is responsible for managing and maintaining the GHAD Annexation Area until the GHAD accepts responsibility for the GHAD Improvements as set forth in the Plan of Control. In addition, the Owner is responsible for funding any necessary GHAD functions or business undertaken for the GHAD Annexation Area that the GHAD Officers or Board of Directors determine are necessary before the GHAD accepts the GHAD Improvements. If the Owner fails to fund all or a portion of these costs, the costs shall be covered by the funds generated by and for the GHAD Annexation Area (i.e., through the assessment) and the Owner shall be required to reimburse the GHAD for such costs before the GHAD can accept monitoring and maintenance responsibilities for the GHAD Improvements.

The GHAD may utilize funds generated by or for the GHAD Annexation Area to conduct any necessary GHAD functions or business for the GHAD Annexation Area required before the GHAD accepts the GHAD improvements. Such functions and business can include periodic reporting to the GHAD Board of Directors and work performed by GHAD Officers to verify the GHAD is implemented in accordance with the Plan of Control and GHAD Law.



EXHIBIT A

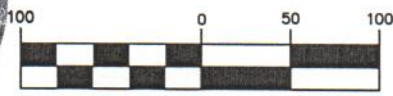
PLAT AND LEGAL DESCRIPTION



LINE TABLE		
LINE	BEARING	DISTANCE
L1	S43°15'00"E	53.58'
L2	S75°18'00"W	84.23'
L3	S10°15'00"E	49.93'
L4	S20°18'00"W	81.63'
L5	S23°55'00"E	122.49'
L6	S85°34'57"W	204.14'
L7	N49°04'00"W	67.26'
L8	N07°53'30"E	419.33'
L9	N23°55'00"W	100.00'
L10	N66°05'00"E	207.60'

CURVE TABLE			
CURVE	RADIUS	DELTA	DISTANCE
C1	105.00'	63°00'00"	115.45'
C2	175.00'	30°00'00"	91.63'
C3	125.00'	30°33'00"	66.65'

GRAPHIC SCALE



(IN FEET)
1 inch = 100 ft.

EXHIBIT "A"
PLAT TO ACCOMPANY LEGAL DESCRIPTION FOR
GEOLOGIC HAZARD
ABATEMENT DISTRICT

CITY OF OAKLAND, COUNTY OF ALAMEDA, CALIFORNIA
 SEPTEMBER, 2016 SCALE: 1" = 100'

MORAN ENGINEERING, INC.

CIVIL ENGINEERS \ LAND SURVEYORS
 1930 SHATTUCK AVENUE, SUITE A
 BERKELEY, CALIFORNIA 94704
 (510) 848-1930

EXHIBIT B

LEGAL DESCRIPTION
GEOLOGIC HAZARD ABATEMENT DISTRICT
OAKLAND, CALIFORNIA

REAL PROPERTY in the City of Oakland, Alameda County, California, described as follows:

A portion of the map of the Gwin Unit of the Highlands of Oakland, filed November 10, 1925 in Book 5 of Maps at page 39, Official Records of Alameda County (hereinafter referred to as Gwin), and a portion of Parcel One as shown on Parcel Map 3260, filed June 19, 1980, in Book 119 of Parcel Maps, page 23, Official Records of Alameda County, more particularly described as follows:

Beginning at the intersection of the general eastern line of Kenilworth Road, 50 feet in width, with the extension easterly of the northwestern line of Lot 369, as said Lot and Road are shown on said map of Gwin.

Thence, from said Point of Beginning, along said general eastern line the following seven courses:

1. South 43° 15' 00" East 53.58 feet
2. Southerly along the arc of a tangent curve to the right, having a radius of 105 feet, through a central angle of 63° 00' 00", a length of 115.45 feet
3. South 75° 18' 00" West 84.23 feet
4. Southerly, along the arc of a tangent curve to the left, having a radius of 175 feet, through a central angle of 30° 00' 00", a length of 91.64 feet
5. South 10° 15' 00" East 49.93 feet
6. Southerly along a tangent curve to the right, through a central angle of 30° 33' 00", a length of 66.65 feet
7. South 20° 18' 00" West 81.63 feet to the western line of said Gwin (5 M 39);

Thence, along said line

8. South 23° 55' 00" East 122.49 feet

Thence, leaving said line the following 3 courses:

9. South 85° 34' 57" West 204.14' feet
10. North 49° 04' 00" West 67.26 feet
11. North 07° 53' 30" East 419.33 feet to said western line of Gwin

Thence, along said line

12. North 23° 55' 00" West 100.00 feet to an intersection with the said northwestern line of Lot 369
13. Thence, along said line, and its extension easterly, North 66° 05' 00" East 207.60 feet to the Point of Beginning and

Containing 124,111 square feet of land, more or less

ESM
9-14-16



September 2, 2016
JOB# 16 – 4512.3

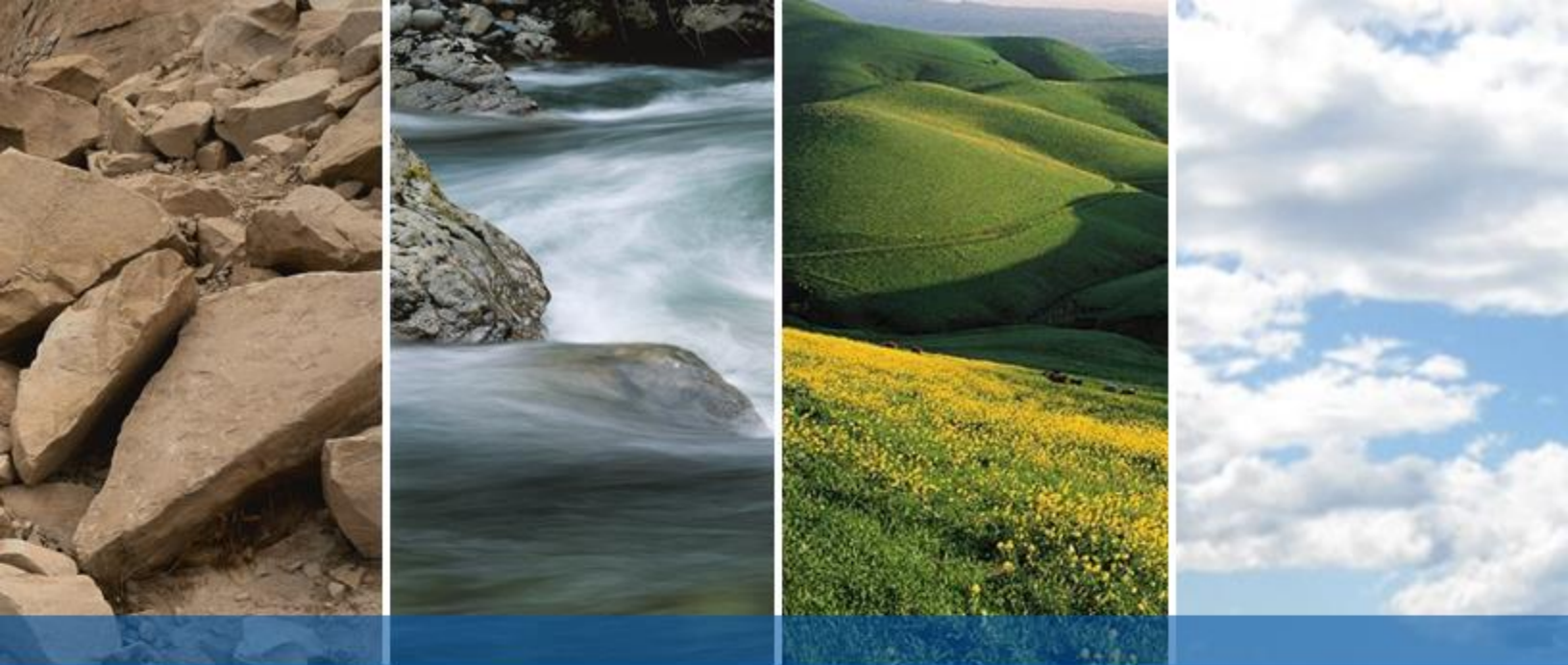


EXHIBIT B

BUDGET – March 31, 2022

**Oakland Area Geologic Hazard Abatement District – Kenilworth Development
Annexation**

Budget – March 31, 2022

ASSUMPTIONS

Total No. of Residential Units	7
Annual Assessment per Single-Family Residential Unit (FY 2022/2023)	\$5,364
Annual Adjustment in Assessment (estimated)	2.25%
Inflation (estimated)	2.25%
Investment Earnings (estimated)	4.5%
Frequency of Large-Scale Repair (years)	20
Cost of Large-Scale Repair (current \$)	\$100,000

ESTIMATED ANNUAL EXPENSES IN 2022/2023 DOLLARS

Administration (Manager, Treasurer, Clerk, and Legal Counsel)	\$6,650
Outside Administration Services, Membership, and Insurance	\$1,375
Monitoring Activities	\$4,500
Maintenance and Operation	\$6,962
Capital Improvements	\$8,051
Major Repair (Annualized)	\$5,000
Miscellaneous & Contingency (5%)	\$1,377
Reserve	<u>\$4,137</u>
TOTAL	<u>\$38,052</u>

