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AGENDA REPORT

TO: Sabrina B. Landreth
City Administrator

FROM: Darin Ranelletti
Deputy Director, PBD

SUBJECT: Citywide Impact Fee Update

DATE: January 4, 2016

City Administrator Approval

Date:

1/14/16

RECOMMENDATION

Staff Recommends That The City Council Receive This Report And Possible Action On A Citywide Housing, Transportation, and Capital Improvement Impact Fee Proposal.

EXECUTIVE SUMMARY

There are a number of different initiatives underway to address the housing affordability crisis in Oakland, including: the work of the Mayor's Housing Cabinet; the City Council's recent approval of amendments to accessory dwelling unit regulations; revisions currently under development to the Rent Adjustment Program (RAP) fee; Assemblymember Bonta's recently introduced legislation which would authorize the City Council to issue affordable housing bonds against "boomerang funds" (funds distributed to the City after the dissolution of redevelopment); and the creation of a development impact fee strategy. This report addresses impact fees, presents the result of the Nexus Study and Economic Feasibility Analysis necessary to support the imposition of impact fees, and offers a draft impact fee proposal for consideration by the community and the City Council. The impact fee proposal seeks to balance the need to generate more affordable housing, while not impeding construction of new housing for all income levels. The generation of additional housing units addresses the scarcity of available units in the current market, scarcity which ultimately contributes to displacement.

The report also describes, in detail, the legal requirements for development impact fees, economic considerations when deciding when to impose such fees, information about units in the development project pipeline that could be subject to fees, and finally a set of impact fee proposals.

In sum, staff recommends that the City Council consider a development fee strategy as follows:

- 1) The amount of the fee would be determined at the time of building permit application.
- 2) Projects with completed building permit applications prior to December 1, 2016 would be exempt from paying fees.

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- 3) Projects with completed building permit applications between December 1, 2016 and November 30, 2017 would pay \$5,710 per unit (for Multi-Family Residential (MFR) in Zone 1, with \$710 allocated to Transportation and the remainder allocated to Affordable Housing; see the Analysis section for project type and geographic zone descriptions).
- 4) Projects with completed building permit applications between December 1, 2017 and November 30, 2018 would pay \$10,710 per unit (MFR in Zone 1).
- 5) Projects with completed building permit applications after December 1, 2018 would pay \$20,710 per unit (MFR in Zone 1).

Staff also recommends that the impact fee strategy allow the developer to meet the requirement by providing units, either on-site or off-site, instead of paying the fee, based on the cost impact to the project remaining equivalent to the applicable affordable housing fee amount. This approach is also described in more detail in the Analysis section of this report.

As the City Council deliberates about this matter, staff recommends the Council consider a series of policy questions related to impact fees prior to providing direction concerning an impact fee ordinance:

- 1.) What should be the target fee levels?
- 2.) What should be the relative distribution of impact fees among three (3) different fee categories (affordable housing, transportation, capital improvements)?
- 3.) How should the fees be phased in over time?
- 4.) What fees should be charged for different types of projects, such as multi-family, single-family, townhome, office, retail, industrial, warehouse, hotel/motel, and institutional?
- 5.) Should different geographic areas (zones) of the City have different fee levels?
- 6.) What, if any, development projects in the pipeline should be subject to the fee? What projects should be exempt from the fee?
- 7.) Whether a construction performance date should be included in the first two years of the program, such as a requirement that a project must be under construction within 12 months of building permit application and if not, the applicable impact fees would increase to the higher amount in place on that date. This policy could incentivize faster unit construction.

BACKGROUND / LEGISLATIVE HISTORY

The City is considering adopting impact fees related to affordable housing, transportation, and capital facilities including imposing such fees on development applications that are already submitted, pursuant to the California Subdivision Map Act (Government Code Section 66474.2(b)).

Background

Development impact fees are a commonly used method of collecting a proportional share of funds from new development for infrastructure improvements and/or other public facilities. With rare exceptions, development impact fees are one-time funds restricted to funding capital costs for new facilities or upgrades to existing facilities, and are not used for annual operations and/or maintenance. Impact fees may only be charged to new development and the funds collected must be expended on improvements needed as a result of the new development.

Pursuant to the Mitigation Fee Act, California Government Code Section 66000, et seq. (also known as AB 1600), adoption of impact fees requires documentation of the “nexus” or linkage between the fees being charged, the impacts of new development, the benefit of the facilities needed to mitigate such impacts, and the proportional cost allocation among different fee categories. Impact fees must be adopted by the Oakland City Council via ordinance. Impact fees are usually imposed either jurisdiction-wide or in other relatively large areas anticipating significant amounts of new development. The fees can vary by different geographical areas of the City. The revenue collected from impact fees may not be immediately available for projects because it may take some time to accumulate sufficient funding (since the City collects the fee project-by-project - in the building permit process, depending on how the program is adopted). In addition, impact fee programs are often phased-in to allow the real estate market to adjust to the higher development costs. Therefore, it may take time to accumulate enough revenue to, for example, pay for a major transportation project or to build an affordable housing project.

An important component that accompanies Oakland’s Impact Fee Nexus Study and Implementation Strategy is an Economic Feasibility Analysis. The purpose of the feasibility analysis is to ensure that any impact fee program appropriately addresses the need to mitigate development impacts without substantially affecting real estate investment in Oakland. Economic constraints are likely to preclude the adoption of the maximum justified impact fees under the nexus analyses because the level of economically feasible fees may be substantially lower than the level of legally justifiable fees. This is typically the case in urban areas like Oakland.

Legislative History

The concept of initiating a development impact fee program in Oakland has been considered in the past as recently as 2009; however, these efforts were never funded. In 2013, the City Council identified funding in the Fiscal Year (FY) 2013-15 Adopted Policy Budget for the preparation of a nexus study for potential development impact fees for transportation, infrastructure (capital improvements), and affordable housing to offset impacts from new development.

The recently adopted specific plans for the Broadway Valdez District, West Oakland, Lake Merritt Station Area, and the Coliseum Area Specific Plan, and the City’s 2015-2023 Housing Element Update all include policies to support the preparing of a nexus study and economic feasibility analysis for adoption of potential transportation, infrastructure (capital improvements), and affordable housing development impact fees. The 1998 *Land Use and Transportation Element* (LUTE) of the City’s General Plan includes an objective T.5: “Secure funding for transportation infrastructure improvements and maintenance” and policies that support

considering “a range of strategies to provide funding for transportation improvements... including, but not limited to, special user fees, development impact fees, or assessment districts” (Policy T5.4).

In December 2014, the City selected a team of consultants, led by Hausrath Economics Group (HEG), to conduct a Citywide Impact Fee Nexus Study and Implementation Strategy (“Impact Fee Nexus Study”) and Economic Feasibility Study.

Staff presented an Informational Report to the City Council Community and Economic Development Committee (CED) on April 14, 2015 with an update on the Citywide Impact Fee Nexus Study and Implementation Strategy. A copy of the Agenda Report is included in **Attachment A**.

ANALYSIS AND POLICY ALTERNATIVES

There are five (5) major discussion items in this Analysis Section including the nexus analysis identifying the maximum legal impact fees, the economic feasibility context for a new impact fee program, consideration of what projects are subject to the fee, the policy proposals (which includes a draft City staff proposal), housing unit development option discussion, and an impact fee comparison of other cities. The subsections below provide information on each topic.

Nexus Analysis of Maximum Legal Impact Fees

The consultant team conducted a nexus analysis to determine the maximum legal impact fees that could be adopted by Council. The following three (3) fee categories were analyzed:

- 1.) Transportation impact fee on residential and nonresidential development that would fund expansion and improvements to the City’s transportation system for auto, bike, and pedestrian modes of travel.
- 2.) Capital improvements impact fee on residential and nonresidential development that would fund expansion and improvements to fire, library, parks, police, and storm drain public facilities or infrastructure.
- 3.) Affordable housing impact fee on market-rate residential development that would fund affordable housing development. The City has already adopted a jobs-housing linkage fee effective July 1, 2005 on some nonresidential development (office and warehouse land uses) to mitigate the increased demand for affordable housing generated by these types of nonresidential development.

Attachment B summarizes the nexus analysis for transportation, capital improvements, and affordable housing. The maximum legal impact fee amounts as determined by the nexus analysis are shown in **Attachment C**. Typically in urban areas the maximum legal fee amount is not adopted as it far exceeds what is economically feasible for a development to bear. Real estate market factors typically result in adopted fees at levels below the maximum legal amount to avoid slowing the pace of development. **Attachment C** also includes tables showing the land use data used in the nexus analyses for the transportation and capital improvement impact fees.

Detailed tables from the nexus model showing how the maximum legal impact fees were calculated are in the following attachments: **Attachment D** for transportation, **Attachment E** for capital improvements, and **Attachment F** for affordable housing.

Economic Feasibility Context for New Impact Fee Program

The consultant team is developing an economic feasibility analysis to inform the adoption of an impact fee program that will not adversely affect Oakland’s ability to address the scarcity of housing, and corresponding upward pressure on rents, resulting from lack of supply. The analysis will define representative development prototypes for Oakland and consider associated real estate market and cost data. An economic feasibility model will be used to assess the current economic feasibility of different land uses and building types in different parts of the city.

Attachment G contains information about Oakland’s market context for considering a new impact fee program, the current economic feasibility context for adopting new impact fees, and the effect of phasing in new fees so as to enhance project feasibility and increase development’s ability to pay higher fees. **Attachment H** includes Market and Economic Feasibility Background Tables and Charts.

Projects Subject to the Impact Fee

The City Council has the discretion to determine which projects in the pipeline would be subject to impact fees and which projects may be exempt from such fees, except for those exempt projects that have obtained a “vested right.” Exempt projects that have a “vested right” (as defined by state law) when the fee is adopted are not subject to the impact fee. This would include (1) projects with a development agreement, (2) projects with a vesting tentative map, and/or (3) projects that have building permits and have started substantial construction. As Option (A) the City Council can decide to only exempt “vested right” projects. Table 1 provides a better understanding of the different stages of the development application process.

Table 1: Development Application Process

Planning Application Filed	A project application is submitted to the Bureau of Planning and typically has to meet submittal requirements, such as architectural drawings of plans, survey, green building checklist, etc.
Planning Application Complete	A project application can be incomplete if the case planner notices information that is missing and cannot adequately review the project. An incompleteness letter must be issued within 30 days of the planning application submittal date under state law, otherwise it is automatically deemed complete.
Planning Permit Approved	A planning project is approved by either the Zoning Administrator, City Planning Commission and/or City Council (depending on the type of application and appeals) after the required 17 day public notice period and a final approval letter is issued.
Building Permit Applied	A building permit can only be applied for after the planning permit is approved. An applicant will need detailed plans and specifications meeting the current Building Code in order to apply for the building permit.
Building Permit Issued	Projects that have a building permit issued. Projects with building permits must continue construction and request inspections in order for the building permit to remain valid.

Vested Right	Includes (1) projects with a development agreement, (2) projects with a vesting tentative map; and/or and (3) projects that have building permits and have started substantial construction.
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Exemption Status of Council-Approved Extensions

The City Council adopted Resolution No. 85305 C.M.S. on December 9, 2014 granting extensions of approved planning projects to December 31, 2015, under certain conditions. One of the conditions is “that any projects/applications which are seeking extensions shall be subject to, agree to and pay any development impact fees that are eventually adopted by the City Council unless a vested right is obtained prior to the impact fee adoption date and such project is diligently pursued toward completion, as reasonably determined by the Planning Director or designee.”

Approximately 60 projects received extension letters from the aforementioned City Council resolution. Of the 60 projects, 12 were considered major projects (50 units or more) with approximately 1,516 residential units total; 15 were multi-family projects (less than 50 units) with approximately 362 units total; 25 were single-family unit projects, and the other 8 were non-residential projects.

The following table lists the pending development projects still in the pipeline. These projects are on the Major Projects list and have complete planning applications or an approved planning permit. Some projects have been in the pipeline for 10 years and have received numerous City Council extensions and administrative extensions over the years. It is difficult to determine how many of these projects will actually be built. Those projects that have vesting maps, development agreements, and/or are affordable housing units are shown and then subtracted out of the final column, because they potentially would not be subject to paying an impact fee.

Table 2: Housing Units in the Pipeline

<i>Project Approval Milestone</i>	<i>Total Housing Units</i>	<i>Units with Vesting Maps</i>	<i>Units Subject to Development Agreements</i>	<i>Affordable Housing Units</i>	<i>Remaining Units Potentially Subject to New Impact Fee*</i>
Planning Application Complete	3,304	859	0	59	2,386
Planning Permit Approved	10,500	2,022	235	492	7,751
Total	13,804	2,881	235	551	10,384

Note: Data is based on analysis from the Major Projects list as of August 2015 and excludes single-family units, duplexes, and multi-family projects fewer than 50 units in size. Does not include approved multi-phased projects for which the final planning permit application has not been submitted (e.g., Brooklyn Basin, Jack London Square Redevelopment Project).

* The number of “Remaining Units Potentially Subject to the Impact Fee” equal the total housing units number minus the projects with vesting maps, development agreements, or are affordable housing units.

Table 3 below shows only recent project applications from January 2014 through the middle of November 2015. This table represents a more realistic summary of projects that may actually be built. It also identifies projects that have already applied for their building permit since January 2014, but have not yet been built. As stated above, those projects that have vesting maps, development agreements, and/or are affordable housing units are shown and then subtracted out of the final column, because they potentially would not be subject to paying an impact fee.

Table 3: Housing Units Pipeline, Most Recent Projects (applied January 2014 – mid November 2015)

<i>Project Approval Milestone</i>	<i>Total Housing Units</i>	<i>Units with Vesting Maps</i>	<i>Units Subject to Development Agreements</i>	<i>Affordable Housing Units</i>	<i>Remaining Units Potentially Subject to New Impact Fee*</i>
Planning Application Complete	3,698	1,257	0	74	2,367
Planning Permit Approved	1,896	674	235	59	928
Building Permit Applied, but Not Approved	970	372	0	0	598
Total	6,594	2,303	235	133	3,893

Note: Data based on analysis of Major Projects applied for from January 2014–mid November 2015 that excludes single family units, duplexes, and multi-family projects under 50 units in size. Data search may have missed some vesting maps. A total of 434 units that were considered Major Projects had building permits issued in 2015.

*Table 2 shows fewer units for planning applications complete and vesting maps because it is based on the Major Projects list that was published in August 2015, while Table 3 shows unit counts based on projects through mid-November 2015.

* The number of “Remaining Units Potentially Subject to the Impact Fee” equal the total housing units number minus the projects with vesting maps, development agreements, or are affordable housing units.

Given the number of projects in the pipeline, staff recommends that fees be imposed on units for which completed building permit applications are submitted after December 1, 2016. Other options for identifying which projects in the pipeline would be subject to the fee were considered and are described below.

- a) Option A: Only exempt projects that have a “vested right” (as defined by state law) when the fee is adopted. This would include (1) projects with a development agreement, (2) projects with a vesting tentative map, and/or (3) projects that have building permits and have started substantial construction. (This option would impose the fee on the greatest number of projects)
- b) Option B: Also exempt projects that have received planning approvals/permits and also have applied for and/or obtained a building permit by a date certain, but have not yet begun construction. Staff recommends this option, with a date

- certain for completed building permit application of December 1, 2016. (This option would impose the fee on slightly fewer projects than Option A)
- c) Option C: Also exempt projects that have received planning approvals/permits but have not yet applied for and or/obtained a building permit. (This would exempt more projects than Option B and capture even fewer projects to pay the fee)
 - d) Option D Also exempt projects that have submitted “complete” planning applications but have not yet received a planning approval/permit. (This would exempt the most projects and capture the least number of projects to pay the fee):

All the above options may also include applying the fee to “vesting” subdivision applications already submitted, as authorized by the State Subdivision Map Act (Government Code section 66474.2(b), provided such applications have not been approved prior to the impact fees adoption date.

Policy Proposals

At the November 12, 2015 Impact Fee Stakeholder Working Group meeting, City Staff presented the members with a target fee of \$20,000 per unit of multi-family housing development in Zone 1. Staff also asked the group how they would propose to phase in the fee program, beginning in 2016 and achieve the target fee amount of \$20,000 per unit. The Stakeholder Working Group members generated three (3) different potential impact fee policy proposals, which are summarized below the City’s proposal below in Tables 8A – 8C and in ***Attachment I***. On December 14, 2015, the last of six Impact Fee Stakeholder Working Group meetings, each member was asked to summarize their position on an impact fee proposal. This summary is also included in ***Attachment I***. City staff generated a policy proposal explained below.

City Staff Impact Fee Proposal

City staff considered the first two proposals presented by Stakeholder Working Group members on November 12 and 19, 2015 (summarized in Tables 8A and 8B and in text in ***Attachment I***) before presenting a proposal on November 30, 2015. Staff had some concerns with both proposals. In part, these concerns are based on two assumptions about the fungible costs of development: land price and financing criteria, including return on investment (profit). For those cities that have imposed fees, evidence suggests that land price and return on investment are the factors that adjust to account for impact fees. Hard costs, such as construction and labor costs have more narrow parameters and cannot be adjusted as easily. Within this development context, a project may become infeasible if a new fee is imposed on a project where land has been purchased and financing obtained. These requirements most often are confirmed during the building permit phase of a project.

For the proposal presented at the November 12, 2015 meeting, there was concern about exempting all of the pipeline projects with approved planning permits and/or completed planning applications. As stated in the previous subsection, there are a large number of projects that fall into those categories as well as projects that could still achieve completed applications about a

month before the fee program would start in December 2016. Staff was also aware of the December 2014 City Council resolution that projects that received extensions would be subject to paying the impact fee. From the economic perspective, the November 12, 2015 proposal has relatively low risk of affecting the rate and amount of development in Oakland. Under this proposal, the implementation of impact fees would “follow” the market, phasing in new fees consistent with continued real growth of rents and improved feasibility of housing development. By doing so, it would encourage near-term development that provides “successes on the ground” for lenders and investors, and increases the ability to absorb higher fees in the future.

For the proposal presented at the November 19, 2015 meeting, there was concern about starting with the target impact fee of \$20,000 per unit on July 1, 2016 and not allowing for a phase in period. In addition, the proposal is to increase the fee to \$24,000 one year later, on July 1, 2017. The economic analysis concluded that there is high risk and that this proposal would adversely affect project feasibility and the timing and amount of development in Oakland. This proposal does not provide a phase-in period for the market to adjust to significant new fees nor does it allow time for planned projects with existing financial commitments to be built. According to the economic analysis, this proposal would require higher rent increases than are projected to occur over the short time period proposed for implementing the new fees. Under this proposal, rent increases would be required to both enhance existing project feasibility and cover the new fees proposed at high levels over two (2) years. Further, additional rent increases would be required if additional transportation or capital facilities fees were collected in addition to the affordable housing and CEQA transportation fees proposed.

For the proposal that was emailed on December 7 and discussed at the December 10 meeting, the total impact fees and phasing in was similar to the City Staff proposal, but the allocation of fees to the three different fee categories was different. Therefore, the economic analysis is the same as the City Staff proposal listed below.

Based on the above considerations, a City Staff Proposal has been identified. Key points of the City Staff Proposal are:

- The fee amount is determined at the building permit application.
- Any project that applies for a building permit prior to December 1, 2016 will not pay the impact fee; this includes projects extended by the City Council in December 2014.
- The impact fee is paid during the building permit process. It is recommended that 50 percent of the impact fee be collected at building permit issuance and 50 percent be collected prior to certificate of occupancy with demonstration of security that it will be paid. The transportation impact fee may be required to be paid earlier to allow those funds to be used to construct transportation projects prior to certificate of occupancy. By allowing for impact fee payment in a phased approach or payment at certificate of occupancy of the building permit process would benefit economic feasibility by reducing the carrying cost time frame.

Residential Impact Fees (City Staff Proposal)

Staff proposes that projects applying for building permits on or after December 1, 2016 would be subject to the fee. The initial fee on December 1, 2016 is proposed to be \$5,710 for multi-family residential developments in an area referred to as “Zone 1”, namely Central Oakland and the

hills. Fees are proposed to vary by zone and building type. Staff proposes three different fee zones for the City, which are further described below. All projects that apply for a building permit prior to December 1, 2016 would not be subject to the fees. This would include projects given extensions by action of the City Council in December 2014. There are approximately 60 approved planning projects that received extensions per the City Council resolution in December 2014. Of those 60, projects that apply for a building permit with a complete application prior to December 1, 2016, would not be subject to the fee under this proposal. Any projects that received extensions, but apply for a building permit with a complete application after December 1, 2016, would be subject to the impact fee.

Key points of the City staff proposal for Multi-family Residential Units in Zone 1 are shown in the Table 4 below and are summarized as follows:

- The fee amount is determined at building permit application.
- Any project that applies for a building permit prior to December 1, 2016 would not pay the impact fee; this includes projects extended by the City Council in December 2014.
- Any project that applies for a building permit from December 1, 2016 through November 30, 2017 will pay \$5,710 per unit during the building permit process.
- Any project that applies for a building permit from December 1, 2017 through November 30, 2018 will pay \$10,710 per unit during the building permit process.
- Any project that applies for a building permit after December 1, 2018 will pay \$20,710 per unit during the building permit process.
- The above impact fees are the total impact fees that would be charged for multi-family Residential in Zone 1 during those years. They include a \$710 transportation impact fee, with the remainder allocated to the affordable housing impact fee. No capital improvement impact fees are included for multi-family residential units in Zone 1 in the years listed above. An additional amount for capital improvement could be added in subsequent years.

For the residential impact fees, staff divided the City into three (3) different geographic zones that have different market characteristics (support different prices and rent) and different levels of economic feasibility, and thus different abilities to pay impact fees. Impact fee Zone 1 includes downtown, the east side of Lake Merritt, much of North Oakland, and the Hills above I-580, (see **Attachment J** for a map of the zones). Impact fee Zone 2 includes West Oakland and a small part of North Oakland. Lastly, Impact fee Zone 3 includes areas east of Park Boulevard to 2nd Avenue to International Avenue to 4th Avenue to E. 10th Street to 5th Avenue and below I-580.

The proposed target fee amount for multi-family housing development units in Zone 1 is \$20,710 per unit, which is reached in December 2018. The target fee anticipates increases in rents over current levels (2015) to support additional ability to pay the fees, along with adjustments to land prices and financing criteria.

The transportation impact fee is sufficient to cover the California Environmental Quality Act (CEQA) transportation cumulative impact mitigations that are within the Environmental Impact Reports for all of the Specific Plans, Redevelopment Plans, General Plan, and other major projects. Therefore, paying the impact fee would satisfy a development's obligation to contribute its fair share towards mitigating the impact without having to fully fund the mitigation

project. The remainder of the impact fees for multi-family housing are allocated to affordable housing due to the immediate need for affordable units. The staff proposal includes an impact fee for capital improvements starting in December 2016 for single-family and townhome developments. A later phase-in of a capital improvement fee for multi-family developments could also occur.

- **Multi-family, Zone 1:** target fee will phase in over two (2) years, -2016 through 2018 to address the economic feasibility considerations as mentioned above.
- **Single-family, Zone 1:** target fee will phase in over two (2) years to 2018 due to economic feasibility considerations. This category includes new housing in several submarkets and covering a range of housing prices.
- **Townhome, Zone 1:** target fee will phase in over two (2) years to 2018 due to economic feasibility considerations.
- The residential impact fees for Zone 2 and Zone 3 are proposed at lower target fee amounts than for Zone 1 to account for differences in market characteristics and levels of feasibility, and thus differences in ability to pay impact fees. Residential impact fees for Zone 2 (West Oakland and a small part of North Oakland) are proposed at somewhat lower levels than in Zone 1 as newer development and development proposals in Zone 2 are targeted to markets supporting lower rents and prices. Residential impact fees for Zone 3 (East Oakland below 580 and excluding areas just east of Lake Merritt) are proposed at levels below those in Zone 1 and Zone 2, as development in Zone 3 is anticipated to target markets supporting lower rents and prices. Also because feasibility levels in Zone 3 are currently below those in Zone 1 and Zone 2.

Table 4: City Staff Proposal Residential Impact Fees for Zone 1

City Staff Proposed Residential Impact Fees (Fee is Per Unit)				
The Date is Based on When the Applicant Applies for Building Permit				
Housing Use Type	Fee Category	12/1/16 – 11/30/17	12/1/17 – 11/30/18	12/1/18 – (target fee)
Multi-family, Zone 1	Affordable Hsg.	\$5,000	\$10,000	\$20,000
	Capital Imp.*	\$0	\$0	\$0*
	Transportation	\$710	\$710	\$710
	Total	\$5,710	\$10,710	\$20,710
Townhome, Zone 1	Affordable Hsg.	\$5,500	\$10,000	\$17,000
	Capital Imp.	\$1,000	\$1,000	\$3,000
	Transportation	\$1,000	\$1,000	\$1,000
	Total	\$7,500	\$12,000	\$21,000
Single-family, Zone 1	Affordable Hsg.	\$5,000	\$10,000	\$20,000
	Capital Imp.	\$1,500	\$4,000	\$4,000
	Transportation	\$1,000	\$1,000	\$1,000
	Total	\$7,500	\$15,000	\$25,000

*An impact fee, yet to be determined, for Capital Improvements will phase in later.

Table 5: City Staff Proposal Residential Impact Fees for Zone 2

City Staff Proposed Residential Impact Fees (Fee is Per Unit) The Date is Based on When the Applicant Applies for Building Permit				
Housing Use Type	Fee Category	12/1/16 – 11/30/17	12/1/17 – 11/30/18	12/1/18 – (target fee)
Multi-family, Zone 2	Affordable Hsg.	\$4,000	\$8,000	\$16,000
	Capital Imp.*	\$0	\$0	\$0*
	Transportation	\$710	\$710	\$710
	Total	\$4,710	\$8,710	\$16,710
Townhome, Zone 2	Affordable Hsg.	\$2,000	\$6,000	\$12,000
	Capital Imp.	\$1,000	\$1,000	\$2,000
	Transportation	\$1,000	\$1,000	\$1,000
	Total	\$4,000	\$8,000	\$15,000
Single-family, Zone 2	Affordable Hsg.	\$3,000	\$8,000	\$14,000
	Capital Imp.	\$1,000	\$1,000	\$3,000
	Transportation	\$1,000	\$1,000	\$1,000
	Total	\$5,000	\$10,000	\$18,000

*An impact fee, yet to be determined, for Capital Improvements will phase in later.

Table 6: City Staff Proposal Residential Impact Fees for Zone 3

City Staff Proposed Residential Impact Fees (Fee is Per Unit) The Date is Based on When the Applicant Applies for Building Permit				
Housing Use Type	Fee Category	12/1/16 – 11/30/17	12/1/17 – 11/30/18	12/1/18 – (target fee)
Multi-family, Zone 3	Affordable Hsg.	\$3,000	\$6,000	\$12,000
	Capital Imp.*	\$0	\$0	\$0*
	Transportation	\$710	\$710	\$710
	Total	\$3,710	\$6,710	\$12,710
Townhome, Zone 3	Affordable Hsg.	\$1,000	\$4,000	\$8,000
	Capital Imp.	\$1,000	\$1,000	\$1,000
	Transportation	\$1,000	\$1,000	\$1,000
	Total	\$3,000	\$6,000	\$10,000
Single-family, Zone 3	Affordable Hsg.	\$1,000	\$4,000	\$8,000
	Capital Imp.	\$1,000	\$1,000	\$1,000
	Transportation	\$1,000	\$1,000	\$1,000
	Total	\$3,000	\$6,000	\$10,000

*An impact fee, yet to be determined, for Capital Improvements will phase in later.

Nonresidential Impact Fees (City Staff Proposal)

There is an existing jobs-housing linkage fee of \$5.44 per square foot in Fiscal Year (FY) July 1, 2015 – June 30, 2016 on office and warehouse to provide funding for affordable housing. Therefore, new proposed impact fees are for capital improvements and transportation only. For all of the nonresidential uses the proposed impact fees include the minimum amount to cover CEQA transportation cumulative impact mitigations starting in 2016 so developers can pay their fair share of required transportation improvements. For Capital Improvements the fees vary by land use depending on the current economic feasibility for that land use, economic development considerations, and the phasing in of increases as development becomes more feasible. The combined fee was allocated toward 50 percent to transportation and 50 percent to capital improvements where economically feasible and where the maximum legal amount for the capital improvement fee does not limit the fee amount.

- **Office:** target fee is proposed to phase in over 5 years to 2020 due to the need for substantial increase in office rents to make projects feasible, and the City's desire to encourage new office building construction.
- **Retail (freestanding and ground floor):** target fee is based on economic feasibility and economic development considerations for encouraging retail development that Oakland is lacking in order to provide more local shopping opportunities for residents and to collect much needed sales tax revenue. Increased sales tax revenue allows for a larger General Purpose Fund, which pays for numerous City needs.
- **Light Industrial:** target fee addresses economic feasibility along with consideration that light industrial activities provide business opportunities and jobs for Oakland residents.
- **Warehouse:** target fee based on consideration of economic feasibility. The Capital Improvement fee is affected by the maximum legal amount.
- **Hotel/motel:** similar to retail, the target fee for hotel/motel is constrained to encourage economic development of hotel/motel uses for the economic and fiscal benefits they provide. In addition, the City already imposes a Transit Occupancy Tax (TOT) on hotels.
- **Institutional:** target fee is based on economic feasibility and nexus analysis considerations.

Table 7: City Staff Proposal Nonresidential Impact Fees

City Staff Proposed Nonresidential Impact Fees (Fee is Per Square Foot) The Date is Based on When the Applicant Applies for Building Permit						
Use Type	Fee Category	12/1/16 – 11/30/17	12/1/17 – 11/30/18	12/1/18 – 11/30/19	12/1/19 – 11/30/20	12/1/20 + (target fee)
Office*	Capital Imp.	\$0.00	\$0.00	\$1.00	\$1.00	\$2.00
	Transportation	\$0.85	\$0.85	\$1.00	\$1.00	\$2.00
	Total	\$0.85	\$0.85	\$2.00	\$2.00	\$4.00
Retail, Freestanding	Capital Imp.	\$0.00	\$0.15	\$0.25	\$0.25	\$0.50
	Transportation	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
	Total	\$0.75	\$0.90	\$1.00	\$1.00	\$1.25
Retail, Ground Floor	Capital Imp.	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	Transportation	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
	Total	\$0.75	\$0.75	\$0.75	\$0.75	\$0.75
Light Industrial	Capital Imp.	\$0.40	\$0.40	\$0.75	\$0.75	\$1.00
	Transportation	\$0.60	\$0.60	\$0.75	\$0.75	\$1.00
	Total	\$1.00	\$1.00	\$1.50	\$1.50	\$2.00
Warehouse*	Capital Imp.	\$0.65	\$0.90	\$1.00	\$1.00	\$1.00
	Transportation	\$0.35	\$1.10	\$2.00	\$3.00	\$3.00
	Total	\$1.00	\$2.00	\$3.00	\$4.00	\$4.00
Hotel/Motel	Capital Imp.	\$0.10	\$0.20	\$0.35	\$0.35	\$0.60
	Transportation	\$0.65	\$0.65	\$0.65	\$0.65	\$0.65
	Total	\$0.75	\$0.90	\$1.00	\$1.00	\$1.25
Institutional	Capital Imp.	\$2.50	\$2.50	\$2.50	\$2.50	\$3.00
	Transportation	\$1.50	\$1.50	\$2.50	\$2.50	\$3.00
	Total	\$4.00	\$4.00	\$5.00	\$5.00	\$6.00

*Existing jobs-housing linkage fee for affordable housing = \$5.44 per square foot for July 1, 2015 – June 30, 2016.

Stakeholder Working Group Proposal Summary Tables

The first proposal presented by some of the Stakeholder Working Group members on November 12, 2015 is shown in Table 8A below. Some key points are:

- The fee amount is based upon when a planning application is complete for a project.
- Any planning application complete prior to July 1, 2016 is exempt from the impact fee.
- Building permits must be applied for within one (1) year of planning application approval or fee changes to current fee at time of building permit.
- Construction must start within one (1) year of building permit issuance or the fee changes to the current fee at time of building permit. The fee is to cover all three (3) impact fee categories (affordable housing, capital improvements, and transportation).

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 January 26, 2016

Table 8A: Stakeholder Working Group Proposal

Fee Proposal from Some Working Group Members at the Nov. 12, 2015 Meeting						
Proposed Fee is the Total Impact Fee for all Three (3) Impact Fee Categories for Multi-Family in Zone 1 and Amount is Per Residential Unit						
	Prior to 7/1/16	7/1/16 – 6/30/17	7/1/17 – 6/30/18	7/1/18 – 6/30/19	7/1/19 – 6/30/20	7/1/20 – 6/30/21
Projects Subject to the Fee	Projects that do not have a completed planning application.					
Fee Amount	\$0	\$5,000	\$10,000	\$20,000	\$20,000	\$20,000
Estimated Timing of when Payment Would Occur (at building permit stage)*	\$0	\$0	\$0	\$5,000	\$10,000	\$20,000
*The payment during building permit could be spread out over different stages of the building permit; including; but not limited to a percentage at application a percentage at issuance, and a percentage at certificate of occupancy; and/or any variation on this.						

The second proposal presented by some of the Stakeholder Working Group members on November 19, 2015 is shown in Table 8B below. Some key points are:

- The fee amount is determined at building permit application milestone.
- Any project that applies for a building permit prior to July 1, 2016 is exempt from the impact fee, except projects that had received a City Council extension of their approved planning permit from December 31, 2014 to December 31, 2015 would still be subject to pay the fee if they do not have a vested right.
- There is flexibility on when the impact fee is paid in the building permit process (application, issuance, or certificate of occupancy).
- Under this proposal, the fees are only the affordable housing impact fees, and additional fee amounts will need to be charged for a transportation impact fee and a capital improvements impact fee, if desired. No specific fee amounts were listed for those categories.
- An addition was added to this proposal at the December 14, 2015 Stakeholder Working Group meeting to add \$710 for a transportation impact fee to start on July 1, 2016, but to hold off on charging a capital improvements impact fee until a future date.

Table 8B: Stakeholder Working Group Proposals

Fee Proposal from Some Working Group Members at the Nov. 19, 2015 Meeting (Amended at the Dec. 14, 2015 Meeting)						
Proposed Fee is For Affordable Housing Impact Fee Only Across the Whole City of Oakland and Amount is Per Residential Unit						
	Prior to 7/1/16	7/1/16 – 6/30/17	7/1/17 – 6/30/18	7/1/18 – 6/30/19	7/1/19 – 6/30/20	7/1/20 – 6/30/21
Projects Subject to the Fee	Projects that do not have a completed planning application.					
Fee Amount						
Affordable Housing	\$0	\$20,000	\$24,000	\$24,000	\$24,000	\$24,000
Capital Improvement		\$0	\$0	\$0	+	+
Transportation		\$710	\$710	\$710	\$710	\$710
Total		\$20,710	\$24,710	\$24,710	\$24,710	\$24,710
Estimated Timing of when Payment Would Occur (at building permit stage)*	\$0	\$20,710	\$24,710	\$27,710	\$24,710	\$24,710
*The payment during building permit could be spread out over different stages of the building permit; including; but not limited to a percentage at application, a percentage at issuance, and a percentage at certificate of occupancy; and/or any variation on this.						
+Indicates that additional fee amounts would be required for the transportation and capital improvement impact fees.						

The third proposal presented by a Stakeholder Working Group member through an email on December 7, 2015 and discussed at the December 10, 2015 meeting is shown in Table 8C below. Some key points are:

- The fee amount is determined at building permit application milestone.
- Any project that applies for a building permit prior to September 1, 2016 is exempt from the impact fee.
- It is suggested that the impact fee is paid in the building permit process with 50% at building permit issuance and 50% at certificate of occupancy.
- Under this proposal, the fees are allocated with 60% to affordable housing, 20% to capital improvements, and 20% to transportation impact fees. This was based upon the percentages of the maximum fees that could be charged for each impact fee category.
- Recommended that parks and recreational facilities be disaggregated from capital improvement fees and that one of these three options be adopted: (1) a separate parks and recreation facilities impact fee, (2) a community facilities fee with parks and libraries combined, or (3) a city policy that the allocation of the capital facilities fees shall be proportional.

Table 8C: Stakeholder Working Group Proposals

<i>Fee Proposal from a Working Group Member emailed on Dec. 7, 2015 and Discussed at the Dec. 10, 2015 Meeting (Amended at the Dec. 14, 2015 Meeting)</i>						
Proposed Fee is the Total Impact Fee for all Three (3) Impact Fee Categories For Multi-family in Zone 1 and Amount is Per Residential Unit						
	Prior to 9/1/16	9/1/16 – 6/30/17	7/1/17 – 6/30/18	7/1/18 – 6/30/19	7/1/19 – 6/30/20	7/1/20 – 6/30/21
Projects Subject to the Fee	Projects that have not submitted a building permit application.					
Fee Amount						
Affordable Housing	\$0	\$3,000	\$6,000	\$12,317	\$12,317	\$12,317
Capital Improvement		\$1,000	\$2,000	\$4,106	\$4,106	\$4,106
Transportation		\$1,000	\$2,000	\$4,106	\$4,106	\$4,106
Total		\$5,000	\$10,000	\$20,528	\$20,528	\$20,528
Estimated Timing of When Payment Would Occur (at building permit stage)*	\$0	\$5,000	\$10,000	\$20,528	\$20,528	\$20,528
*The payment during building permit would be spread out with 50 percent collected at building permit issuance and 50 percent collected at certificate of occupancy.						

The proposal from a Stakeholder Working Group Member that was emailed on December 7, 2015 also included a proposal for impact fees for townhomes and single-family residential, this is shown in the table below. Additional impact fees were recommended for a potential zone that would be in East Oakland, lower fees were recommended than in Zone 1 for all three residential types.

<i>Fee Proposal from a Stakeholder Working Group Member emailed on Dec. 7, 2015 and Discussed at the Dec. 10, 2015 Meeting, Amended at the Dec. 14, 2015 Meeting</i>						
Proposed Fee is the Total Impact Fee for all Three (3) Impact Fee Categories For Single-family and Townhome in Zone 1 and Amount is Per Residential Unit						
	Prior to 9/1/16	9/1/16 – 6/30/17	7/1/17 – 6/30/18	7/1/18 – 6/30/19	7/1/19 – 6/30/20	7/1/20 – 6/30/21
Projects Subject to the Fee	Projects that have not submitted a building permit application.					
Fee Amount – Townhome						
Affordable Housing	\$0	\$3,000	\$6,000	\$15,448	\$15,448	\$15,448
Capital Improvement		\$1,000	\$2,000	\$5,149	\$5,149	\$5,149
Transportation		\$1,000	\$2,000	\$5,149	\$5,149	\$5,149
Total		\$5,000	\$10,000	\$25,746	\$25,746	\$25,746
Fee Amount – Single-family						
Affordable Housing	\$0	\$3,000	\$6,000	\$17,179	\$17,179	\$17,179
Capital Improvement		\$1,000	\$2,000	\$5,726	\$5,726	\$5,726
Transportation		\$1,000	\$2,000	\$5,726	\$5,726	\$5,726
Total		\$5,000	\$10,000	\$28,631	\$28,631	\$28,631
*The payment during building permit would be spread out with 50 percent collected at building permit issuance and 50 percent collected at certificate of occupancy.						

Housing Unit Development Options

As an alternative to payment of an affordable housing impact fee, a developer could mitigate their project's impacts by building affordable units on-site or off-site. The cost of on-site compliance is represented by the difference between the market-rate rent/sales price and the affordable rent/sales price for the affordable units required in a residential development. From the perspective of the market-rate project subject to the requirements, the "cost" is the reduction in revenues from renting or selling a unit at the affordable rent/price instead of the market-rate rent/price. It is assumed that the development costs for the affordable units would be essentially the same as the costs of developing the market-rate units in the project.

To provide units off-site, the developer could build the units directly or could contribute funds to another developer who would build the affordable units. The cost of off-site compliance is defined as the difference between affordable sales prices and the development costs of the off-site units. The development costs may understate the true costs of off-site compliance, as there could be additional risks and difficulties of developing two projects in the same time frame, which cannot be easily quantified. In most cases, the development costs of off-site units are likely to be less than the costs of on-site units, as it is assumed that developers of relatively more expensive, market-rate projects could develop affordable units on less valuable sites and with lower construction costs.

There are benefits to having projects build affordable units on-site because the units are built sooner and are mixed in with market rate units. Additionally, the units are built in neighborhoods with amenities and better public services that otherwise lack affordable housing opportunities. With payment of the impact fee, as previously mentioned, the fee revenue can be leveraged by a factor of more than 3:1 to produce more affordable units. Fee revenue for the City's Affordable Housing Trust Fund can also serve the lowest income groups and households with special needs, and fund affordable projects that provide services to residents such as job training and after school programs. There are benefits to both options thus making this an important policy question.

At the initial adoption of the program, staff recommends calibrating the unit production option so that it has the same cost impact on the project as the impact fee and allows the provision of moderate-income and/or lower-income units in the project. The City can monitor the production of affordable housing to understand what levels of affordability are generated. The City can then compare this information to housing goals by income category and geographic location. If new affordable housing production is low for certain targeted income categories and/or not occurring in certain neighborhoods, particularly high-cost neighborhoods, the City can recalibrate the unit production option to incentivize affordable housing at certain income levels or in certain neighborhoods.

Impact Fee Comparison of Other Cities

The consultant completed an impact fee survey and provided background information for relevant, selected cities including Oakland, the nearby East Bay cities of Berkeley and Emeryville, and lastly, the City of San Jose. The proposed target fee of \$20,710 in Zone 1 is within the scale of fees in place in other jurisdictions. However, impact fees in other cities are not necessarily indicative of the fee levels feasible and appropriate in Oakland because of many

factors, including differences in market context, in the types and densities of development occurring, and in the time frames over which fees have been established. The four (4) cities considered here are both comparable and different depending on the criteria and **Attachment K** summarizes information for each city.

FISCAL IMPACT

The fiscal benefit of the revenues generated by the impact fees is dependent on the set fee amounts of the fee phase in, and the level of development activity that takes place and is subject to the fee. Based on the City Staff Draft Impact Fee Proposal above (Tables 4 – 7), the revenue generated over 10 years of the program is estimated to be \$79.3 million. Of this total, \$60.8 million (77%) would be generated by the affordable housing fee, \$5.7 million (7%) by the capital improvement fee, and \$12.8 million (16%) by the transportation fee. This 10-year estimate is based on a development projection of 10,000 total housing units of which approximately 6,000 would not pay the fee because of either vested rights or development agreements. Of the 6,000 units, about 4,000 units are in projects with agreements (e.g., development agreement, disposition and development agreement) that require some type of community benefits. The development projection also includes 3.6 million square feet of commercial and industrial space of which 200,000 square feet is estimated to not pay the fee due to either vested rights or development agreements.

The fiscal impact of administering and implementing the Citywide Impact Fee Study and Implementation Strategy and any future development impact fee program(s), is typically two percent (2%) of the impact fees charged. As part of the Council action adopting the fee, this amount would be added on top of the proposed impact fee amount and covers staff needed to administer the program. This amount will be studied to see if it covers the development impact fee program(s) administration and implementation.

PUBLIC OUTREACH / INTEREST

Preliminarily, City Staff and the consultants made presentations about the Impact Fee Nexus Study and Economic Feasibility Analysis processto the following groups: 1) an Impact Fee Roundtable meeting of the Land Use Committee of the Oakland Chamber of Commerce; 2) a meeting held by the Oakland Builders Alliance (OBA); 3) a meeting with affordable housing advocates that included East Bay Housing Organizations (EBHO) and Satellite Affordable Housing Associates (SAHA);4) participation in a forum on Keeping Oakland Affordable held by TransFORM; and 5) a meeting with Oakland Community Investment Alliance (OCIA). Staff also held a follow up meeting with EBHO to review the assumptions for the affordable housing nexus analysis model in order to receive their input on the process.

As noted above, the Economic Feasibility Analysis indicated that the increment of impact fees feasible to charge is less than what may be the maximum legal fee amount according to the nexus study results. In order to solicit feedback from a variety of different stakeholders concerning how the City could adopt an economically viable set of impact fees, a Stakeholder Working Group was established. It consisted of City Staff and an ad-hoc panel of technical experts representing a cross section of stakeholders with interests associated with the impact

fee program. The goal of the group was to provide diverse input to City staff as staff developed its proposal for the City Council's consideration.

There were six (6) Stakeholder Working Group meetings. At the first meeting, staff-presented the results of the Nexus Study and Economic Feasibility Analysis. At the second meeting, staff presented a target impact fee proposal and received input from the Working Group on how to phase in the fee, how the fees should be applied in different geographic areas of the City, and how the fees should be distributed amongst three (3) different fee categories. At the third meeting, the group discussed a proposal presented in meeting number two (2) from some of the Working Group members along with a counter proposal presented by some other Working Group members, as well as a further discussion of how to distribute the fee amongst the three (3) different categories. At the fourth meeting, the group discussed a proposal from some of the Working Group members in meeting number three (3); as well as how the capital improvements fee should be allocated amongst the different fee categories. City staff also presented a proposal and asked for feedback from the Working Group. At the fifth meeting, discussions continued about the proposals; City staff presented fee information for nonresidential use and estimated revenues. At the sixth, and final, meeting, City staff reviewed the nonresidential fees from the City's proposal and concluded discussions with the group about four (4) key policy questions: target fee levels, which projects are subject to the fees, a phase-in schedule, and fee revenue allocations.

The intent of these meetings was to engage and inform stakeholders and to seek input on policy issues prior to staff presenting its proposal to the City Council. A summary of the groups key themes from this wrap up discussion are included in **Attachment I**.

COORDINATION

Project management, policy guidance, and implementation was coordinated with the City Administrator's Office, Office of the City Attorney, and the Planning and Building Department as well as the Public Works, Housing and Community Development, Police, Fire, and Parks and Recreation Departments along with other departments, as appropriate, based on the topic(s) addressed.

SUSTAINABLE OPPORTUNITIES

Economic: The proposed impact fees will require private development to fund its fair share of potential transportation, infrastructure, affordable housing projects, and capital improvement projects in a manner that does not hamper new development. The application of the development impact fee process will help provide certainty about development costs.

Environmental: Establishing impact fees could pay for the impacts that a potential project creates and serve to mitigate the cumulative transportation impacts.

Social Equity: Establishing impact fees on new development could provide funding for transportation, capital improvements, and affordable housing units. These funds will be used to mitigate impacts of new development citywide.

CEQA

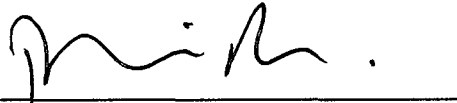
Adoption of an impact fee program is (1) not a Project under CEQA and is therefore exempt pursuant to CEQA Guidelines section 15378 (b)(4); (2) statutorily exempt pursuant to CEQA Guidelines section 15273(4) (Rates, Tolls, Fares and Charges for obtaining funds for capital projects necessary to maintain service within existing service area); (3) at least for the housing component, statutorily exempt pursuant to CEQA Guidelines section 15267 (Financial Assistance to Low or Moderate Income Housing); (4) not intended to apply to specific capital improvement projects and as such it is speculative to evaluate such projects now and any specifically identified transportation projects were already evaluated under CEQA and imposed as mitigation measures in previously certified EIRs and/or adopted mitigated negative declarations; and/or (5) not intended to, nor does it, provide CEQA clearance for future development-related projects by mere payment of the fees. Each of the foregoing provides a separate and independent basis for CEQA compliance and when viewed collectively provides an overall basis for CEQA compliance.

ACTION REQUESTED OF THE CITY COUNCIL

Staff Recommends That The City Council Receive This Report And Provide Direction to Staff to Prepare the Necessary Legislation to Enable Imposition of Citywide Housing, Transportation, and Capital Improvement Impact Fees.

For questions regarding this report, please contact Laura Kaminski, Planner III, at (510) 238-6809.

Respectfully submitted,



DARIN RANELLETTI
Deputy Director, Planning and Building
Department

Prepared by:
Laura Kaminski, Planner III
Strategic Planning Division

Attachments (12):

- A. April 14, 2015 Agenda Report, Update on Citywide Impact Fee Nexus Study and Implementation Strategy
- B. Nexus Study Summary
- C. Maximum Legal Impact Fees Tables Summary (details in Attachments C, D & E)
- D. Maximum Legal Impact Fee Nexus Analysis Transportation Infrastructure
- E. Maximum Legal Impact Fee Nexus Analysis Capital Improvements
- F. Maximum Legal Impact Fee Nexus Analysis Affordable Housing
- G. Oakland's Market Context (details in Attachment H)
- H. Market and Economic Feasibility Background Tables and Charts
- I. Impact Fee Proposals from Members of the Stakeholder Working Group and Stakeholder Group Meeting #6 Key Policy Points Summary
- J. Impact Fee Zone Boundary Map
- K. Comparison of Other Cities (tables in Attachment K)
- L. City Impact Fee Survey Tables



CITY OF OAKLAND

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OFFICE OF THE CITY CLERK
OAKLAND

2015 MAR 31 PM 12:48

AGENDA REPORT

TO: JOHN A. FLORES
INTERIM CITY ADMINISTRATOR

FROM: Rachel Flynn

SUBJECT: Update on Citywide Impact Fee Nexus
Study And Implementation Strategy

DATE: March 23, 2015

City Administrator
Approval

Date

3/30/15

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council receive:

An Informational Report Regarding The Status of The Impact Fee Nexus Study and Implementation Strategy.

OUTCOME

Staff requests that this report be forwarded to the Full Council for discussion and to hear public comments. The report presents the background of how the Impact Fee Nexus Study and Implementation Strategy are being conducted as well as the current status of the project. This informational report contains no policy recommendations because the project, according to the Council agreed upon timeline, is still in the analysis stage of the study.

EXECUTIVE SUMMARY

Development impact fees are a common mechanism used by municipalities to address critical needs for transportation and infrastructure improvements, as well as affordable housing that can be attributed to new development. On December 9, 2014, the City Council authorized the City Administrator to enter into a contract with Hausrath Economics Group (HEG) to conduct a Citywide Impact Fee Nexus Study and Implementation Strategy ("Impact Fee Nexus Study").

The project schedule, as presented to City Council with the HEG contract authorization, proposes to bring a preliminary development impact fee proposal to the City Council in

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November 2015 and obtain Council approval in early 2016. The purpose of this informational report is to provide an update on the current status and approach of the study.

BACKGROUND/LEGISLATIVE HISTORY

Development impact fees are a commonly used method of collecting a proportional share of funds from new development for infrastructure improvements and other public facilities to serve the development. With rare exceptions, one-time development impact fees are restricted to funding capital costs for new facilities or upgrades to existing facilities, and are not used for annual operations and/or maintenance. The two key concepts for implementation of impact fees are that they may only be charged to new development and that the funds collected must be expended on improvements needed as a result of the new development. Pursuant to the Mitigation Fee Act, California Government Code Section 66000, *et seq.* (also known as AB 1600), adoption of impact fees requires documentation of the “nexus” or linkage between the fees being charged, the benefit of the facilities needed to mitigate new development impacts, and the proportional cost allocation to be funded by the fees. Impact fees are usually imposed either jurisdiction-wide or in other relatively large areas anticipating significant amounts of new development. The fees can vary by different geographical areas of the City. The revenue collected from impact fees may not be immediately available because they may take some time to accumulate since the fee is collected upon building permit issuance. In addition, impact fee programs are often phased-in to allow the real estate market to adjust to the higher development costs. Therefore, it may take time to accumulate enough revenue to, for example, pay for a major transportation project or to build an affordable housing project.

Legislative History

The concept of initiating a development impact fee program in Oakland has been considered in the past, as recently as 2009; however, these efforts were never funded. In 2013, the City Council identified funding and directed staff to prepare a nexus study for potential development impact fees for transportation, infrastructure (capital improvements), and affordable housing to offset impacts from new development on these City resources. In June 2013, as part of the Fiscal Year 2013-15 City of Oakland Adopted Policy Budget, \$500,000 was appropriated for a nexus study to support impact fees. An additional \$600,000 from other sources is also available for the project as set forth in the City’s Bond Spending Plan (specifically, \$200,000 each from the Central City East, Central District, and Coliseum Redevelopment Areas were identified for this purpose).

Policies to support preparing a nexus study and economic feasibility analysis for potential development impact fees for transportation, infrastructure (capital improvements), and affordable housing are included in the recently adopted specific plans for the Broadway Valdez District, West Oakland, and Lake Merritt Station Area, as well as in the final draft of the Coliseum Area Specific Plan, and the City’s 2015-2023 Housing Element Update. The 1998 *Land Use and*

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Transportation Element (LUTE) of the City's General Plan includes an objective T.5: "Secure funding for transportation infrastructure improvements and maintenance" and policies that support considering "a range of strategies to provide funding for transportation improvements... including, but not limited to, special user fees, development impact fees, or assessment districts" (Policy T5.4).

The consultant team, Hausrath Economics Group (HEG), was selected as a result of a formal consultant selection process. The Hausrath Economics Group team includes the following firms (areas of expertise and participating office location included):

- Hausrath Economics Group (Project management, development/growth scenario, economic feasibility analysis, affordable housing context, survey of impact fees in comparable cities, located in Oakland, CA);
- Urban Economics (Development impact fee programs, transportation and capital improvements impact fee nexus analyses, located in Oakland, CA);
- Fehr & Peers (Transportation planning, transportation impact fee nexus analysis, located in Oakland, CA);
- BKF Engineers (Utility infrastructure planning, located in Oakland, CA);
- Vernazza Wolfe Associates (Affordable housing nexus analysis, located in Berkeley, CA); and,
- Lamphier-Gregory (California Environmental Quality Act – CEQA compliance, located in Oakland, CA).

ANALYSIS

Development impact fees are a way to allocate facility costs proportional to the impacts from new development in a comprehensive, fair, and equitable manner (as opposed to a project-by-project basis) and at a level that does not hamper the economic feasibility of the development. The City is considering potential impact fees to address new development impacts for three critical City resources:

- Transportation - The City is experiencing renewed interest in major development projects, each of which requires transportation mitigation measures in proportion to the development size and impact. The costs of providing new transportation infrastructure are covered by individual developers on an ad hoc project-by-project basis. The City lacks a simple and clear mechanism to assess developers their fair-share costs for mitigations to address City transportation network impacts. A potential development impact fee could help to provide more certainty about development costs and provide revenue for enhancing the City's transportation system.

Note: Separate and apart from the Development Impact Fees, the City is also looking at alternatives to the current methodology of analyzing transportation impacts that could potentially offer streamlining benefits for projects. This effort depends, to a large degree, on the changes to the California Environmental Quality Act transportation impact methodology that the State Office of Planning and Research is developing.

- Affordable Housing - Oakland is in critical need of more affordable housing at all affordability levels. With the elimination of Redevelopment, the City is very limited in its resources to support the production of affordable housing. The City is interested in pursuing a potential affordable housing impact fee, to stimulate the production of affordable housing to meet the affordable housing needs associated with new market rate housing development in Oakland.
- Capital Improvements - As development continues to increase throughout the City and the population grows, new capital improvements will be required to serve new Oakland residents, employees, and visitors. A capital improvements impact fee could be used to pay for new or expanded public facilities, such as libraries, parks, recreation facilities, and police and fire stations, in addition to streetscape improvements (paving, sidewalks, lighting, trees), and various infrastructure improvements, such as sewer and storm drains.

In order to result in “fair and equitable” impact fee recommendations, the Impact Fee Nexus Study includes:

- Coordination and review across many different City departments;
- Technical analysis that is legally defensible under the Mitigation Fee Act while supporting funding for the City’s highest priority needs;
- A rigorous and credible economic feasibility analysis so that any impact fee program appropriately balances the need to accommodate development impacts without creating a disincentive for real estate investment in Oakland; and,
- An inclusive process to discuss and gain support from a diverse set of stakeholders to discuss fee allocation (for transportation, affordable housing and capital improvements) since economic constraints are likely to preclude adoption of the maximum justified impact fees. The level of fees that are economically feasible may be substantially lower than the maximum justifiable fees.

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Project Schedule

The current schedule is very aggressive and anticipates returning to the City Council with a draft Development Impact Fee proposal in November 2015 and final adoption during the first quarter of 2016, as detailed below. This is consistent with what was presented when the City Council awarded the professional services contract for the study.

Work Phase	Months	Dates
Data Collection	0 - 1	December 2014 – January 2015
Nexus Analyses	1 - 7	January – July 2015
Economic Feasibility Analyses	2 - 11	February – November 2015
Fee Program Options Development	7 - 11	July – November 2015
Draft Impact Fee Proposal to Council	11	November 2015
Adoption	12 - 15	December 2015 – March 2016

Status of Project

The following is a summary of the current status of the project and the major products and milestones ahead.

Data Collection and Technical Analyses (Months 1 to 7)

The consultant is working on this first project phase. The consultant team, directed by the project manager for the City, has been meeting twice a month with various members of the City Steering Committee, depending on the topic to be discussed. The City Steering Committee consists of representatives from the City Administrator office, office of the City Attorney and the Planning and Building Department for overall project coordination, as well as from the Public Works, Housing and Community Development, Police, Fire, and Parks and Recreation Departments, as appropriate, based on the topic(s) addressed. The technical work consists of:

- Data Collection, Assumption Development, and Fee Input Identification - The early phase work has focused on collecting data, developing study assumptions, addressing methodology issues, and identifying transportation, capital improvements, and the affordable housing production context. It also has included efforts to identify existing and future growth for use in the nexus analyses and on a survey of impact fees in comparable, nearby cities. These efforts are nearing completion with additional data collection and discussion of assumptions as needed.
- Nexus Analyses - The consultant is starting on the Nexus Analyses in the next phase, drawing upon the data collected and the assumptions made. Pursuant to the Mitigation Fee Act, the nexus analyses will establish the need for the fee based on impacts attributable to new development; the use of fee revenues to accommodate those impacts,

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and the proportionality of the fee amount to the level of impacts generated by development impacts.

- Economic Feasibility Analyses - Data collection for the Economic Feasibility Analyses is underway. The consultant will identify prototypical Oakland developments to be analyzed for testing potential effects of development fees on the feasibility of new development and investment in Oakland. The data collection and analyses will continue with findings developed in the next phase.

Economic Feasibility Analysis, Policy Deliberation and Draft Proposal to City Council (Months 7 to 11)

After much of the technical work is completed, the following five months of work, starting around July 2015, will consist of seeking preliminary agreement on an Impact Fee Program or Fee Program Alternatives which draw heavily on the findings of the Economic Feasibility Analysis. This will be a critical phase of the project that will tie together the previous streams of work. As noted above, because economic constraints are likely to preclude adoption of the maximum justified impact fees under the nexus analyses, the level of fees that are economically feasible may be substantially lower than the maximum justifiable fees. Furthermore, the allocation of a feasible level of impact fees to transportation, affordable housing, and/or capital facilities is a policy decision that will need to be addressed.

First, the results of the Nexus Analyses (identifying the maximum, justifiable levels of fees) and the preliminary findings of the Economic Feasibility Analysis (identifying the ability of the real estate market to pay new fees) will provide the basis for policy discussions with the City Steering Committee so as to develop preliminary draft development impact fee proposals. Then the focus will be on refining preliminary draft proposals through deliberations with a Working Group and the City Council. The Working Group will be composed of a cross section of stakeholders that can provide expertise and input on the proposed impact fees (see Public Outreach/Interest section of this report for a more detailed description of the Working Group).

The intent is to further refine the preliminary draft development impact fee proposal(s) and provide the economic feasibility context for the nexus studies, as a basis for creating a citywide impact fee program that can be implemented without adversely affecting Oakland's ability to attract new development. At the end of this last phase of the study, the product will be an Impact Fee Program that has been reviewed and vetted by the City Steering Committee, the Working Group of stakeholders, and the City Council.

Fee Adoption (Months 12 to 15)

Based on feedback from the City Steering Committee, Working Group, and City Council, the consultant will refine the Development Impact Fee Report, provide input for preparation of the draft ordinance and will work with City staff to take these items to City Council for adoption.

After the fee(s) are adopted, the scope of services also includes consultant hours to prepare procedures and training manuals for use by City staff to support program implementation.

PUBLIC OUTREACH/INTEREST

As noted above, the Economic Feasibility Analysis will likely indicate that the increment of impact fees feasible to charge is less than what may be the maximum justifiable amount according to the nexus study results. Thus, it will be important to solicit feedback from a range of stakeholders in order to develop and gain support to adopt a set of economically viable impact fees. The proposed Scope of Services includes a series of meetings with an informal Working Group, which will consist of a cross section of stakeholders with interests associated with the impact fee program and with subject matter expertise to contribute to Working Group discussions. The intent of these meetings is to engage and inform stakeholders, to seek input on policy issues, such as tradeoffs among the three types of impact fees in the context of the Economic Feasibility Analysis, to help shape alternatives and recommendations, and, ultimately, to gain support for the fee program.

COORDINATION

On-going project management, policy guidance, and implementation is being coordinated with the City Administrator's office, office of the City Attorney, and the Planning and Building Department as well as the Public Works, Housing and Community Development, Police, Fire, and Parks and Recreation Departments along with other departments, as appropriate, based on the topic(s) addressed.

COST SUMMARY/IMPLICATIONS

There is no fiscal impact of this report as it is an informational update report.

The fiscal impact to prepare the Citywide Impact Fee Study and Implementation Strategy is reflected in the not-to-exceed amount of the Professional Services Agreement of \$1,100,000. This amount includes \$863,409 for basic services and a project contingency of \$236,591 for a total project cost of \$1,100,000. There may be an opportunity to recoup costs

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associated with preparing the Impact Fee Nexus Study and ongoing administration of the program by including such in the development impact fees.

The fiscal impact of implementing the Citywide Impact Fee Study and Implementation Strategy, and of administering any future development impact fee program(s), will be unknown until the cost estimates tied to the project are completed.

SUSTAINABLE OPPORTUNITIES

Economic: The proposed development of a nexus study and economic feasibility analysis will support the Council's consideration and adoption of a fair and equitable set of development impact fees that will require private development to fund its fair share of potential transportation, infrastructure, and affordable housing projects in a manner that does not hamper new development. The application of the Development Impact Fee process will help provide certainty about development costs.

Environmental: Establishing impact fees could pay for the impacts that a potential project creates and serve to mitigate the cumulative transportation impacts.

Social Equity: Establishing impact fees on new development could provide funding for transportation, capital improvements, and affordable housing units. These funds will be used to mitigate impacts of new development Citywide.

CEQA

This report is not a project under CEQA. The appropriate level of environmental review to adopt a development impact fee program will be determined and conducted as a part of the project.

John A. Flores, Interim City Administrator
Subject: Citywide Impact Fee Nexus Study and Implementation Strategy
Date: March 19, 2015

For questions regarding this report, please contact Laura Kaminski, Planner III, at (510) 238-6809.

Respectfully submitted,



RACHEL FLYNN
Director, Planning and Building Department

Reviewed by:

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Nexus Analysis of Maximum Legal Impact Fees

The consultant team conducted a nexus analysis to determine the maximum legal impact fees that could be adopted by Council. The following three (3) fee categories were analyzed:

- 1.) Transportation impact fee on residential and nonresidential development that would fund expansion and improvements to the City's transportation system for auto, bike, and pedestrian modes of travel.
- 2.) Capital improvements impact fee on residential and nonresidential development that would fund expansion and improvements to fire, library, parks, police, and storm drain public facilities or infrastructure.
- 3.) Affordable housing impact fee on market-rate residential development that would fund affordable housing development. The City has already adopted a jobs-housing linkage fee effective July 1, 2005 on some nonresidential development (office and warehouse land uses) to mitigate the increased demand for affordable housing generated by these types of nonresidential development.

The maximum legal impact fee amounts as determined by the nexus analysis are shown in ***Attachment C***. Typically in urban areas the maximum legal fee amount is not adopted. Real estate market factors typically result in adopted fees at levels below the maximum legal amount to avoid slowing the pace of development. ***Attachment C*** also includes tables showing the land use data used in the nexus analyses for the transportation and capital improvement impact fees.

1.) Transportation Impact Fee Nexus Analysis

The transportation impact fee nexus analysis was developed to provide a flexible funding source for multi-modal (auto, bike, and pedestrian) investments to accommodate additional travel demand generated from new development.

The City has extremely limited funding sources for expanding and improving transportation infrastructure. A substantial portion of ongoing capital funding from the Alameda County Transportation Agency sales tax measures (Measures B and BB) is directed at maintenance of existing assets. The City's current FY 2015-17 Capital Improvement Program (CIP) allocates \$34 million from these two sources of which about \$15 million is allocated to improvements and upgrades to transportation infrastructure and the remainder directed at repair, maintenance, and safety projects. Funding for transportation expansion and improvements is also from competitive grants though grants do not provide a secure ongoing funding source. The City's current FY 2015-17 Capital Improvement Program (CIP) anticipates \$17 million from grants to improve and upgrade transportation infrastructure.

The nexus between new development and the need for expanded and improved transportation infrastructure is based on maintaining the City's existing level of investment in that infrastructure as the City grows. The existing level of investment is calculated per existing trip so that this standard can be applied to trips from new development.¹ The current replacement cost for that portion of the City's transportation infrastructure that provides for circulation citywide is \$4.1 billion, or \$17,925 per equivalent single family dwelling (SFD) unit. If the maximum legal

¹ Each trip has two trip ends (an origin and a destination). To measure travel demand the nexus analysis uses trip end generation rates for all modes by land use type to be able to allocate total travel demand among all land uses regardless of whether the trip end is an origin or destination.

transportation impact fee is adopted, new development would fund expansion and improvements to the City's transportation infrastructure at the same level as the City's current level of investment in that infrastructure (\$17,925 per equivalent SFD unit).

Table 1: Transportation Maximum Legal Impact Fee

Land Use	Maximum Legal Impact Fee
Residential	Per Dwelling Unit
Single-Family	\$17,925
Multi-Family	\$12,636
Nonresidential	Per Square Foot
Retail/Commercial	\$12.78
Hotel/Motel	\$11.17
Office	\$14.55
Institutional	\$19.54
Light Industrial	\$9.40
Warehouse	\$5.58

See **Attachment D** for tables from the nexus model showing how the maximum legal transportation impact fee was calculated.

The nexus between new development and the need for expanded and improved transportation infrastructure is not based on a specific list of transportation capital projects. Furthermore, the nexus is not based on maintenance of a specific service standard such as level of traffic congestion, typically measured on a scale of A to F with D being a minimally acceptable level of service. Using either approach would constrain the use of fee revenues to listed projects or projects that only target a single travel mode (relieving auto congestion). These approaches also would limit the City's flexibility to respond to changing transportation demands, integrate new transportation technologies, and make investments across all modes (auto, bike, and pedestrian).

The use of transportation fee revenues is limited by law to capital projects. Therefore, revenues cannot be used for operating or maintenance activities, including roadway maintenance. Additional guidelines for the use of transportation fee revenues include:

- ◆ Fee revenues must be used to build, expand and/or improve the citywide circulation system used for the nexus analysis. This system is defined as arterials, collectors, and existing and proposed bicycle facilities that provide connectivity between neighborhoods and activity centers within the City, as well as to neighboring communities and regional transportation facilities. This circulation system includes the entire roadway curb-to-curb (vehicle travel lanes, bicycle lanes, and on street parking), as well as adjacent sidewalks, medians, and intersection signalization equipment, plus off-street bicycle and walking paths.
- ◆ Fee revenues could only be used for transportation infrastructure that is the City's responsibility. Therefore, capital projects to deliver transportation services provided by agencies such as AC Transit and BART would not be an eligible use of revenues. In addition, interstate highways that are primarily the State's responsibility would not be eligible.

2.) *Capital Improvements Impact Fee Nexus Analysis*

The capital improvements impact fee nexus analysis was developed using a methodology similar to that described above for the transportation nexus analysis. The fee provides a flexible funding source for a range of public facility investments needed to accommodate additional service demand from new development. As mentioned above, these facilities include fire, library, parks, police, and storm drain facilities.

Sanitary sewer facilities were included in the scope of work for the nexus analysis but based on further analysis have been excluded from the capital improvements impact fee. Sanitary sewer facilities benefit from a user charge that generates approximately \$58 million annually of which about \$18 million is allocated for substantially the same types of improvements that would be funded by the development impact fee. Although this funding is inadequate to fund the City's 10 year CIP based on the 2014 Sanitary Sewer Management Plan it is substantially more funding than is available to the other types of facilities included in the capital improvements impact fee. Furthermore, the sanitary sewer user charge could be increased to provide additional funding through a Proposition 218 procedure that only requires a notice and protest hearing.

The City has no dedicated funding source for the types of public facilities included in the capital improvements impact fee. Spending on these types of infrastructure and facilities is \$1.3 million in the City's current FY 2015-17 Capital Improvement Program (CIP), or 2.1 percent of total CIP spending. The entire amount is allocated to disability access projects and funded by the General Purpose Fund.

The nexus between new development and the need for expanded or improved public facilities is based on maintaining the City's existing level of investment in public facilities as the City grows. The existing level of investment is calculated per capita based on the existing service population so that this standard can be applied to the additional service population associated with new development. The current replacement cost for the City's public facilities included in the nexus analysis is \$3.2 billion, or approximately \$19,092 per equivalent SFD unit. If the maximum legal capital improvements impact fee is adopted, new development would fund expansion and improvements to the City's public facilities at the same level as the City's current level of investment in those facilities.

Table 2: Capital Improvements Maximum Legal Impact Fee

Land Use	Maximum Legal Impact Fee
Residential	Per Dwelling Unit
Single-Family	\$19,092
Multi-Family	\$13,746
Nonresidential	Per Square Foot
Retail/Commercial	\$5.73
Hotel/Motel	\$2.48
Office	\$6.87
Institutional	\$3.44
Light Industrial	\$4.39
Warehouse	\$1.15

See **Attachment E** for tables from the nexus model showing the calculations for the maximum legal capital improvements impact fee.

Similar to the transportation impact fee, the nexus between new development and the need for expanded or improved public facilities is not based on a specific list of capital projects. Furthermore, the nexus is not based on maintenance of a specific service standard such as park acres per thousand residents. While these are fairly common approaches, using either would constrain the use of fee revenues to listed projects or projects that only target a single type of facility (for example, parks). These approaches also would limit the City's flexibility to respond to changing service demands, integrate service delivery technologies, and make investments across all facility types (fire, library, parks, police, and storm drain).

The use of capital improvements fee revenues is limited by law to capital projects. Therefore, revenues cannot be used for operating or maintenance activities, including facility maintenance. Additional guidelines for the use of fee revenues include:

- ◆ Fee revenues must be used to build, expand and/or improve the types of public facilities included in the nexus analysis (fire, library, parks, police, and storm drain). Any city-owned facility that enables the delivery of these services could be built, expanded, and/or improved with fee revenues.
- ◆ Fee revenues could only be used for public facilities that are the City's responsibility. Therefore, capital projects to deliver services provided by other agencies such as the East Bay Regional Parks District would not be an eligible use of revenues.
- ◆ Improvements to the City's storm drain system are primarily associated with replacement of existing deteriorated pipes rather than capacity expansion. Consequently, storm drain facilities were included in the nexus analysis at a depreciated replacement cost. The use of the lower depreciated value enables revenues to be used to replace existing facilities.

3.) Affordable Housing Nexus Analysis

The affordable housing nexus analysis establishes the link between new market-rate residential development, the growth of employment associated with the consumer expenditures of new residents, and the demand for affordable housing to accommodate the new worker households. The resulting impact fee quantifies the cost per new market-rate unit to fund the gap between what low and moderate income households can pay for housing and the cost to produce that housing (the affordability gap). The peer-validated methodology for this type of nexus analysis is based on generally accepted economic impact modelling techniques. Major steps in the analysis include:

- Define housing prototype projects for new market-rate residential development in Oakland.
- Estimate household income distribution of new market-rate owner and renter households in Oakland, their consumer expenditures, and the employment growth in Oakland supported by the increased spending on services and retail goods.
- Estimate the number of new households associated with this job growth (worker households) and their associated household incomes.
- Estimate the number of new worker households that are moderate income or below.
- Calculate the gap between the cost to develop affordable housing and the ability of moderate and lower income households to afford that housing (affordability gap).
- Calculate the maximum legal impact fee for each market rate housing prototype based on the affordability gap for the new worker households associated with that unit.

Table 3: Affordable Housing Maximum Legal Impact Fee

Land Use	Maximum Legal Impact Fee
Residential	Per Dwelling Unit
Single-Family Urban	\$34,833
Single-Family Hills	\$81,729
Townhome Urban	\$44,693
Townhome Hills	\$53,258
Multi-Family Lower/Mid-Rise	\$35,172
Multi-Family Mid-Rise	\$39,887
Multi-Family High-Rise	\$50,804

See **Attachment F** for tables from the nexus model showing the calculations for the maximum legal affordable housing impact fee for each housing prototype.

Affordable housing impact fee revenue would be deposited into the City's Affordable Housing Trust Fund, where it would be combined with other sources such as revenue from the existing Jobs-Housing Linkage Fee and the 25 percent allocation of former redevelopment funds (i.e., "boomerang funds"). Through the Affordable Housing Trust Fund, the City provides funding to affordable housing developers who leverage various funding sources and tax credits to develop affordable housing projects. Through this process, fee revenue is leveraged by a factor of more than 3:1 to produce more affordable units. Funding can also be targeted to meet particular categories of housing need. It would be possible to provide an on-site or off-site development option as an alternative to impact fee payment.

A new affordable housing impact fee on residential development is one of the recommended strategies for new affordable housing production set forth in the Housing Equity Roadmap and Housing Action Plan recently approved by the City.

**ATTACHMENT C
IMPACT FEE NEXUS ANALYSIS
FEE SCHEDULE AND GROWTH PROJECTIONS**

Attachment C
Fee Schedule and Land Use Projections
List of Tables and Figures

Analysis Tables and Figures

Table 1: Maximum Legal Justified Impact Fees

Table 2: Land Use Types

Table 3: 2015 Development

Table 4: 2040 Development

Table 5: 2015-2040 Growth

Figure 1: Allocation of Projected Growth, 2015-2040 (dwelling units)

Figure 2: Allocation of Projected Growth, 2015-2040 (building square feet)

Appendix Tables

Table A.1: Existing (2015) Development

**DRAFT FOR DISCUSSION PURPOSES -
SUBJECT TO CHANGE**

Table 1: Maximum Legal Justified Impact Fees

Land Use		Capital Improvements	Transportation	Affordable Housing
Residential				
Single Family	per DU	\$ 19,092	\$ 17,925	\$34,833 - \$81,729 ¹
Townhome	per DU	\$ 19,092	\$ 17,925	\$44,693 - \$53,258 ¹
Multi-Family	per DU	\$ 13,746	12,636	\$35,172 - \$50,804 ¹
Nonresidential				
Retail/Commercial	per SF	\$ 5.73	\$ 12.78	See Footnote 2
Hotel/Motel	per SF	\$ 2.48	\$ 11.17	
Office	per SF	\$ 6.87	\$ 14.55	
Institutional	per SF	\$ 3.44	\$ 19.54	
Industrial	per SF	\$ 4.39	\$ 9.40	
Warehouse	per SF	\$ 1.15	\$ 5.58	

¹ Affordable housing fee varies by housing prototype. See Attachment E.

² The City of Oakland has adopted a Jobs-Housing Linkage fee on office and warehouse development to fund affordable housing. The fee for FY 2015- 16 is \$5.44 per square foot.

Source: Attachments D (Table 4), Attachment E (Table 6), and Attachment F (Tables 7- 13).

Table 2: Land Use Types

Land Use	Notes
<i>Residential</i>	
Single Family	Single family detached
Townhome	Single family attached
Multi-Family	
<i>Nonresidential</i>	
Retail/Commercial	Includes service commercial
Hotel/Motel	
Office	Includes medical office
Light Industrial	Includes small manufacturing
Warehouse	Includes heavy industrial, transportation, logistics
Institutional	Includes private & religious schools, government, hospitals & outpatient centers, residential care facilities, churches, recreation

Table 3: 2015 Development

Land Use	Population¹ or Employment	Density²	Housing Units or 1,000 Bldg. Sq. Ft.
<i>Residential</i>			
Single Family	226,300	2.77	81,700
Multi-Family	179,300	1.99	90,000
Total Residential	405,600	2.36	171,700
<i>Nonresidential</i>			
Retail/Commercial	33,400	386	12,900
Hotel/Motel	2,900	900	2,600
Office	82,100	325	26,700
Institutional	48,800	625	30,500
Light Industrial	16,700	500	8,400
Warehouse	22,200	1,800	40,000
Subtotal	206,100		121,100
On-Site Construction	1,200	-	-
Local Government ³	11,500	670	7,700
Total Nonresidential	218,800		128,800

¹ Household population only. Excludes population living in group quarters.

² Population per housing unit or square feet per worker.

³ Includes City of Oakland, Oakland Unified School District, and Port of Oakland.

Source: Table A.1.

Table 4: 2040 Development

Land Use	Population¹ or Employment	Density²	Housing Units or 1,000 Bldg. Sq. Ft.
<i>Residential</i>			
Single Family	235,500	2.77	85,000
Multi-Family	279,100	2.05	136,400
Total Residential	514,600	2.32	221,400
<i>Nonresidential</i>			
Retail/Commercial	44,800	386	17,300
Hotel/Motel	4,000	900	3,600
Office	112,400	325	36,500
Institutional	54,500	625	34,100
Light Industrial	22,400	500	11,200
Warehouse	23,600	1,800	42,500
Subtotal	261,700		145,200
On-Site Construction	1,500	-	-
Local Government ³	12,600	670	8,400
Total Nonresidential	275,800		153,600

¹ Household population only. Excludes population living in group quarters.

² Population per housing unit or square feet per worker.

³ Includes City of Oakland, Oakland Unified School District, and Port of Oakland.

Source: Association of Bay Area Governments; Hausrath Economics Group.

Table 5: 2015-2040 Growth

Land Use	Population¹ or Employment	Density²	Housing Units or 1,000 Bldg. Sq. Ft.
<i>Residential</i>			
Single Family	9,200	2.79	3,300
Multi-Family	99,800	2.15	46,400
Total Residential	109,000	2.19	49,700
<i>Nonresidential</i>			
Retail/Commercial	11,400	386	4,400
Hotel/Motel	1,100	900	1,000
Office	30,300	325	9,800
Institutional	5,700	625	3,600
Light Industrial	5,700	500	2,800
Warehouse	1,400	1,800	2,500
Subtotal	55,600		24,100
On-Site Construction	300	-	-
Local Government ³	1,100	670	700
Total Nonresidential	57,000		24,800

¹ Household population only. Excludes population living in group quarters.

² Population per housing unit or square feet per worker.

³ Includes City of Oakland, Oakland Unified School District, and Port of Oakland.

Source: Table 3 and 4.

Figure 1: Allocation of Projected Growth, 2015-2040 (dwelling units)

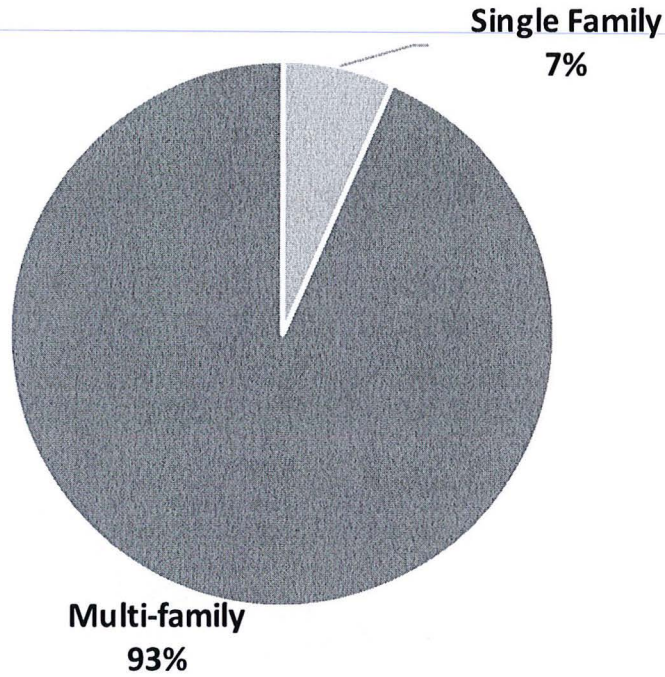


Figure 2: Allocation of Projected Growth, 2015-2040 (building square feet)

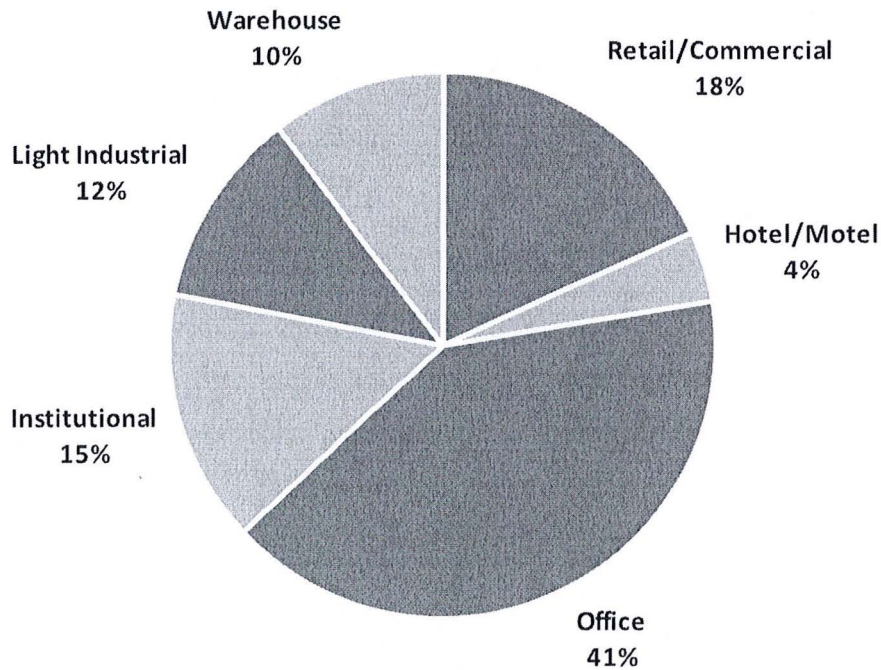


Table A.1: Existing (2015) Development

Land Use	Population ¹ or Employment	Density ²	Housing Units or 1,000 Bldg. Sq. Ft.	
			Amount	Share
Residential				
Single Family	226,300	2.77	81,700	
Multi-Family	179,300	1.99	90,000	
Total Residential	405,600	2.36	171,700	
Nonresidential				
Retail/Commercial	33,400	386	12,900	100%
<i>Eating & Drinking</i>	10,700	250	2,700	21%
<i>All Other</i>	22,700	450	10,200	79%
Hotel/Motel	2,900	900	2,600	
Office	82,100	325	26,700	
Institutional	48,800	625	30,500	100%
<i>Education³</i>	19,400	596	11,600	38%
<i>Non-local Government</i>	4,500	1,130	5,100	17%
<i>Hospital</i>	13,900	450	6,300	21%
<i>Social Assistance</i>	3,900	450	1,800	6%
<i>Cultural³</i>	7,100	808	5,700	19%
Light Industrial	16,700	500	8,400	
Warehouse	22,200	1,800	40,000	
On-Site Construction	1,200	-	-	
Subtotal Excluding Local	207,300		121,100	
Local Government ³	11,500	670	7,700	
<i>Office</i>	5,800	400	2,300	
<i>Institutional</i>	5,700	941	5,400	
Total Nonresidential	218,800		128,800	

¹ Household population only. Excludes population living in group quarters.

² Population per housing unit or square feet per employee.

³ Local government employment (City of Oakland, Oakland Unified School District, and Port of Oakland) are excluded from the categories above and identified separately at the bottom of the table under "Local Government".

Source: Hausrath Economics Group.

**ATTACHMENT D
IMPACT FEE NEXUS ANALYSIS
TRANSPORTATION INFRASTRUCTURE**

Attachment D
Transportation Impact Fee Nexus Analysis
List of Tables

Analysis Tables and Figures

Figure 1: Maximum Legal Transportation Fee Nexus Analysis

Table 1: Average Daily Trip (ADT) Rates

Table 2: 2015 Transportation Equivalent Dwelling Units (EDU)

Table 3: Transportation Improvement Impact Fee – Existing (2015) Facilities Standard

Table 4: Transportation Maximum Legal Impact Fee

Appendix Tables

Table A.1: Transportation Unit Costs (Replacement Value)

Table A.2: Existing Transportation Network

Maximum Legal Transportation Impact Fee Nexus Analysis

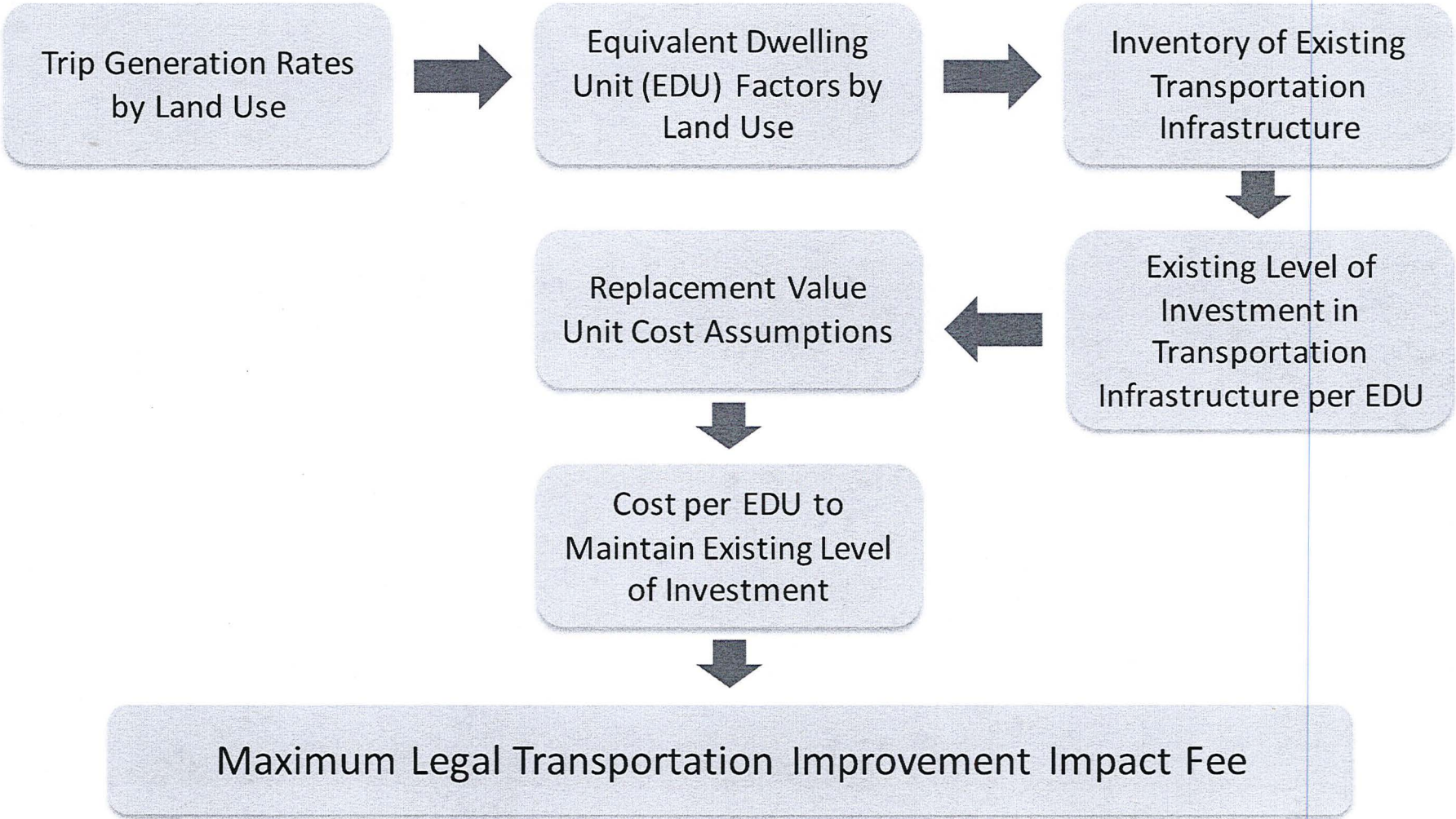


Table 1: Average Daily Trip (ADT) Rates

Land Use	Average Daily Trip (ADT) Rate				Land Use Category	
	Sub-Category Weight	ADT Rate per du/ksf ¹	New Trip Share	Preliminary EDU Factor ²	ADT Rate (Source: ITE)	New Trip Share (Source: SANDAG)
Residential						
Single Family		9.52	100%	1.00	Single Family Detached	Residential
Multi-Family		6.65	100%	0.70	Apartment	
Nonresidential						
Retail/Commercial	100%	84.06	NA	4.15	Weighted average of sub-categories	
Eating & Drinking	21%	240.32	47%	11.86	Average of sub-categories ³	Community
All Other	79%	42.70	47%	2.11	Shopping Center	Shopping Center
Hotel/Motel ⁴		11.13	58%	0.68	Average of Hotel and Motel ⁴	Lodging
Office		11.03	77%	0.89	General Office	Commercial Office
Institutional	100%	17.64	NA	1.20	Weighted average of sub-categories	
Education	38%	16.03	68%	1.15	Average of sub-categories ⁵	
Non-local Gov't	17%	27.92	50%	1.47	Government Office Complex	Government
Hospital	21%	24.68	73%	1.89	Average of Hospital and Medical-Dental Office Building	Hospital
Social Assistance	6%	1.33	100%	0.14	Assisted living	Residential
Cultural	19%	9.11	64%	0.61	Church	Church
Light Industrial		6.97	79%	0.58	General Light Industrial	Industrial Park
Warehouse		3.56	92%	0.34	Warehousing	Industrial Plant
Local Government		27.92	50%	1.47	Warehousing	Industrial Plant

¹ Represents average daily person trip ends across all modes per dwelling unit (du) or per 1,000 building square feet (ksf).

² Equivalent dwelling units (EDU) are the adjusted trip rates (ADT x new trip share) normalized so one single family unit is one EDU. Residential EDUs are expressed per dwelling unit and nonresidential EDUs are expressed per 1,000 building square feet.

³ Quality Restaurant, High-Turnover Restaurant, and Fast-Food Restaurant with Drive-Through Window weighted equally.

⁴ ITE rates per room converted to rates per ksf based on 620 square feet per room.

⁵ Elementary School, Middle/Junior High School, High School, Junior/Community College weighted by number of grade levels.

Source: Institute for Transportation Engineers (ITE), *Trip Generation (9th Edition)*, 2012; San Diego Association of Governments

Table 2: 2015 Transportation Equivalent Dwelling Units (EDU)

Land Use	Existing Development (du or ksf)	Preliminary EDU Factor ¹	Preliminary Transportation EDU	Retail Burden Shift ²		Revised Transportation EDU	Revised Transportation EDU Factor ¹	Final Transportation EDU Factor ¹	Final Transportation EDU
				Share of Retail EDU	EDU				
Retail/Commercial	12,900	4.15	53,544	(79%)	(42,299)	11,245	0.87	0.71	9,199
Residential									
Single Family	81,700	1.00	81,700	60%	18,139	99,839	1.22	1.00	81,700
Multi-Family	90,000	0.70	63,000		13,987	76,987	0.86	0.70	63,443
Total Residential	171,700	0.84	144,700		32,126	176,826			145,143
Nonresidential (excluding Retail/Commercial)									
Hotel/Motel ³	2,600	0.68	1,768	19%	196	1,964	0.76	0.62	1,620
Office	26,700	0.89	23,763		2,634	26,397	0.99	0.81	21,666
Institutional	30,500	1.20	36,473		4,042	40,515	1.33	1.09	33,250
Industrial	8,400	0.58	4,872		540	5,412	0.64	0.52	4,407
Warehouse	40,000	0.34	13,600		1,507	15,107	0.38	0.31	12,459
Local Government ³	7,700	1.47	11,319		1,254	12,573	1.63	1.34	10,288
Subtotal	115,900		91,795		10,173	101,968			83,690
Total Nonresidential	128,800		145,339		(32,126)	113,213			92,889
Total Equivalent Dwelling Units (EDU)			290,039			290,039			238,032
Local Government EDU ³			(11,319)						(10,288)
Total EDU Excluding Local Government			278,720						227,744

¹ Residential EDUs are expressed per dwelling unit and nonresidential EDUs are expressed per 1,000 building square feet.

² Shift of EDUs from retail to non-retail land uses based on the source of retail spending (60 percent from Oakland residential and 19 percent from Oakland non-retail businesses). The remaining retail EDUs (21 percent) are associated with spending from non-Oakland sources.

³ Includes City of Oakland, Oakland Unified School District, and Port of Oakland.

Source: Hausrath Economics Group Attachment C (Table 3) Table 1.

Table 3: Transportation Improvement Impact Fee – Existing (2015) Facilities Standard

Facility Name	Inventory	Equivalent Dwelling Units	Level of Investment (per EDU) ¹	Average Unit Replacement Cost	Cost (per EDU)
Roadway	70,354,000 sq. ft.	227,744	309	\$ 41	\$ 12,669
Sidewalk	20,420,000 sq. ft.	227,744	90	24	2,160
Curb and Gutter	2,439,000 linear ft.	227,744	11	81	891
Median	3,316,000 sq. ft.	227,744	15	24	360
Path	1,357,000 sq. ft.	227,744	6	24	144
Signals	650 intersections	227,744	3	567,000	1,701
Total					\$ 17,925

¹ Level of investment expressed per EDU for all categories except signals are expressed per 1,000 EDU.

Source: Tables 2, A.1, and A.2.

Table 4: Transportation Maximum Legal Impact Fee

Land Use	Cost per EDU	EDU Factor	Fee	
Residential				
Single Family	\$ 17,925	1.00	\$ 17,925	per dwelling unit
Multi-Family	17,925	0.70	12,636	per dwelling unit
Nonresidential				
Retail/Commercial	\$ 17,925	0.71	\$ 12.78	per sq. ft.
Hotel/Motel	17,925	0.62	11.17	per sq. ft.
Office	17,925	0.81	14.55	per sq. ft.
Institutional	17,925	1.09	19.54	per sq. ft.
Light Industrial	17,925	0.52	9.40	per sq. ft.
Warehouse	17,925	0.31	5.58	per sq. ft.

Source: Tables 2 and 3.

Table A.1: Transportation Unit Costs (Replacement Value)

Facility Type	Construction a	Project Design & Mgt. ¹ b	Contingency ² c	Total Unit	
				Cost	Unit
<i>Formula</i>				$d = a / (1 - b) * (1 + c)$	
Roadway ³	\$ 25	35%	20%	\$ 41	square foot
Sidewalk ⁴	\$ 15	35%	20%	\$ 24	square foot
Curb and gutter	\$ 50	35%	20%	\$ 81	linear feet
Median	\$ 15	35%	20%	\$ 24	square foot
Path ⁵	\$ 15	35%	20%	\$ 24	square foot
Signals ⁶	\$ 350,000	35%	20%	\$ 567,000	intersection

¹ Percent of total cost before contingency.

² Increment added to construction and project design and management costs.

³ Includes subgrade grading, 18" aggregate base, 6" asphalt concrete, plus 10% surcharge for curb ramps and driveway aprons. Assumes average street pavement section for an average Traffic Index (residential, collector, arterial), and average R-value of subgrade quality. Does not include: street furniture, street lighting, traffic signals, landscaping, street trees, and storm water facilities.

⁴ Includes 4" concrete over 4" base plus demolition and root barriers.

⁵ Including demolition and root barriers.

⁶ Includes ITS elements and readiness.

Source: City of Oakland.

Table A.2: Existing Transportation Network

Facility Name	Length	Average Width	Area	Units
Roadway				
Arterials	892,461	52	46,046,000	square feet
Collectors	628,485	35	21,872,000	square feet
Bike Boulevards ¹			<u>2,436,000</u>	square feet
Total			70,354,000	square feet
Sidewalk	2,042,000	10	20,420,000	square feet
Curb and Gutter ²			2,439,000	linear feet
Median	396,000	NA	3,316,000	square feet
Path	135,700	10	1,357,000	square feet
Signals	NA	NA	650	intersections

Note: Network limited to major arterial and collector streets that provide connectivity between neighborhoods and activity centers within the City, and to neighboring cities and regional transportation facilities. Local streets used primarily for access to one specific neighborhood or development site are not included.

¹ Includes existing and future bike boulevards. Area does not overlap with area assigned to arterial and collectors.

² Perimeter (not length) metric for curb and gutter.

Source: Fehr & Peers, memorandum from Julie Morgan and Sam Tabibnia to Robert Spencer, Urban Economics, May 26, 2015.

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**ATTACHMENT E
IMPACT FEE NEXUS ANALYSIS
CAPITAL IMPROVEMENTS**

Attachment E
Capital Improvement Impact Fee Nexus Analysis
List of Tables

Analysis Tables and Figures

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Maximum Legal Capital Improvements Impact Fee Nexus Analysis

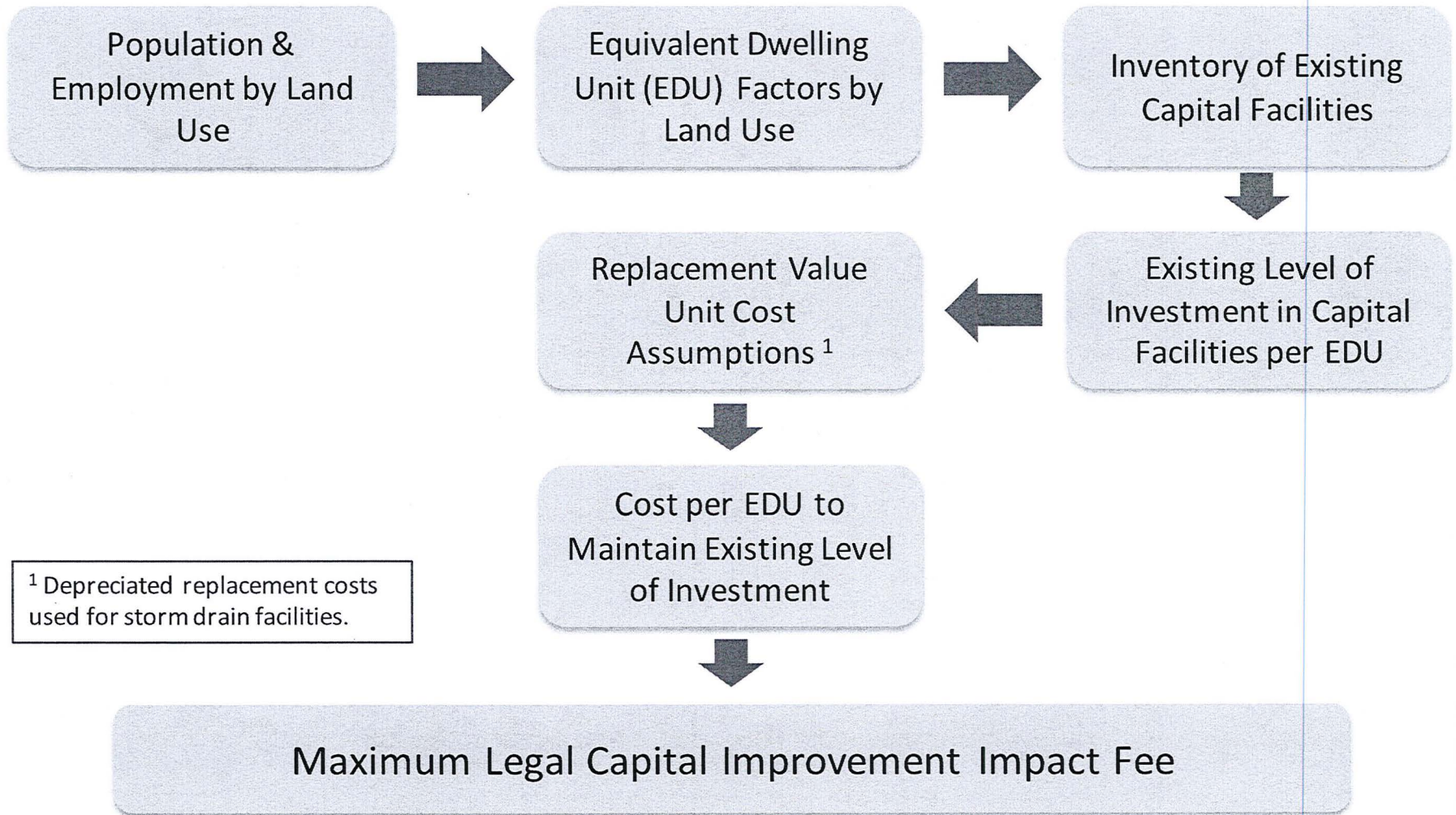


Table 1: Existing (2015) Public Facilities Inventory

Facility	Facility Inventory		Replacement Unit Cost			Total Value (\$ mil.)
	Amount	Units	Land	Improvements	Vehicles / Materials	
Fire						
Buildings						
Essential Service	134,939	bldg. sq. ft.		\$ 1,002		135,210,000
Civic	18,159	bldg. sq. ft.		762		13,840,000
Utility	9,092	bldg. sq. ft.		308		2,800,000
Total	162,190	bldg. sq. ft.		\$ 936		\$ 151,850,000
Land ¹	743,377	land sq. ft.	\$ 30	137		22,300,000
Buildings & Land				\$ 1,074		\$ 174,150,000
Vehicles	111	vehicles			\$ 360,811	40,050,000
Subtotal - Fire						\$ 214,200,000
Police						
Buildings						
Essential Service	237,122	bldg. sq. ft.		\$ 1,002		237,600,000
Civic	7,001	bldg. sq. ft.		762		5,330,000
Total	244,123	bldg. sq. ft.		\$ 995		\$ 242,930,000
Land ¹	180,000	land sq. ft.	\$ 30	22		5,400,000
Buildings & Land				\$ 1,017		\$ 248,330,000
Vehicles	608	vehicles			\$ 55,987	34,040,000
Subtotal - Police						\$ 282,370,000
Library						
Civic Buildings	200,546	bldg. sq. ft.		\$ 762		152,820,000
Land ¹	216,822	land sq. ft.	\$ 30	32		6,500,000
Buildings & Land				\$ 794		\$ 159,320,000
Materials Collection	1,588,900	items			\$ 38	60,420,000
Subtotal - Library						\$ 219,740,000
Parks						
Civic Buildings	445,863	bldg. sq. ft.		\$ 762		339,750,000
Land ¹	720,047	land sq. ft.	\$ 30	48		21,600,000
Buildings & Land				\$ 810		\$ 361,350,000
Improved Parkland	27,838,897	land sq. ft.	\$ 30	34		\$ 1,781,690,000
Open Space	73,605,038	land sq. ft.	\$ 1.22			89,800,000
Subtotal - Parks						\$ 2,232,840,000
Storm Drain						
Conveyance Pipes ²	2,120,000	linear ft.	NA	\$ 141		\$ 298,250,000
Total						\$ 3,247,400,000

¹ All unit costs based on current (2015) replacement costs except storm drain facilities are based on depreciated replacement costs.

² Land unit costs shown per square foot of land area and converted to per square foot of building area based on land included in facility inventory. Land only includes parcels solely dedicated to facilities included in inventory, and excludes parcels included elsewhere in analysis or serving multiple city departments, so calculated floor-area ratio may not represent actual ratio.

² Includes trash capture facilities.

Sources: Tables A.1 through A.11.

Table 2: Existing (2015) Public Facilities Replacement Cost

Facility	Facility Inventory		Replacement Unit Cost	Total Value (\$ mil.)
	Amount	Units		
Buildings & Land	1,052,722	bldg. sq. ft.	\$ 896	\$ 943,150,000
Improved Parkland	27,838,897	land sq. ft.	64	1,781,690,000
Open Space	73,605,038	land sq. ft.	1.22	89,800,000
Vehicles	719	vehicles	103,046	74,090,000
Library Collection	1,588,900	land sq. ft.	38	60,420,000
Storm Drain Facilities	2,120,000	linear ft.	141	298,250,000
Total				\$ 3,247,400,000

Sources: Table 1.

Table 3: Average Demand per Worker

Facility Type	Demand	Existing Public Facilities	
	per Worker ¹	Replacement Value ²	
Fire	0.70	6.6%	\$ 214,200,000
Police	0.70	8.7%	282,370,000
Library	0.20	6.8%	219,740,000
Parks	0.20	68.8%	2,232,840,000
Storm Drain	0.70	9.2%	298,250,000
Total / Weighted Average	0.32	100.0%	\$ 3,247,400,000

¹ Demand per worker is relative to one resident and based on surveys of residential and nonresidential service demand.

² All values based on current (2015) replacement costs except storm drain facilities are based on depreciated replacement costs.

Source: Urban Economics; Table 1.

Table 4: 2015 Equivalent Dwelling Units (EDU)

Facility Type & Land Use	Demand Factor ¹	Resident / Worker Weighting Factor	Equivalent Dwelling Unit Factor ²	2015 Land Use (Housing Units or 1,000 Bldg. Sq. Ft.)	2015 Equivalent Dwelling Units (EDU)
Residential					
Single Family	2.77	1.00	1.00	81,700	81,700
Multi-Family	1.99	1.00	0.72	90,000	64,800
Total Residential				171,700	146,500
Nonresidential					
Retail/Commercial	2.59	0.32	0.30	12,900	3,870
Hotel/Motel	1.11	0.32	0.13	2,600	340
Office	3.08	0.32	0.36	26,700	9,610
Institutional	1.60	0.32	0.18	30,500	5,490
Light Industrial	2.00	0.32	0.23	8,400	1,930
Warehouse	0.56	0.32	0.06	40,000	2,400
Total Nonresidential				121,100	23,640
Total				292,800	170,140

¹ Population per housing unit or workers per 1,000 building square feet.

² Per housing unit or per 1,000 building square feet.

Source: Attachment C (Table 3) and Table 3.

Table 5: Existing (2015) Public Facilities Level of Investment

Facility	Facility Inventory		Equivalent Dwelling Units	Level of Investment (per 1,000 EDU)	Cost per Unit	Cost per EDU
	Amount	Units				
Buildings & Land	1,052,722	bldg. sq. ft.	170,140	6,187	\$ 896	\$ 5,544
Improved Parkland	27,838,897	land sq. ft.	170,140	163,623	64	10,472
Open Space	73,605,038	land sq. ft.	170,140	432,615	1.22	528
Vehicles	719	vehicles	170,140	4.23	103,046	436
Library Collection	1,588,900	land sq. ft.	170,140	9,339	38	355
Storm Drain Facilities	2,120,000	linear ft.	170,140	12,460	141	1,757
Total						\$ 19,092

Sources: Tables 2 and 4.

Table 6: Capital Improvement Maximum Legal Impact Fee

Land Use	Cost per EDU	EDU Factor	Fee	
Residential				
Single Family	\$ 19,092	1.00	\$ 19,092	per dwelling unit
Multi-Family	19,092	0.72	13,746	per dwelling unit
Nonresidential				
Retail/Commercial	\$ 19,092	0.30	\$ 5.73	per sq. ft.
Hotel/Motel	19,092	0.13	2.48	per sq. ft.
Office	19,092	0.36	6.87	per sq. ft.
Institutional	19,092	0.18	3.44	per sq. ft.
Light Industrial	19,092	0.23	4.39	per sq. ft.
Warehouse	19,092	0.06	1.15	per sq. ft.

Source: Tables 4 and 5.

Table A.1: Capital Improvements & Land Unit Costs

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Facility Type	Year Completed	Building or Land Area (sq. ft.)	Final Construction Cost	Unit Cost (\$ per sq. ft. or per pool)			
				Con-struction (actual)	Con-struction \$ 2015 ¹	Project Design & Mgt. ²	Total (\$ 2015)
<u>Essential Service Buildings</u>							
Fire Station #8	2003	9,000	\$ 3,208,232	\$ 356	\$ 552		
Fire Station #18	2011	9,817	6,851,512	698	749		
Total / Weighted Average		18,817	\$ 10,059,744		\$ 651	35%	\$ 1,002
<u>Civic Buildings</u>							
81st Avenue Library	2011	22,000	\$ 8,996,711	\$ 409	\$ 439		
Golden Gate Rec. Center	2015	13,423	7,400,000	551	551		
Total / Weighted Average		35,423	\$ 16,396,711		\$ 495	35%	\$ 762
<u>Utility Buildings</u>							
TBD	NA	NA	NA	\$ 200	\$ 200	35%	\$ 308
<u>Park Improvements</u>							
Lincoln Sq. Pk. - Alice St. Improvements	2012	15,682	\$ 839,258	\$ 54	\$ 57		
25th St. Mini Park Renovation	2012	10,019	489,487	49	52		
Morcom Rose Garden Improvements	2012	130,680	1,237,881	9	10		
Peralta Hacienda Hist Park - De Anza Trail	2013	36,155	821,338	23	24		
Cesar Chavez Pk Improvement	2013	60,984	1,809,025	30	31		
Linden Park Improvement	2015	27,443	321,162	12	12		
Durant Park Improvements	2015	13,939	740,000	53	53		
Total / Weighted Average		294,902	\$ 6,258,151		\$ 22	35%	\$ 34
<u>Land</u>							
Public facilities and parks							\$ 30
Open space							\$ 1.22

¹ Based on increase in Engineering News-Record 20-city building cost index between year of completion and 2015.

² Represents design and project management as a share of total costs. Contingency not included because actual project costs are used.

Sources: City of Oakland.

Table A.2: Existing Fire Facilities Inventory

	Building Use	Building Type	Facility Address	Building (sq. ft.)	Parcel (sq. ft.)
Fire Station 01	Fire Station ¹	Essential Service	1603 MLK, Jr Way	16,689	35,465
Fire Station 01	Fire Station ¹	Essential Service	1605 MLK, Jr Way		16,600
Fire Station 02 ²	Training	Essential Service	29 Jack London Sq	2,534	NA
Fire Station 03	Fire Station	Essential Service	1445 14th St	10,295	37,314
Fire Station 04	Fire Station	Essential Service	1235 East 14th St	6,686	7,000
Fire Station 05	Fire Station	Essential Service	934 34th St	4,264	251
Fire Station 06	Fire Station	Essential Service	7080 Colton Blvd	3,717	13,331
Fire Station 07	Fire Station	Essential Service	1006 Amito Dr	3,958	10,439
Fire Station 08	Fire Station	Essential Service	463 51st St	4,293	10,950
Fire Station 10	Fire Station	Essential Service	172 Santa Clara Ave	3,437	12,000
Station 10 Garage	Utility	Utility	172 Santa Clara Ave	255	
Fire Station 12	Fire Station	Essential Service	822 Alice St	3,787	12,500
Fire Station 13	Fire Station	Essential Service	1225 Derby St	4,392	12,954
Fire Station 14 ³	Fire Station	Essential Service	3459 Champion St	NA	NA
Station 14 Storage ³	Utility	Utility	3459 Champion St	NA	NA
Fire Station 15	Fire Station	Essential Service	455 27th St / 404 26th St	7,670	18,472
Fire Station 16	Fire Station	Essential Service	3600 13th Ave	3,951	13,723
Fire Station 17	Fire Station	Essential Service	3344 High St	4,639	15,000
Fire Station 18	Utility	Utility	1700 50th Ave	174	7,097
Fire Station 19	Fire Station	Essential Service	5776 Miles Ave	3,755	14,650
Fire Station 20	Fire Station	Essential Service	1401 98th Ave	11,190	32,574
Fire Station 21	Fire Station	Essential Service	13150 Skyline Blvd	4,184	22,834
Station 21 Pump House	Utility	Utility	13150 Skyline Blvd	32	
Fire Station 22 ²	Fire Station	Essential Service	1 Airport Dr	NA	NA
Fire Station 23	Fire Station	Essential Service	7100 Foothill Blvd	3,035	8,413
Fire Station 24	Fire Station	Essential Service	5900 Shepherd Canyon Rd	7,682	?
Fire Station 25	Fire Station	Essential Service	2795 Butters Dr	3,305	291,852
Station 25 Exercise	Utility	Utility	2795 Butters Dr	252	12,779
Fire Station 26	Fire Station	Essential Service	2611 98th Ave	6,707	5,630
Fire Station 27 ²	Fire Station	Essential Service	8501 Pardee Dr	4,576	NA
Fire Station 28	Fire Station	Essential Service	4615 Grass Valley Rd	4,130	19,540
Fire Station 29	Fire Station	Essential Service	1016 66th Ave	3,863	10,950
Station 29 Garage	Utility	Utility	1016 66th Ave	702	
Urban Search & Rescue	Fire Station	Essential Service	5050 Coliseum Way	2,200	lease ?
OFD Training Center Trailer (3 buildings)	Office	Utility	250 Victory Ct	2,959	101,059
OFD Training Center Drill Tower	Utility	Utility	250 Victory Ct	2,140	
OFD Training Center-Main Bldg.	Office	Civic	250 Victory Ct	5,359	
Fire Services	Office	Civic	7101 Edgewater Dr	5,838	NA ⁴
Fire Prevention Bureau	Office	Civic	Suite ?, 250 Frank Ogawa PI	6,962	NA ⁴
Fire Administration	Fire Station	Utility	Suite 3354, 150 Frank Ogawa PI	2,578	NA ⁴
			Total	162,190	743,377

	Building Use	Building Type	Facility Address	Building (sq. ft.)	Parcel (sq. ft.)
¹ Includes emergency operations center. ² Provides services to and funded by Port of Oakland. ³ Facility not in use. ⁴ Building used by multiple city departments so land area not included for purposes of the nexus analysis. Sources: City of Oakland.					

Table A.3: Existing Fire Department Vehicle Fleet

Make	Model	Model Year	Description	Replacement Cost
AMERICAN LAFRANCE	EAGLE	2002	AERIAL LADDER 100 FT	\$ 1,100,000
AMERICAN LAFRANCE	EAGLE	2002	AERIAL LADDER 100 FT	1,100,000
AMERICAN LAFRANCE	EAGLE	2004	LADDER TRUCK	1,100,000
AMERICAN LAFRANCE	EAGLE	2004	LADDER TRUCK	1,100,000
CHEVROLET	3500	1990	TANK WAGON	250,000
CHEVROLET	CAPRICE	1987	SEDAN 4D MARKED FIRE COPA	NA
CHEVROLET	TAHOE LT 4X4	2012	CHEVROLET TAHOE 4X4 (SSV)FIRE	110,000
CHEVROLET	TAHOE LT 4X4	2012	CHEVROLET TAHOE 4X4 (SSV)FIRE	110,000
FORD	2001	2001	2001 FIRE SHOP STEPVAN	200,000
FORD	CF-8000	1994	HOSE TENDER HOSE	250,000
FORD	CF-8001	1994	HOSE TENDER 4X2	250,000
FORD	CF-8002	1994	HOSE TENDER 4X2	250,000
FORD	CF-8003	1994	HOSE TENDER 4X2	250,000
FORD	CLUB WAGON	1994	VAN 8 PASSENGER 1T FIRE	70,000
FORD	CLUB WAGON	1994	VAN 8 PASSENGER 1T FIRE	70,000
FORD	CROWN VICTORIA	2003	FIRE CHIEF - UNMARKED	70,000
FORD	CROWN VICTORIA	2002	UNMARKED FIRE	35,000
FORD	CROWN VICTORIA	2002	UNMARKED FIRE	35,000
FORD	E-150	2001	VAN CARGO FIRE	50,000
FORD	E-350	2008	FIRE BOTTLE VAN	45,000
FORD	E-350	2001	VAN 12 PASSENGER UNL	70,000
FORD	ESCAPE	2008	2008 FORD ESCAPE HYBRID	45,000
FORD	EXPEDITION	2001	WAGON MARKED FIRE	110,000
FORD	EXPEDITION	2001	WAGON UNMARKED FIRE	110,000
FORD	EXPEDITION	2003	WAGON UNMARKED FIRE	110,000
FORD	EXPEDITION	2009	WAGON UNMARKED FIRE	110,000
FORD	EXPLORER	2001	4X2 FIRE NURSE	45,000
FORD	EXPLORER	2010	FIRE STAFF VEHICLE	70,000
FORD	EXPLORER	2010	FIRE STAFF VEHICLE	70,000
FORD	EXPLORER	2010	FIRE STAFF VEHICLE	70,000
FORD	EXPLORER	2010	FIRE STAFF VEHICLE	70,000
FORD	F-150	2002	PICKUP	70,000
FORD	F-150	1992	PICKUP 4X4 1/2T 4 WHEEL DRIVE	70,000
FORD	F-250	2003	PICKUP	70,000
FORD	F-350	2008	SUPER DUTY 4X4 CREW CAB	70,000
FORD	F-350	2010	SUPER DUTY 4X4 CREW CAB	70,000
FORD	F-350	2012	4X4 CREWCAB (RED)	70,000
FORD	F-350	1992	PICKUP 4X2 1T W/BODY U/BODY	70,000
FORD	F-350	1993	WAGON 4X4 XL TANK	250,000
FORD	F-450	2003	FLAT BED TRUCK	85,000
FORD	F-550	2013	CREW W/ HAZMAT UTILITY BODY	150,000
FORD	F-550	1999	WAGON 4X6 TANK	250,000
FORD	F-550	1999	WAGON 4X6 TANK	250,000
FORD	F-550	1999	WAGON 4X6 TANK	250,000
FORD	F-550	1999	WAGON 4X6 TANK	250,000
FORD	F-550	1999	WAGON 4X6 TANK	250,000
FORD	FOCUS	2000	4DSW OF 11/00	35,000
FORD	FOCUS	2000	4DSW OFD 11/00	35,000
FORD	FOCUS	2000	WAGON 4D SE	35,000

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Make	Model	Model Year	Description	Replacement Cost
FORD	FOCUS	2000	WAGON 4D SE	35,000
FORD	FOCUS	2000	WAGON 4D SE	35,000
FORD	FOCUS	2000	WAGON 4D SE	35,000
FORD	FOCUS	2000	WAGON 4D SE	35,000
FORD	FOCUS	2000	WAGON 4D SE	35,000
FORD	FOCUS	2000	WAGON 4D SE	35,000
FORD	FOCUS	2000	WAGON 4D SE	35,000
FORD	TAURUS	2003	SEDAN 4DR	35,000
FORD	TAURUS	2003	STAFF CAR	35,000
FORD	TAURUS	2003	STAFF CAR	35,000
FORD	TAURUS	2003	STAFF CAR	35,000
FORD	TAURUS	2002	UNMARKED FIRE	35,000
FREIGHTLINER	FL70	2003	TRUCK COMPRESSED AIR UNIT FIRE	500,000
FREIGHTLINER	MT55	2009	MOBILE FIRE COMMAND CTR	500,000
GENERAL MOTORS	3500	1998	PICKUP 1/2T 4X4 PATROL	70,000
GENERAL MOTORS	3500	1998	PICKUP 1/2T 4X4 PATROL	70,000
INTERNATIONAL	1652SC 4X2	1994	COMMAND POST HAZARDOUS MATERIAL	250,000
INTERNATIONAL	4800 4X4 PUMPER	1994	PUMPER TYPE 3 FIRE	350,000
INTERNATIONAL	4800 4X4 PUMPER	1994	PUMPER TYPE 3 FIRE	350,000
INTERNATIONAL	4800 4X4 PUMPER	1994	PUMPER TYPE 3 FIRE	350,000
ISUZU	NRR	2013	MOUNTED MEDICAL REHAB BODY	200,000
JOHN DEERE	GATOR XUV	2007	UTILITY VEHICLE	35,000
LDV	SS23RR-10CC	2011	LDV (GMC) MMR HI-CUBE VAN	200,000
PIERCE	QUANTUM 1500	1997	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1997	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1997	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1997	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1997	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1997	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1997	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1998	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1998	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1999	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	1999	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2002	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2002	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2002	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2002	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2002	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2002	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2002	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2003	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2003	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2003	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2003	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2008	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2008	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2008	QUANTUM CUSTOM FIRE PUMPER	650,000
PIERCE	QUANTUM 1500	2009	QUANTUM PUMPER (FLATLAND RIG)	650,000
PIERCE	QUANTUM 1500	2009	QUANTUM PUMPER (FLATLAND RIG)	650,000
PIERCE	QUANTUM 1500	2014	QUANTUM PUMPER (FLATLAND RIG)	650,000

Oakland Impact Fee Nexus and Economic Feasibility Study Maximum Legal Impact Fee Nexus Analysis Capital Improvements
DRAFT FOR DISCUSSION PURPOSES - SUBJECT TO CHANGE

Make	Model	Model Year	Description	Replacement Cost
PIERCE	QUANTUM 1500	2014	QUANTUM PUMPER (FLATLAND RIG)	650,000
PIERCE	QUANTUM 1500	2014	QUANTUM PUMPER (FLATLAND RIG)	650,000
PIERCE	QUANTUM 1500	2009	QUANTUM PUMPER (HILL RIG)	650,000
PIERCE	QUANTUM AERIAL	2012	AERIAL LADDER 100 FT H/DUTY	1,100,000
PIERCE	QUANTUM AERIAL	1998	AERIAL LADDER 100FT	1,100,000
PIERCE	QUANTUM AERIAL	1999	AERIAL LADDER 100FT	1,100,000
PIERCE	QUANTUM AERIAL	1999	AERIAL LADDER 100FT	1,100,000
PIERCE	QUANTUM AERIAL	1999	AERIAL LADDER 100FT	1,100,000
PIERCE	QUANTUM AERIAL	2014	AERIAL LADDER 100 FT HEAVY DUT	1,100,000
PIERCE	QUANTUM HDR	2011	HEAVY DUTY RESCUE	500,000
SAFE	29T-T SAFE BOAT	2009	MARITIME RESCUE BOAT	500,000
VNP	VP300	1967	PUMPER (SPECIAL EVENT UNIT)	NA

Average model year 2002 Total Vehicle Fleet Replacement Cost \$ 40,050,000
Total Number of Vehicles 111
Average Cost per Vehicle \$ 360,811

Source: City of Oakland.

Table A.4: Existing Police Facilities Inventory

Facility Name	Building Use	Building Type ¹	Facility Address	Building Area (sq. ft.)	Parcel Area (sq. ft.)
Emergency (911) Dispatch Center	911 Dispatch	Civic	7101 Edgewater Dr	7,001	NA ¹
Hall of Justice ²	Police Administration	Essential Service	455 7th St	237,122	180,000
Eastmont Mall Police Station ³	Police Station	Civic	2701 73rd Ave	NA	NA
Total				244,123	180,000

¹ Building used by multiple city departments and share of land area not included for purposes of the nexus analysis.

² In addition to police administration building (147,905 sq. ft. at 455 7th St.), building area includes former Alameda County offices and courts (63,053 sq. ft. at 600 Washington Street) that have been vacated by the County. The Police Department is renovating and moving into the building as additional space is needed. Building area also includes former jail (26,164 sq. ft. at 611 Broadway) used for storage. Building area excludes parking structure at Jefferson and 7th Streets. Parcel area includes three blocks between Broadway and Jefferson Streets and 6th and 7th Streets.

³ Facility leased and not owned by City.

Sources: City of Oakland.

**Oakland Impact Fee Nexus and Economic Feasibility Study Maximum Legal Impact Fee Nexus Analysis Capital Improvements
DRAFT FOR DISCUSSION PURPOSES - SUBJECT TO CHANGE**

Make	Model	Model Year	Description	Replacement Cost
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2001	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2003	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2005	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00

Oakland Impact Fee Nexus and Economic Feasibility Study Maximum Legal Impact Fee Nexus Analysis Capital Improvements
DRAFT FOR DISCUSSION PURPOSES - SUBJECT TO CHANGE

Make	Model	Model Year	Description	Replacement Cost
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2007	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00

Oakland Impact Fee Nexus and Economic Feasibility Study Maximum Legal Impact Fee Nexus Analysis Capital Improvements
DRAFT FOR DISCUSSION PURPOSES - SUBJECT TO CHANGE

Make	Model	Model Year	Description	Replacement Cost
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2009	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	2010	MARKED POLICE	\$ 69,000.00
FORD	CROWN VICTORIA	1997	MARKED POLICE - TRAINER	\$ 69,000.00
FORD	CROWN VICTORIA	1997	MARKED POLICE - TRAINER	\$ 69,000.00
FORD	CROWN VICTORIA	2000	MARKED POLICE K9	\$ 75,000.00
FORD	CROWN VICTORIA	2000	MARKED POLICE K9	\$ 75,000.00
FORD	CROWN VICTORIA	2000	MARKED POLICE K9	\$ 75,000.00
FORD	CROWN VICTORIA	2000	MARKED POLICE SCHOOL	\$ 69,000.00
FORD	CROWN VICTORIA	2000	MARKED POLICE SCHOOL	\$ 69,000.00
FORD	CROWN VICTORIA	2000	MARKED RANGER	\$ 69,000.00
FORD	CROWN VICTORIA	2002	MARKED RANGER	\$ 69,000.00
FORD	CROWN VICTORIA	2001	UNMARKED	\$ 40,000.00
FORD	CROWN VICTORIA	1997	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1998	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1998	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1998	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1999	UNMARKED POLICE	\$ 40,000.00

Oakland Impact Fee Nexus and Economic Feasibility Study Maximum Legal Impact Fee Nexus Analysis Capital Improvements
DRAFT FOR DISCUSSION PURPOSES - SUBJECT TO CHANGE

Make	Model	Model Year	Description	Replacement Cost
FORD	CROWN VICTORIA	2001	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2001	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2001	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2001	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2001	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	2003	UNMARKED POLICE	\$ 40,000.00
FORD	CROWN VICTORIA	1998	UNMARKED POLICE SCHOOL	\$ 63,000.00
FORD	CROWN VICTORIA	2000	UNMARKED POLICE SCHOOL	\$ 63,000.00
FORD	CROWN VICTORIA	2000	UNMARKED POLICE SCHOOL	\$ 63,000.00
FORD	CROWN VICTORIA	2001	UNMARKED POLICE SCHOOL	\$ 40,000.00
FORD	E-150	2001	VAN CARGO UNL	\$ 47,959.00
FORD	E-150	2001	VAN CARGO UNL	\$ 47,959.00
FORD	E-150	2001	VAN CARGO UNL	\$ 47,959.00
FORD	E-250	2001	VAN CARGO	\$ 47,959.00
FORD	E-350	2000	15 PASSENGER VAN	\$ 47,959.00
FORD	E-350	2013	2013 E350 15 PASS VAN (SWAT CUSTOM)	\$ 69,524.00
FORD	E-350	2003	PRISONER TRANSPORT MARKED	\$ 77,270.00
FORD	E-350	2003	PRISONER TRANSPORT MARKED	\$ 77,270.00
FORD	E-350	2003	PRISONER TRANSPORT MARKED	\$ 77,270.00
FORD	E-350	2003	PRISONER TRANSPORT MARKED	\$ 77,270.00
FORD	E-350	2001	VAN 12 PASSENGER	\$ 47,959.00
FORD	E-350	2001	VAN 15 PASSENGER UNL	\$ 47,959.00
FORD	E-350	2001	VAN 15 PASSENGER VAN UNL	\$ 47,959.00
FORD	E-350	2001	VAN CARGO	\$ 47,959.00
FORD	E-350	2002	VAN HI-CUBE	\$ 83,606.00
FORD	E-350	2003	VAN HI-CUBE	\$ 83,606.00
FORD	E-350	2003	VAN HI-CUBE	\$ 83,606.00
FORD	E-450	2002	VAN HI-CUBE 4X2 C/CAB	\$ 83,606.00
FORD	ESCORT	1996	SEDAN 4DR	\$ 35,856.00
FORD	ESCORT	1996	SEDAN 4DR	\$ 32,000.00
FORD	ESCORT	1998	SEDAN 4DR LX	\$ 32,000.00
FORD	ESCORT	1998	SEDAN 4DR LX	\$ 32,000.00
FORD	ESCORT	1998	SEDAN 4DR LX	\$ 32,000.00
FORD	ESCORT	1998	SEDAN 4DR LX	\$ 32,000.00
FORD	ESCORT	1998	SEDAN 4DR LX	\$ 32,000.00
FORD	ESCORT	1997	SEDAN 4DR LX PARKING ENFORCEMENT	\$ 32,000.00
FORD	ESCORT	1993	WAGON 4DR LX	\$ 32,000.00

Oakland Impact Fee Nexus and Economic Feasibility Study Maximum Legal Impact Fee Nexus Analysis Capital Improvements
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Make	Model	Model Year	Description	Replacement Cost
FORD	ESCORT	1998	WAGON 4DR LX PARKING ENFORCEMENT	\$ 32,000.00
FORD	ESCORT	1998	WAGON 4DR LX PARKING ENFORCEMENT	\$ 32,000.00
FORD	ESCORT	1998	WAGON 4DR LX PARKING ENFORCEMENT	\$ 32,000.00
FORD	EXCURSION	2001	WAGON	\$ 69,524.00
FORD	EXCURSION	2001	WAGON	\$ 69,524.00
FORD	EXPEDITION	1998	UNMARKED 4X4 POLICE	\$ 69,524.00
FORD	EXPEDITION	2000	USED 4X4 12/00	\$ 69,524.00
FORD	EXPEDITION	2007	UTILITY VEHICLE	\$ 69,524.00
FORD	EXPEDITION	2007	UTILITY VEHICLE	\$ 69,524.00
FORD	EXPEDITION	2000	WAGON	\$ 69,524.00
FORD	EXPEDITION	2000	WAGON	\$ 69,524.00
FORD	EXPLORER	2006	2006 FORD EXPLORER XLT COVERT	\$ 55,000.00
FORD	EXPLORER	2002	UNMARKED	\$ 55,000.00
FORD	EXPLORER	2002	UNMARKED	\$ 55,000.00
FORD	EXPLORER	2002	UNMARKED	\$ 55,000.00
FORD	EXPLORER	2002	UNMARKED	\$ 55,000.00
FORD	EXPLORER	2001	UNMARKED 4X4 POLICE AIRPORT	\$ 55,000.00
FORD	EXPLORER	2001	UNMARKED 4X4 POLICE AIRPORT	\$ 55,000.00
FORD	EXPLORER	2001	UNMARKED 4X4 POLICE AIRPORT	\$ 55,000.00
FORD	EXPLORER	2001	UNMARKED 4X4 POLICE AIRPORT	\$ 55,000.00
FORD	F-250	1994	DUMP 4X2 S/CAB PARKING ENFORCEMENT	\$ 44,500.00
FORD	F-250	2003	PICKUP	\$ 58,582.00
FORD	F-250	2003	PICKUP	\$ 58,582.00
FORD	F-250	2001	PICKUP 4X2 W/BODY 3/4T	\$ 58,582.00
FORD	F-250	2001	PICKUP 4X2 W/BODY 3/4T	\$ 58,582.00
FORD	F-250	2001	PICKUP 4X2 W/BODY 3/4T	\$ 58,582.00
FORD	F-250	2001	PICKUP 4X2 W/BODY 3/4T	\$ 58,582.00
FORD	F-250	2001	PICKUP 4X2 W/BODY 3/4T	\$ 58,582.00
FORD	F-350	2001	PICKUP 4X2 1T C/CAB MOUNTED PATROL	\$ 58,582.00
FORD	F-350	2007	PICKUP CREW CAB SHORT BED	\$ 58,582.00
FORD	F-350	1992	TRUCK 1T SURVEY BODY	\$ 58,582.00
FORD	F-450	2012	2012 FORD F450 LARIAT OPD MARKED	\$ 71,500.00
FORD	F-450	2003	FLATBED TRUCK	\$ 63,582.00
FORD	F-59 CHASSIS	2011	FMD F-59 CHASSIS LDV BUILT HNT VAN	\$ 292,000.00
FORD	FOCUS	2002	4DR POLICE	\$ 32,000.00
FORD	FOCUS	2002	4DR POLICE	\$ 32,000.00
FORD	FOCUS	2002	4DR POLICE	\$ 32,000.00
FORD	FOCUS	2002	4DR POLICE	\$ 32,000.00
FORD	FOCUS	2003	4DR POLICE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2001	WAGON 4D SE	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE PARKING ENFORCEMENT	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE PARKING ENFORCEMENT	\$ 32,000.00
FORD	FOCUS	2000	WAGON 4D SE PARKING ENFORCEMENT	\$ 32,000.00
FORD	FUSION	2008	SEDAN 4DR PST CARS	\$ 40,000.00

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Make	Model	Model Year	Description	Replacement Cost
FORD	FUSION	2008	SEDAN 4DR PST CARS	\$ 40,000.00
FORD	INTERCEPTOR UT.	2013	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2013	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2013	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2013	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2013	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2013	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2013	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	INTERCEPTOR UT.	2014	INTERCEPTOR UTILITY(PPV) EXPLORER	\$ 69,000.00
FORD	LMT	2006	2006 FORD ESCAPE COVERT	\$ 32,668.00
FORD	MSTNG 2D	2000	UM/COVERT	\$ 44,826.00
FORD	SEL	2007	2007 FORD FREESTYLE COVERT	\$ 49,000.00
FORD	THUNDERBIRD	1995	2D COVERT	\$ 40,856.00
FORD	WINDSTAR	2001	VAN 7 PASSENGER	\$ 49,000.00
FORD	WINDSTAR	2001	VAN 7 PASSENGER	\$ 49,000.00
FORD	WINDSTAR	2001	VAN 7 PASSENGER	\$ 49,000.00
FORD	WINDSTAR	2001	VAN 7 PASSENGER POLICE	\$ 49,000.00
FORD	WINDSTAR	2001	VAN 7 PASSENGER POLICE	\$ 49,000.00
FORD	WINDSTAR	2001	VAN 7 PASSENGER POLICE	\$ 49,000.00
FORD	WINDSTAR	2001	VAN 7 PASSENGER UNMARKED	\$ 49,000.00
FORD	WINDSTAR	1998	VAN PASSENGER	\$ 49,000.00
FORD	WINDSTAR	2002	VAN PASSENGER	\$ 49,000.00
FREIGHTLINER	FL70	2006	VAN 6X2 2.5T	\$ 265,717.00
FREIGHTLINER	MT55	2010	CHARGEBACK MOBILE OPD/OFD COMMAND CTR	\$ 785,000.00
GENERAL MOTORS	P3500	1996	VAN HI CUBE POLICE HOSTAGE	\$ 180,213.00
GENERAL MOTORS	SAFARI	1999	VAN POLICE TM11005 TECH	\$ 49,000.00
GENERAL MOTORS	SAFARI	1999	VAN POLICE TM11005 TECH	\$ 49,000.00
GENERAL MOTORS	SUBURBAN	1996	UNMARKED COVERT	\$ 69,524.00
HARLEY-DAVIDSON	FLHP	2000	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP	2000	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP	2000	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2001	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00
HARLEY-DAVIDSON	FLHP1	2007	MOTORCYCLE POLICE	\$ 31,344.00

Make	Model	Model Year	Description	Replacement Cost	
TOYOTA	COROLLA LE	1991	SEDAN 4DR NUMI DONATED DARE	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	PRIUS	2012	TOYOTA PRIUS C HYBRID FOR PARKING ENFORC	\$ 32,000.00	
TOYOTA	SEQUOIA	2002	UNMARKED POLICE	\$ 69,524.00	
XXX	P31442	2003	VAN POLICE DUI WORKHORSE P31442	\$ 83,606.00	
Average model year 2004				Total Vehicle Fleet Replacement Cost	\$ 34,040,000
				Total Number of Vehicles	608
				Average Cost per Vehicle	\$ 55,987

Source: City of Oakland.

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Table A.6: Existing Improved Park Land

Park Type & Name	Address	Parcel (sq. ft.)	Parcel (acres)
Community Parks			
Allendale Park	3711 Suter Street	127,783	2.9
Arroyo Viejo Park	7701 Krause Avenue	818,977	18.8
Brookdale Park	2535 High Street	185,517	4.3
Brookfield Park	525 Jones Avenue	689,614	15.8
Bushrod Park	569 59th Street	445,034	10.2
DeFremery Park & Pool	1651 Adeline Street	410,577	9.4
Dimond Park	3860 Hanley Road	623,937	14.3
Eastshore Park	550 El Embarcadero	192,895	4.4
Estuary Park	Embarcadero	476,837	10.9
Francis Marion Smith	1969 Park Boulevard	68,062	1.6
Franklin Park	1010 East 15th Street	89,595	2.1
Golden Gate Park	1075 62nd Street	159,618	3.7
Jefferson Square	618 Jefferson Street	60,114	1.4
Joaquin Miller Park (improved area)	3300 Joaquin Miller Road	1,306,800	30.0
Josie de la Cruz Park	1637 Fruitvale Avenue	90,593	2.1
Lakeside Park (excludes open water)	666 Bellevue Avenue	3,267,000	75.0
Lincoln Square Park	261 11th Street	60,359	1.4
Manzanita Park	2701 22nd Avenue	38,370	0.9
Montclair Park	6300 Moraga Avenue	284,973	6.5
Mosswood Park	3612 Webster Street	473,932	10.9
Poplar Park	3130 Peralta Street	87,393	2.0
Rainbow Park	5800 International	105,771	2.4
Redwood Heights Park	3731 Redwood Road	109,919	2.5
San Antonio Park	1701 East 19th Street	462,494	10.6
Sheffield Village Park	247 Marlow Drive	109,014	2.5
Tassafaronga Park	975 85th Avenue	113,414	2.6
Verdese Carter Park	9600 Sunnyside Street	134,333	3.1
Neighborhood Parks			
Athol Plaza Park	23 Athol Avenue	43,936	1.0
Avenue Terrace Park	4369 Bennett Place	40,377	0.9
Bella Vista Park	1025 East 28th Street	45,247	1.0
Bertha Port Park	1756 Goss Street	9,513	0.2
Cesar Chavez (Foothill Meadows Park)	3705 Foothill Boulevard	72,704	1.7
Clinton Square Park	1230 6th Avenue	86,541	2.3
Columbian Gardens Park (& Annex)	9920 Empire Road	102,751	2.4
Cypress Freeway Memorial Park	14th Street & Mandela	43,143	1.0
Fitzgerald Park	Fitzgerald Street	7,410	0.2
FROG Park	Cavour / Clifton Street	15,002	0.3
Garfield Park	2260 Foothill Boulevard	65,889	1.5
Gateway Gardens Park	Caldecott Lane/Tunnel Road	20,343	0.5
Glen Echo Creek Park	3020 Richmond Blvd.	43,685	1.0
Grove Shafter Park 1	550 34th Street	88,662	2.0
Grove Shafter Park 2	MLK Jr. Way / 36th Street	59,457	1.4
Grove Shafter Park 3	625 37th Street	104,293	2.4
Hardy Park	491 Hardy Street	67,173	1.5
Henry J. Kaiser Park	19th St. btw. San Pablo & Telegraph	23,958	0.6
Lion Creek Park	66th Avenue/Olmsted	217,873	5.0
Marston Campbell Park	17th Street / West Street	130,198	3.0
Martin Luther King Jr Plaza (Dover Park)	5707 Dover Street	49,502	1.1
Maxwell Park	4618 Allendale Avenue	54,526	1.3
Officer Willie Wilkins Park	9700 C Street	87,611	2.0
Peralta Oaks Park	10750 Peralta Oaks	18,753	0.4

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Park Type & Name	Address	Parcel (sq. ft.)	Parcel (acres)
Peralta Park	94 E. 10th Street	211,454	4.9
Snow Park	19th Street / Harrison Street	179,761	4.1
South Prescott Park	3rd Street/Chester	182,472	4.2
Splash Pad Park	Grand Avenue / Lakepark	48,052	1.1
Union Point (Cryer Annex)	2311 Embarcadero	60,857	1.4
Union Point Park	2311 Embarcadero	311,576	7.2
William D. Wood Park	2920 McKillop Street	149,191	3.4
Athletic Fields			
Burckhalter Park	4062 Edwards Avenue	150,062	3.4
Caldecott Park	6900 Broadway	602,519	13.8
Central Reservoir Park	2506 East 29th Street	139,270	3.2
Chabot Park	6850 Chabot Road	156,078	3.6
Concordia Park	2901 64th Avenue	151,156	3.5
Curt Flood Field	Coolidge & School	144,677	3.3
Grass Valley Field	Dunkirk Avenue	42,231	1.0
Greenman Field	1309 66th Avenue	289,478	6.6
Hellman Park	3400 Malcolm Avenue	132,440	3.0
Lazear Field	29th Avenue	57,180	1.3
Lowell Park	1180 14th Street	384,288	8.8
Oakport Field	Oakport Rd., North of 66th Ave.	319,557	7.3
Otis Spunkmeyer Field	Doolittle Drive @ Harbor Bay	292,453	6.7
Pinto Park	5000 Redwood Road	145,880	3.3
Raimondi Park	1800 Wood Street	420,965	9.7
Shepherd Canyon Park (fields)	Shepherd Canyon Road	174,240	4.0
Sobrante Park	470 El Paseo Drive	205,470	4.7
Stonehurst Park	10315 East Street	161,477	3.7
Wade Johnson Park	1250 Kirkham Street	104,807	2.4
Special Use Parks			
66th Ave Overlook	66th Avenue & Oakport	231,203	5.3
Adams Park (Veteran's Memorial/senior center)	200 Grand Ave	130,680	3.0
Chinese Garden Park	260 6th Street	58,192	1.3
City Stables	13560 Skyline Blvd	324,176	7.4
Cleveland Cascade	Lakeshore Ave. / Cleveland St.	15,031	0.3
Davie Tennis Stadium	198 Oak Road	217,318	5.0
Dunsmuir Estate Park	61 Covington	2,216,753	50.9
Knowland Park Zoo (improved area)	9777 Golf Links Rd	3,484,800	80.0
Lafayette Square Park	635 11th Street	60,299	1.4
Madison Square Park	810 Jackson Street	60,092	1.4
McCrea Park	4460 Shepherd Street	123,583	2.8
Montclair Railroad Trail	Shepherd Canyon Road	335,411	7.7
Morcom Rose Garden	700 Jean Street	310,909	7.1
Peralta Hacienda Park	2500 34th Avenue	165,528	3.8
Pine Knoll Park	Lakeshore Ave. / Hanover Ave.	57,335	1.3
Studio One	365 45th St	82,764	1.9
Linear Park			
Channel Park	21 7th Street	651,004	14.9
Courtland Creek	Courtland Avenue	91,225	2.1
Fruitvale Bridge Park	3205 Alameda Avenue	19,498	0.4
Glen Echo Park	Panama Court / Monte Vista Ave.	43,685	1.0
Mandela Parkway	Mandela Boulevard	565,525	13.0
Oak Glen Park	3390 Richmond Boulevard	125,478	2.9
Ostrander Park	6151 Broadway Terrace	103,543	2.4
Mini - Active Parks			
25th St Mini Park (closed)	25th Street / MLK Jr. Way	NA	NA

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Park Type & Name	Address	Parcel (sq. ft.)	Parcel (acres)
88th Ave Mini Park	1722 88th Avenue	14,464	0.3
Cesar Chavez (Foothill Meadows Park Extension)	1600 38th Avenue	11,935	0.3
Chester Street Park	327 Chester Street	Sold	
Dolphin Mini Park	1299 73rd Avenue	5,640	0.1
Durant Mini Park	29th Street / MLK Jr. Way	13,932	0.3
Elmhurst Plaza Tennis	9722 B Street	29,663	0.7
Eula Brinson Mini Park	1712 85th Avenue	10,600	0.2
Holly Mini Park	9830 Holly Street	14,990	0.3
Linden Park	998 42st Street	27,444	0.6
McClymond's Mini Park	2528 Linden Street	8,398	0.2
Morgan Plaza Park	2601 Highland Street	16,822	0.4
Nicol Mini Park	Coolidge & Nicol	9,032	0.2
Oak Park	3239 Kempton Avenue	21,244	0.5
Redondo Park	Redondo St. / Clarke St	26,086	0.6
Tyrone Carney Park	10501 Acalanes Drive	Closed	
Mini - Passive Parks			
14th St Pocket Park	Wood Street & 14th Street	40,763	0.9
Ayala Mini Park	57th Street and Ayala	3,652	0.1
Bay Pointe Park	8th Street & Myrtle	10,653	0.2
Colby Park	431 61st Street	13,850	0.3
Kennedy Tract Park	26th Ave. & E. 9th St.	16,553	0.4
Lakeshore at Longridge Mini Park	3450 Lakeshore Ave.	4,356	0.1
Lazear Mini Park	850 29th Avenue (end of E.9th)	3,762	0.1
Mandana Plaza Park	600 Mandana Avenue	18,229	0.4
Park Blvd Plaza Park	2100 Park Boulevard	27,214	0.6
Picardy Park	?	3,171	0.1
Rockridge Park	6090 Rockridge Boulevard	12,183	0.3
Tomas Melero-Smith Park	1461 65th Avenue	6,000	0.1
Vantage Point Park	1198 13th Avenue	27,313	0.6
Willow Mini Park	14th Street / Willow Street	39,762	0.9
Plazas			
Brooklyn Plaza	?	49,901	1.1
Frank Ogawa Plaza	Broadway / 14th Street	46,790	1.1
Bishop Begin Plaza	2251 San Pablo Avenue	19,512	0.4
Collins Plaza Park	West Grand / San Pablo Ave.	3,732	0.1
Driver Plaza	5650 Adeline Street	20,566	0.5
Franklin Fountain	418 22nd Street	4,508	0.1
Fruitvale Plaza Park	1412 35th Avenue	3,533	0.1
Helen McGregor Plaza	5210 West Street	9,650	0.2
Latham Square	Broadway / 15th Street	2,629	0.1
Piedmont Plaza	4182 Piedmont Avenue	2,375	0.1
St. Andrews Park	34th Street / San Pablo Avenue	3,659	0.1
Union Plaza	3399 Peralta Street	11,596	0.3
Pools			
Defremery Pool	1651 Adeline St	2,614	0.06
Fremont Pool	4550 Foothill Blvd	28,750	0.66
Lion's Pool (included in Dimond Park acreage)	3830 Hanly Rd	NA	NA
Live Oak Pool (OUSD property)	1055 MacArthur Blvd	NA	NA
Temescal Pool	371 45th St	8,276	0.19
		Total	27,838,897
			638.8

Note: Excludes open space (see Table A.7) and separate park and recreation facilities not located in a park (see Table A.8).

Nexus analysis excludes medians and parking lots.

Sources: City of Oakland.

Oakland Impact Fee Nexus and Economic Feasibility Study Maximum Legal Impact Fee Nexus Analysis Capital Improvements

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Table A.7: Existing Open Space

Name	Location	Parcel (sq. ft.)	Parcel (acres)
23rd Ave Overpass	23rd Ave	36,637	0.8
Lake Merritt (water)	666 Bellevue Ave	6,188,504	142.1
Beaconsfield Canyon	End of Beaconsfield	180,879	4.2
Butters Land Trust	Butters Dr	74,842	1.7
Castle Canyon	Castle Dr	393,478	9.0
Dimond Canyon	Park Blvd.	2,654,055	60.9
Dunsmuir Open Space	Revere Street	6,250,860	143.5
Dunsmuir Addition (2009 purchsae)	Malcolm Ave./Kerrigan Dr./Lochard St.	2,805,264	64.4
Garber Park	Alvarado Road / Fish Camp Rd	602,117	13.8
Glen Daniels Park	8501 Fontaine Street	3,372,264	77.4
Grizzly Peak Open Space	Grizzly Peak Blvd.	2,920,972	67.1
Joaquin Miller Park (unimproved)	3300 Joaquin Miller Road	17,429,427	400.1
Knowland Park (unimproved)	Golf Links Rd	17,271,077	396.5
Lake Chabot Golf Course	11450 Golf Links Road	7,927,920	182.0
Leona Heights	4444 Mountain Blvd	2,247,232	51.6
Marjorie Saunders Park	5750 Ascot Drive	87,216	2.0
Panoramic Hill	Derby Street	3,653	0.1
Redwood Creek Open Space	Balmoral	1,011,518	23.2
Richmond Blvd	3020 Richmond Blvd	16,416	0.4
Santa Rita Land Trust	Santa Rita / Ransom	36,145	0.8
Shepherd Canyon Park (unimproved)	Shepherd Canyon Rd	2,094,562	48.1
		Total	73,605,038
			1,689.7

Note: Nexus analysis values Lake Chabot and Montclair golf courses only as open space because improvements are financed with user fees that would increase with new development. Montclair Golf Course is assumed to be included in Dimond Canyon acreage. Metropolitan Golf Course not included because it is on Port of Oakland land.

Sources: City of Oakland.

Table A.8: Existing Park & Recreation Facilities

Building Use & Facility Name	Building Type	Facility Address	Building (sq. ft.)	Parcel Size (acres) or Park Name ¹
Community Centers				
Chinese (Garden) Community Center	Civic	640 Harrison Street	4,356	Chinese Garden
Columbian Gardens - Community Building	Civic	Koford Road	12,589	Columbia Gardens
Davie Tennis Stadium Clubhouse	Civic	198 Oak Rd, Piedmont	2,864	Davie Tennis
Jack London Aquatic Center	Civic	115 Embarcadero	17,658	Estuary Park
Joaquin Miller Community Center	Civic	3594 Sanborn Drive	7,426	Joaquin Miller
Lakeside Park - Garden Center	Civic	666 Bellevue Ave	16,970	Lakeside
Leona Lodge	Civic	4444 Mountain Blvd	4,031	0.81
Sequoia Lodge	Civic	2666 Mountain Blvd	3,304	8.80
Cultural & Special Use				
Dunsmuir House - Carriage House	Civic	2960 Peralta Oaks Ct	3,794	Dunsmuir Estate
Dunsmuir House - Dinkelspiel House	Civic		3,375	
Dunsmuir House - Mansion	Civic		21,600	
Children's Fairyland	Civic	699 Bellevue Ave.	NA ²	Lakeside
Junior Center of Art and Science	Civic	558 Bellevue Ave	3,614	
Lake Chalet	Civic	1520 Lakeside Dr.	NA ²	
Lakeside Park - Sailboat Classrooms	Civic	Bellevue Ave	4,907	
Lakeside Park - Sailboat House	Civic		7,492	
Rotary Nature Center	Civic	568 Bellevue Ave	2,752	
Golf Course Clubhouse - Lake Chabot	Civic	11450 Golf Links Rd.	NA ²	Lake Chabot
Golf Course Clubhouse - Metropolitan	Civic	10505 Doolittle Dr.	NA ²	Port of Oakland
Golf Course Clubhouse - Montclair	Civic	2477 Monterey Blvd.	NA ²	Dimond
Malonga Casquelourd Center for the Arts	Civic	1428 Alice St	73,338	0.42
Oakland Zoo	Civic	9777 Golf Links Rd.	NA ²	Knowland Park
Peralta Hacienda Coolidge House	Civic	2496 Coolidge Ave.	NA ²	Peralta Hacienda
Peralta Hacienda Historical House	Civic	2465 34th Ave.	NA ²	
Studio One	Civic	365 45th St	17,932	Studio One
Recreation Centers				
Allendale Recreation Center	Civic	3711 Suter St	3,206	Allendale
Arroyo Viejo Recreation Center	Civic	7701 Krause Ave	11,569	Arroyo Viejo
Brookdale Recreation Center	Civic	2535 High St	2,418	Brookdale
Bushrod Recreation Center	Civic	560 59th St	8,698	Bushrod
DeFremery Recreation Center	Civic	1651 Adeline St	8,261	DeFremery
Dimond Recreation Center	Civic	3860 Hanly Rd	4,448	Dimond
Discovery Center	Civic	2521 High St	804	Brookdale
East Oakland Multipurpose Senior Center	Civic	9255 Edes Ave	12,461	Brookfield
East Oakland Sports Center	Civic	9161 Edes Ave	25,978	
Francis M. Smith Recreation Center	Civic	1969 Park Blvd	3,608	F.M. Smith
Franklin Recreation Center	Civic	1010 East 15th St	4,046	Franklin
Golden Gate Recreation Center	Civic	1075 62nd St	3,180	Golden Gate
Ira Jenkins Recreation Center	Civic	9175 Edes Ave	14,990	Brookfield
Jefferson Square Recreation Center	Civic	645 7th St	2,177	Jefferson Sq.
Lincoln Square Recreation Center	Civic	250 10th St	6,910	Lincoln Sq.
Manzanita Recreation Center	Civic	2701 22nd Ave	5,946	Manzanita
Montclair Recreation Center	Civic	6300 Moraga Ave	4,499	Montclair
Mosswood Recreation Center	Civic	3612 Webster St	7,557	Mosswood
Rainbow Recreation Center	Civic	5800 International Blvd	9,368	Rainbow
Rainbow Teen Center	Civic	5818 International Blvd	3,344	

Building Use & Facility Name	Building Type	Facility Address	Building (sq. ft.)	Parcel Size (acres) or Park Name¹
Redwood Annex Recreation Center	Civic	3731 Redwood Rd	1,805	Redwood Heights
Redwood Heights Recreation Center	Civic	3883 Aliso Ave	5,196	
San Antonio Recreation Center	Civic	1701 East 19th St	1,987	San Antonio
Sanborn (Carmen Flores) Recreation Center	Civic	1637 Fruitvale Ave	1,824	Josie de la Cruz
Sheffield Village Recreation Center	Civic	247 Marlow Dr	938	Sheffield Village
Tassafargona Recreation Center	Civic	975 85th Ave	13,574	Tassafargona
Verdese Carter Recreation Center	Civic	9600 Sunnyside St	2,292	Verdese
West Oakland Teen Center	Civic	3233 Market St		Closed
Willie Keyes (Poplar) Recreation Center	Civic	3131 Union St	11,179	Poplar
Senior Centers				
North Oakland Senior Center	Civic	5714 MLK, Jr. Way	13,048	6.20
Veteran's Memorial Hall - Senior Center	Civic	200 Grand Ave	30,196	Adams
West Oakland Senior Center	Civic	1724 Adeline St	12,354	0.30
		Total Acres		16.53
		Total Square Feet	445,863	720,047

Note: Table does not include ancillary facilities such as maintenance buildings, pools, restrooms, and various other amenities because these improvements are included in the value of improved park land (see Table A.1 and A.6).

¹ If park name indicated then parcel is included in park land table.

² Facilities not maintained by City are not included in the facility standard for the nexus analysis.

Sources: City of Oakland.

**DRAFT FOR DISCUSSION PURPOSES -
SUBJECT TO CHANGE****Table A.9: Existing Library Facilities Inventory**

Facility Name	Building Use	Building Type	Facility Address	Building (sq. ft.)	Parcel (sq. ft.)
81st Avenue Library	Library	Civic	1021 81st Ave	21,000	NA ¹
African-American Museum & Library	Library	Civic	659 14th St	17,500	15,000
Asian Library	Library	Civic	388 9th St, #190		NA ²
Brookfield Library	Library	Civic	9255 Edes Ave	3,022	NA ³
Cesar Chavez Library	Library	Civic	3301 E 12th St		NA ²
Dimond Library	Library	Civic	3565 Fruitvale Ave	9,592	19,200
Eastmont Library	Library	Civic	7200 Bancroft Ave, #211		NA ²
Elmhurst Library	Library	Civic	1427 88th Ave	3,155	8,000
Golden Gate Library	Library	Civic	5606 San Pablo Ave	5,501	12,430
Lakeview Library ²	Library	Civic	550 El Embarcadero	3,475	NA ³
Main Library	Library	Civic	125 14th St	81,705	60,000
Martin Luther King, Jr. Library	Library	Civic	6833 International Blvd	3,077	13,068
Melrose Library	Library	Civic	4805 Foothill Blvd	10,196	10,850
Montclair Library	Library	Civic	1687 Mountain Blvd	3,206	9,515
Piedmont Avenue Library	Library	Civic	80 Echo Ave		NA ²
Rockridge Library	Library	Civic	5366 College Ave	12,841	24,411
Temescal Library	Library	Civic	5205 Telegraph Ave	5,656	13,362
West Oakland Library	Library	Civic	1801 Adeline St	20,620	30,986
			Total	200,546	216,822

¹ Parcel owned by Oakland Unified School District.² Facility leased and therefore not a City capital asset.² Library located in a city park and the parcel is included in the park facilities fee.

Sources: City of Oakland.

Table A.10: Existing Library Materials Replacement Cost

Type	Amount	Unit Replacement Cost	Replacement Value
Books	1,065,241	\$ 47	\$ 50,070,000
Documents	352,175	15	5,280,000
Databases	57	NA	NA
E-Books	31,131	60	1,870,000
Audio	58,089	20	1,160,000
Video	80,153	25	2,000,000
Periodicals	2,054	20	40,000
Total	1,588,900	\$ 38	\$ 60,420,000

Sources: City of Oakland; California State Library.

Table A.11: Storm Drain Facilities Depreciated Replacement Cost**DRAFT FOR DISCUSSION PURPOSES -
SUBJECT TO CHANGE**

Existing Facilities Cost ¹	
Storm Drain Collection	\$ 290,500,000
Trash Capture and Collection	<u>7,750,000</u>
Total Cost	\$ 298,250,000
Existing Inventory (linear feet)	2,120,000
Average Unit Replacement Cost	\$ 141

¹ Depreciated replacement cost.

Source: BKF Engineers.

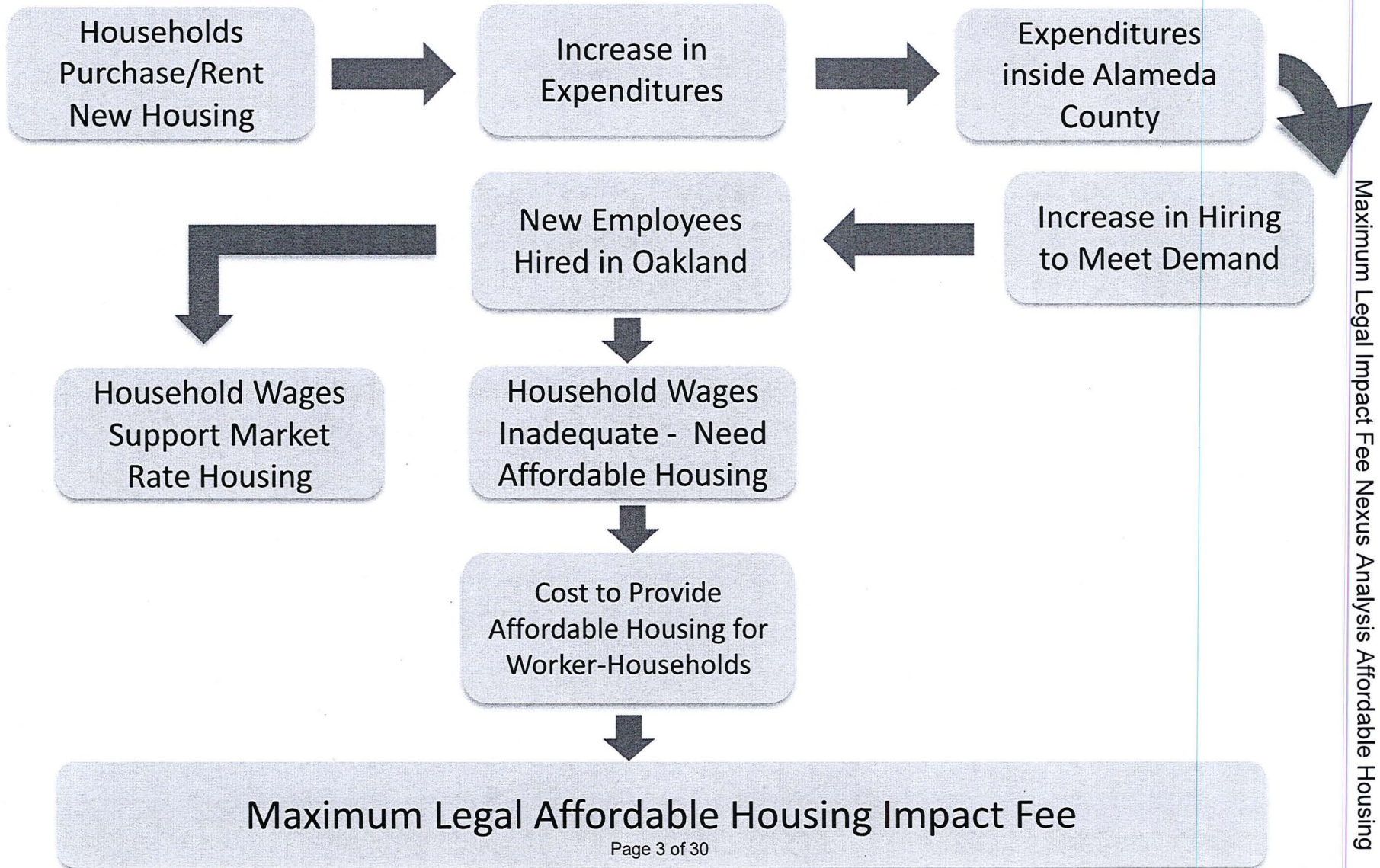
ATTACHMENT F
IMPACT FEE NEXUS ANALYSIS AFFORDABLE HOUSING

Oakland Impact Fee Nexus and Economic Feasibility Study
November 12, 2015

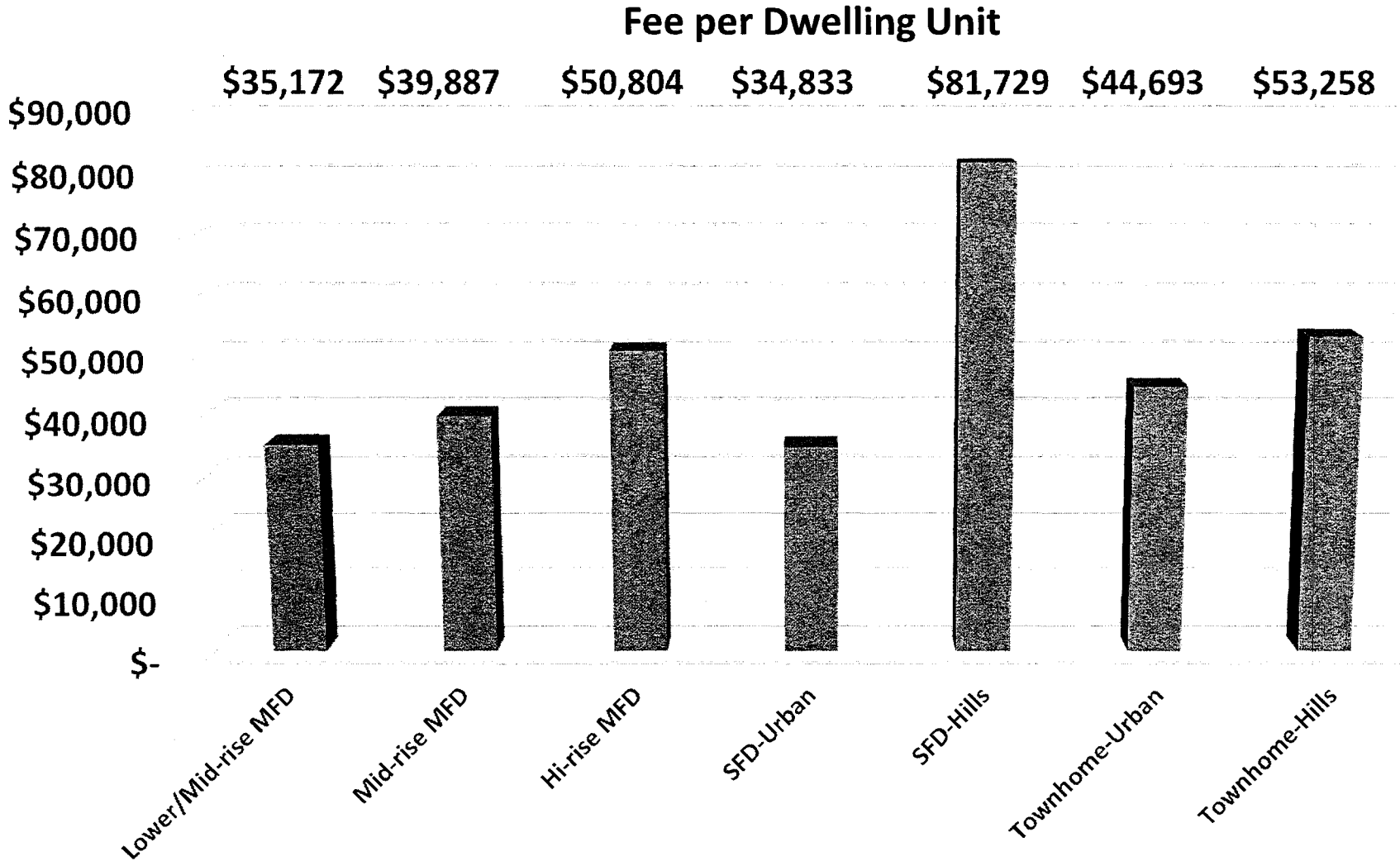
HOUSING IMPACT FEE NEXUS ANALYSIS

Methodology, Results, and Background Tables

Maximum Legal Affordable Housing Impact Fee Nexus Analysis



Maximum Legal Affordable Housing Impact Fee



Note: In urban areas such as Oakland, the economics of new housing development typically do not support the maximum legal fee amount.

Nexus Calculations for Market Rate Residential Development in Oakland

1. Define prototypes for new market rate residential development in Oakland

Seven prototypes for the City of Oakland spanning range of building types and market areas. Unit sizes and rents/sales prices are based on recent projects in Oakland.

- ♦ Four for-sale prototypes
 - H-1A - Single Family Detached in East Oakland
 - H-1B - Single Family Detached in North, South, and Lower Hills and Rockridge
 - H-2A - Townhomes / Row Houses in West Oakland
 - H-2B - Townhomes / Row Houses in North Hills and South Hills
 - ♦ Three rental prototypes
 - H-3 - Lower and Mid-Rise in West Oakland, North Oakland, and East Oakland
 - H-4 - Mid-Rise in Downtown, Jack London, Broadway/Valdez, and North Oakland
 - H-5 - High-Rise in Downtown, Jack London, and Broadway/Valdez
-

2. Estimate household income distribution of new market-rate owner and renter households in Oakland

Based on unit prices and rents and assumptions about the relationship between housing costs and household income

- ♦ Estimated household income for home buyers:
 - H-1A - Single Family Detached in East Oakland: \$97,000
 - H-1B - Single Family Detached in North, South, and Lower Hills and Rockridge: \$288,000
 - H-2A - Townhomes / Row Houses in West Oakland: \$120,000 - \$139,000
 - H-2B - Townhomes / Row Houses in North Hills and South Hills: \$155,000 - \$204,000
 - ♦ Estimated household income for renters:
 - H-3 - Lower and Mid-Rise in West Oakland, North Oakland, and East Oakland: \$60,000 - \$160,000
 - H-4 - Mid-Rise in Downtown, Jack London, Broadway/Valdez, and North Oakland: \$94,000 - \$176,000
 - H-5 - High-Rise in Downtown, Jack London, and Broadway/Valdez: \$108,000 - \$288,000
-

Nexus Calculations for Market Rate Residential Development in Oakland

3. Compute total consumer expenditures of buyer and renter households in Alameda County, based on household income characteristics of each prototype

This estimate comes from the IMPLAN3 model, which uses the Bureau of Labor Statistics' Consumer Expenditure Survey to distribute household income based on the spending patterns for nine different income groups. Before expenditures are calculated, adjustments are made to household incomes to account for payments to income taxes and savings.

4. Estimate the number of new jobs supported by the increase in spending on services and retail goods

The results of the IMPLAN3 model are specific to each prototype. The model generates an estimate of the number of jobs (direct and induced) associated with the spending of resident households in each prototype.

5. Estimate number of new jobs located in Oakland

Multiply total new jobs by 28%, the percentage of total Alameda County jobs located in Oakland (current and projected by ABAG).

6. Estimate the number of new households associated with job growth.

Divide the number of new jobs by the average number of workers per household with workers in City of Oakland (1.48 workers per household with workers according to the U.S. Census Bureau, 2009-2013, 5-Year American Community Survey.)

7. Estimate the household incomes of new worker households.

Multiply the average wage-earner's salary for each income category by 1.48 (average number of wage-earners in households with workers).

8. Estimate the number of new employee-households that are moderate-income or below whose affordable housing needs should be accommodated in Oakland

Group the new employee households by income category: very-low, low, moderate, and above-moderate income.

Subtract those employee households with incomes greater than \$95,370 (the income cut-off for a 2.5-person household earning 120% AMI or below) from the total number of new employee households.

9. Estimate the total housing affordability gap for new households requiring subsidies

Multiply the number of new households by income category (very low, low and moderate) by the average affordability gap for households in each income category.

Sum the aggregate affordability gap across the three income categories (very low, low and moderate).

10. Calculate maximum legal affordable housing impact fee per unit

Divide the total aggregate affordability gap for each prototype by the number of units in the prototype.

Relevant Characteristics of New Residential Development and New Resident Households

Table 1: Characteristics of For-Sale Prototypes

Table 2: Characteristics of Rental Prototypes

Table 3: Household Income Calculations for Prototype For-Sale Units

Table 4: Household Income Calculations for Prototype Rental Units

Table 5: Household Income Distribution Used in IMPLAN3 Analysis of For-Sale Prototypes

Table 6: Household Income Distribution Used in IMPLAN3 Analysis of Rental Prototypes

Affordability Gap Calculations and Maximum Legal Affordable Housing Impact Fee, By Prototype

Table 7: H-1A Single Family Detached Units Infill Locations (East Oakland)

Table 8: H-1B Single Family Detached Units Infill Locations (North/South/Lower Hills and Rockridge)

Table 9: H-2A Townhomes/Row Houses (West Oakland)

Table 10: H-2B Townhomes/Row Houses (North Hills/South Hills)

Table 11: H-3 Rental Apartments, Three to Four Floors over Podium (West, North, and East Oakland)

Table 12: H-4 Rental Apartments, Five to Six Floors over Podium (Downtown, Jack London, Broadway-Valdez, and North Oakland)

Table 13: H-5 Rental Apartments, High Rise (Downtown, Jack London, Broadway-Valdez)

Appendix A Tables - Background Information for Affordability Gap Analysis

Table A-1: Unit Types and Household Sizes Used in Housing Affordability Gap Analysis

Table A-2: Income Assumptions by Tenure Used in Housing Affordability Gap Analysis

Table A-3: City of Oakland Income Limits

Table A-4: Rental Housing Affordability Calculations by Income Level and Unit Type

Table A-5: Affordable Sales Prices by Income Level and Unit Type

Table A-6: Unit Types, Size, and Costs Used in Housing Affordability Gap Analysis

Table A-7: Rental Housing Affordability Gap Calculation

Table A-8: For-Sale Housing Affordability Gap Calculation

Table A-9: Average Rental and For-Sale Housing Affordability Gap by Income Group

Table 1
Characteristics of For-Sale Prototypes

Housing Type and Location	Percentage by Unit Type / Size	Bedrooms/ Bathrooms	Size	Sales Prices
H-1 Single Family Detached (East Oakland)	100%	3 BR/3 BA	1,600	\$405,000
H-1 Single Family Detached (North, South, Lower Hills, Rockridge)	100%	4 BR/3 BA	3,000	\$1,240,000
H-2 Townhomes / Row Houses (West Oakland)	25%	2 BR 2 BA	1,185	\$490,000
	65%	2 BR 2.5 BA	1,370	\$520,000
	10%	3 BR 3 BA	1,550	\$575,000
H-2 Townhomes / Row Houses (North Hills, South Hills)	10%	2 BR 2.5 BA	1,500	\$630,000
	10%	3 BR 3 BA	1,750	\$740,000
	30%	3 BR 3 BA	2,050	\$775,000
	35%	3+ BR 3 BA	2,200	\$800,000
	15%	4 BR 3 BA	2,500	\$850,000

Source: Hausrath Economics Group

Table 2
Characteristics of Rental Prototypes

Housing Type and Location	Percentage by Unit Type / Size	Bedrooms/ Bathrooms	Size	Rents
H-3 Lower- and Mid-Rise (West, North, East Oakland)¹				
	15%	Studio	400	\$1,500
	45%	1 BR 1 BA	700	\$2,350
	32%	2 BR 2 BA	900	\$2,900
	8%	3 BR 2 BA	1,200	\$4,000
H-4 Mid-Rise (Downtown, Jack London, Broadway/Valdez, North Oakland)¹				
	17%	Studio	550	\$2,350
	50%	1 BR 1 BA	740	\$2,750
	30%	2 BR 2 BA	1,080	\$3,900
	3%	2+ BR 2 BA	1,200	\$4,400
H-5 High-Rise (Downtown, Jack London, Broadway/Valdez)				
	24%	Studio	550	\$2,700
	50%	1 BR 1 BA	840	\$3,700
	25%	2 BR 2 BA	1,100	\$5,200
	1%	3 BR Penthouse	1,800	\$7,200

1. North Oakland is large and includes several different areas which serve different markets. H-3 is occurring in the parts of North Oakland near Emeryville and West Oakland. The H-4 development is being planned in Rockridge and at 51st and Broadway for a higher rent/higher price consumer.

Source: Hausrath Economics Group

Table 3
Household Income Calculations for Prototype For-Sale Units

	Single Family Detached		Townhomes / Row Houses							
	East Oakland	North, South, Lower Hills, Rockridge	West Oakland			North Hills, South Hills				
Unit Type	3 BR/3BA	4 BR/3BA	2 BR 2 BA	2 BR 2.5 BA	3 BR 3 BA	2 BR 2.5 BA	3 BR 3 BA	3 BR 3 BA	3+ BR 3 BA	4 BR 3 BA
Sales Prices	\$405,000	\$1,240,000	\$490,000	\$520,000	\$575,000	\$630,000	\$740,000	\$775,000	\$800,000	\$850,000
Down Payment ¹	\$81,000	\$248,000	\$98,000	\$104,000	\$115,000	\$126,000	\$148,000	\$155,000	\$160,000	\$170,000
Loan Amount	\$324,000	\$992,000	\$392,000	\$416,000	\$460,000	\$504,000	\$592,000	\$620,000	\$640,000	\$680,000
Monthly Debt Service ²	\$1,570	\$4,594	\$1,900	\$2,016	\$2,229	\$2,443	\$2,869	\$3,005	\$3,102	\$3,296
Annual Debt Service	\$18,843	\$55,129	\$22,798	\$24,194	\$26,753	\$29,312	\$34,430	\$36,058	\$37,221	\$39,547
Annual Property Taxes ³	\$4,788	\$14,658	\$5,792	\$6,147	\$6,797	\$7,447	\$8,748	\$9,161	\$9,457	\$10,048
Annual Maintenance Costs ⁴	\$4,050	\$12,400	\$5,750	\$5,900	\$6,175	\$7,650	\$8,200	\$8,375	\$8,500	\$8,750
Fire and Hazard Insurance ⁵	\$1,418	\$4,340	\$1,715	\$1,820	\$2,013	\$2,205	\$2,590	\$2,713	\$2,800	\$2,975
Annual Costs	\$29,098	\$86,527	\$36,055	\$38,061	\$41,737	\$46,614	\$53,967	\$56,307	\$57,978	\$61,320
Household Income⁶	\$96,994	\$288,424	\$120,184	\$126,869	\$139,124	\$155,379	\$179,890	\$187,689	\$193,260	\$204,401

1. 20% downpayment assumed. This analysis undertakes ownership calculations for two groups of buyers – market rate buyers and very low- to moderate-income buyers. Calculations for these two groups are predicated on slightly different assumptions. The percentage of the downpayment is one of those differences. Market rate buyers are assumed to finance 80% of the sales prices, and very low- to moderate-income buyers are assumed to finance 95% of the sales prices.

2. 30-year loan at 4.125% annual interest rate for all for-sale prototypes except single family homes in the Hills/Rockridge areas – for which a lower Jumbo loan rate of 3.750% applies. (August 21, 2015 Wells Fargo Website - FNMA Loan <https://www.wellsfargo.com/mortgage/rates/>)

3. 1.35% of sales price (based on the average property tax rate across all tax rate areas in the City of Oakland.

4. Annual maintenance and repair allowance estimated at 1% of sales price.

5. Annual fire and hazard insurance estimated at 0.35% of sales price.

6. Assumes 30% of gross annual household income allocated to housing costs.

Sources: Hausrath Economics Group and Vernazza Wolfe Associates Inc.

Table 4
Household Income Calculations for Prototype Rental Units

Lower- and Mid-Rise (West, North, East Oakland)				
Unit Type	Studio	1 BR 1 BA	2 BR 2 BA	3 BR 2 BA
Average Monthly Rent	\$1,500	\$2,350	\$2,900	\$4,000
Annual Housing Cost	\$18,000	\$28,200	\$34,800	\$48,000
Estimated Average Annual Household Income¹	\$60,000	\$94,000	\$116,000	\$160,000
Mid-Rise (Downtown, Jack London, Broadway/Valdez, North Oakland)				
Unit Type	Studio	1 BR 1 BA	2 BR 2 BA	2+ BR 2 BA
Average Monthly Rent	\$2,350	\$2,750	\$3,900	\$4,400
Annual Housing Cost	\$28,200	\$33,000	\$46,800	\$52,800
Estimated Average Annual Household Income¹	\$94,000	\$110,000	\$156,000	\$176,000
High-Rise (Downtown, Jack London, Broadway/Valdez)				
Unit Type	Studio	1 BR 1 BA	2 BR 2 BA	3 BR Penthouse
Average Monthly Rent	\$2,700	\$3,700	\$5,200	\$7,200
Annual Housing Cost	\$32,400	\$44,400	\$62,400	\$86,400
Estimated Average Annual Household Income¹	\$108,000	\$148,000	\$208,000	\$288,000

1. Assumes 30% of gross annual household income allocated to rent.

Sources: Hausrath Economics Group and Vernazza Wolfe Associates Inc.

Table 5
Household Income Distribution Used in IMPLAN3 Analysis of For-Sale Prototypes

	Single Family Detached		Townhomes / Row Houses	
	East Oakland	North, South, Lower Hills, Rockridge	West Oakland	North Hills, South Hills
Household Income Level	Distribution of Households by Income Level			
Less than \$10,000	0%	0%	0%	0%
\$10,000-\$15,000	0%	0%	0%	0%
\$15,000-\$25,000	0%	0%	0%	0%
\$25,000-\$35,000	0%	0%	0%	0%
\$35,000-\$50,000	0%	0%	0%	0%
\$50,000-\$75,000	0%	0%	0%	0%
\$75,000-\$100,000	100%	0%	0%	0%
\$100,000-\$150,000	0%	0%	100%	0%
Over \$150,000	0%	100%	0%	100%
Total	100%	100%	100%	100%

Sources: Vernazza Wolfe Associates Inc. and Hausrath Economics Group

Table 6
Household Income Distribution Used in IMPLAN3 Analysis of Rental Prototypes

	Lower- and Mid-Rise	Mid-Rise	High-Rise
	West, North, East Oakland	Downtown, Jack London, Broadway Valdez, North Oakland	Downtown, Jack London, Broadway/Valdez
Household Income Level	Distribution of Households by Income Level		
Less than \$10,000	0%	0%	0%
\$10,000-\$15,000	0%	0%	0%
\$15,000-\$25,000	0%	0%	0%
\$25,000-\$35,000	0%	0%	0%
\$35,000-\$50,000	0%	0%	0%
\$50,000-\$75,000	15%	0%	0%
\$75,000-\$100,000	45%	17%	0%
\$100,000-\$150,000	32%	50%	74%
Over \$150,000	8%	33%	26%
Total	100%	100%	100%

Sources: Vernazza Wolfe Associates Inc. and Hausrath Economics Group

Table 7
H-1A Single Family Detached Units Infill Locations (East Oakland)
Affordability Gap Calculation and Maximum Legal Affordable Housing Impact Fee

Income Category	Total Induced Jobs per Prototype ¹	Jobs Accommodated in Oakland ²	Oakland Households ³	Average Worker Income ⁴	Household Income ⁵	Demand from New Very Low-, Low- and Moderate income Households	Affordability Group ⁶	Total Affordability Gap ⁷	Maximum Legal Affordable Housing Impact Fee per Unit ⁸
Less than \$10,000	0.00	0	n/a	\$0	\$0				
\$10,000-\$15,000	0.00	0	n/a	\$0	\$0				
\$15,000-\$25,000	2.28	0.64	0.43	\$23,778	\$35,191	0.43	Very Low-Income	\$182,233	
\$25,000-\$35,000	1.84	0.52	0.35	\$29,501	\$43,661	0.35	Low-Income	\$132,580	
\$35,000-\$50,000	6.71	1.88	1.27	\$44,218	\$65,442	1.27	Moderate-Income	\$278,673	
\$50,000-\$75,000	2.49	0.70	0.47	\$58,405	\$86,440	0.47	Moderate-Income	\$103,167	
\$75,000-\$100,000	1.20	0.34	0.23	\$87,463	\$129,445				
\$100,000-\$150,000	2.51	0.70	0.48	\$115,656	\$171,171				
Over \$150,000	0.00	0.00	0	n/a	\$0				
Total	17.03	4.77	3.22	\$55,549		2.52		\$696,653	\$34,833

Assumptions:

20	number of units in prototype
28%	percent of Alameda County jobs located in Oakland (current and projected by ABAG)
1.48	number of wage earners per household, City of Oakland (2009 - 2013 American Community Survey, 5-Year Estimates)

Notes:

1. Results of IMPLAN3 input-output model
2. Total induced jobs multiplied by the percent of Alameda County jobs located in Oakland
3. Jobs in Oakland divided by wage earners per household with workers
4. Results of IMPLAN3 input-output model and analysis of data from the California Labor Market Information Division
5. Average worker income multiplied by the number of wage earners in households with workers
6. Based on City of Oakland household income threshold incomes for an average size household of 2.5 persons: Very Low Income (\$39,525), Low Income (\$63,580), and Moderate Income (\$95,370)
7. Number of households multiplied by average affordability gap for applicable income group (see Appendix Table A-1 - A-9 for background on the affordability gap analysis)
8. Total affordability gap divided by number of new units in the prototype

Source: Vernazza Wolfe Associates, Inc. and ADE, Inc.

Table 8
H-1B Single Family Detached Units Infill Locations (North/South/Lower Hills and Rockridge)
Affordability Gap Calculation and Maximum Legal Affordable Housing Impact Fee

Income Category	Total Induced Jobs per Prototype ¹	Jobs Accommodated in Oakland ²	Oakland Households ³	Average Worker Income ⁴	Household Income ⁵	Demand from New Very Low-, Low- and Moderate income Households	Affordability Group ⁶	Total Affordability Gap ⁷	Maximum Legal Affordable Housing Impact Fee per Unit ⁸
Less than \$10,000	0.00	0	n/a	\$0	\$0				
\$10,000-\$15,000	0.00	0	n/a	\$0	\$0				
\$15,000-\$25,000	24.60	6.89	4.65	\$23,778	\$35,191	4.65	Very Low-Income	\$1,968,197	
\$25,000-\$35,000	21.17	5.93	4.00	\$29,551	\$43,736	4.00	Low-Income	\$1,523,885	
\$35,000-\$50,000	80.05	22.41	15.14	\$44,246	\$65,485	15.14	Moderate-Income	\$3,322,789	
\$50,000-\$75,000	32.72	9.16	6.19	\$58,545	\$86,647	6.19	Moderate-Income	\$1,358,061	
\$75,000-\$100,000	15.68	4.39	2.97	\$87,643	\$129,711				
\$100,000-\$150,000	29.13	8.16	5.51	\$115,861	\$171,474				
Over \$150,000	0.00	0	0	n/a	\$0				
Total	203.34	56.94	38.47	\$56,147		29.99		\$8,172,932	\$81,729

Assumptions:

100	number of units in prototype
28%	percent of Alameda County jobs located in Oakland (current and projected by ABAG)
1.48	number of wage earners per household, City of Oakland (2009 - 2013 American Community Survey, 5-Year Estimates)

Notes:

1. Results of IMPLAN3 input-output model
2. Total induced jobs multiplied by the percent of Alameda County jobs located in Oakland
3. Jobs in Oakland divided by wage earners per household with workers
4. Results of IMPLAN3 input-output model and analysis of data from the California Labor Market Information Division
5. Average worker income multiplied by the number of wage earners in households with workers
6. Based on City of Oakland household income threshold incomes for an average size household of 2.5 persons: Very Low Income (\$39,525), Low Income (\$63,580), and Moderate Income (\$95,370)
7. Number of households multiplied by average affordability gap for applicable income group (see Appendix Table A-1 - A-9 for background on the affordability gap analysis)
8. Total affordability gap divided by number of new units in the prototype

Source: Vernazza Wolfe Associates, Inc. and ADE, Inc.

Maximum Legal Impact Fee Nexus Analysis Affordable Housing Attachment F

Table 9
H-2A Townhomes/Row Houses (West Oakland)
Affordability Gap Calculation and Maximum Legal Affordable Housing Impact Fee

Income Category	Total Induced Jobs per Prototype ¹	Jobs Accommodated in Oakland ²	Oakland Households ³	Average Worker Income ⁴	Household Income ⁵	Demand from New Very Low-, Low- and Moderate income Households	Affordability Group ⁶	Total Affordability Gap ⁷	Maximum Legal Affordable Housing Impact Fee per Unit ⁸
Less than \$10,000	0.00	0	n/a	\$0	\$0				
\$10,000-\$15,000	0.00	0	n/a	\$0	\$0				
\$15,000-\$25,000	4.31	1.21	0.82	\$23,778	\$35,191	0.82	Very Low-Income	\$344,968	
\$25,000-\$35,000	3.51	0.98	0.66	\$29,499	\$43,659	0.66	Low-Income	\$252,663	
\$35,000-\$50,000	13.03	3.65	2.47	\$44,237	\$65,471	2.47	Moderate-Income	\$541,004	
\$50,000-\$75,000	4.87	1.36	0.92	\$58,451	\$86,507	0.92	Moderate-Income	\$202,167	
\$75,000-\$100,000	2.35	0.66	0.44	\$87,482	\$129,473				
\$100,000-\$150,000	4.78	1.34	0.90	\$115,662	\$171,180				
Over \$150,000	0.00	0.00	0	n/a	\$0				
Total	32.86	9.20	6.22	\$55,575		4.87		\$1,340,802	\$44,693

Assumptions:

30	number of units in prototype
28%	percent of Alameda County jobs located in Oakland (current and projected by ABAG)
1.48	number of wage earners per household, City of Oakland (2009 - 2013 American Community Survey, 5-Year Estimates)

Notes:

1. Results of IMPLAN3 input-output model
2. Total induced jobs multiplied by the percent of Alameda County jobs located in Oakland
3. Jobs in Oakland divided by wage earners per household with workers
4. Results of IMPLAN3 input-output model and analysis of data from the California Labor Market Information Division
5. Average worker income multiplied by the number of wage earners in households with workers
6. Based on City of Oakland household income threshold incomes for an average size household of 2.5 persons: Very Low Income (\$39,525), Low Income (\$63,580), and Moderate Income (\$95,370)
7. Number of households multiplied by average affordability gap for applicable income group (see Appendix Table A-1 - A-9 for background on the affordability gap analysis)
8. Total affordability gap divided by number of new units in the prototype

Source: Vernazza Wolfe Associates, Inc. and ADE, Inc.

Maximum Legal Impact Fee Nexus Analysis Affordable Housing Attachment F

Table 10
H-2B Townhomes/Row Houses (North Hills/South Hills)
Affordability Gap Calculation and Maximum Legal Affordable Housing Impact Fee

Income Category	Total Induced Jobs per Prototype ¹	Jobs Accommodated in Oakland ²	Oakland Households ³	Average Worker Income ⁴	Household Income ⁵	Demand from New Very Low-, Low- and Moderate income Households	Affordability Group ⁶	Total Affordability Gap ⁷	Maximum Legal Affordable Housing Impact Fee per Unit ⁸
Less than \$10,000	0.00	0	n/a	\$0	\$0				
\$10,000-\$15,000	0.00	0	n/a	\$0	\$0				
\$15,000-\$25,000	4.81	1.35	0.91	\$23,778	\$35,191	0.91	Very Low-Income	\$384,767	
\$25,000-\$35,000	4.14	1.16	0.78	\$29,551	\$43,736	0.78	Low-Income	\$297,908	
\$35,000-\$50,000	15.65	4.38	2.96	\$44,246	\$65,485	2.96	Moderate-Income	\$649,579	
\$50,000-\$75,000	6.40	1.79	1.21	\$58,545	\$86,647	1.21	Moderate-Income	\$265,490	
\$75,000-\$100,000	3.06	0.86	0.58	\$87,643	\$129,711				
\$100,000-\$150,000	5.70	1.59	1.08	\$115,861	\$171,474				
Over \$150,000	0.00	0.00	0	n/a	\$0				
Total	39.75	11.13	7.52	\$56,147		5.86		\$1,597,744	\$53,258

Assumptions:

30	number of units in prototype
28%	percent of Alameda County jobs located in Oakland (current and projected by ABAG)
1.48	number of wage earners per household, City of Oakland (2009 - 2013 American Community Survey, 5-Year Estimates)

Notes:

1. Results of IMPLAN3 input-output model
2. Total induced jobs multiplied by the percent of Alameda County jobs located in Oakland
3. Jobs in Oakland divided by wage earners per household with workers
4. Results of IMPLAN3 input-output model and analysis of data from the California Labor Market Information Division
5. Average worker income multiplied by the number of wage earners in households with workers
6. Based on City of Oakland household income threshold incomes for an average size household of 2.5 persons: Very Low Income (\$39,525), Low Income (\$63,580), and Moderate Income (\$95,370)
7. Number of households multiplied by average affordability gap for applicable income group (see Appendix Table A-1 - A-9 for background on the affordability gap analysis)
8. Total affordability gap divided by number of new units in the prototype

Source: Vernazza Wolfe Associates, Inc. and ADE, Inc.

Table 11
H-3 Rental Apartments, Three to Four Floors over Podium (West, North, and East Oakland)
Affordability Gap Calculation and Maximum Legal Affordable Housing Impact Fee

Income Category	Total Induced Jobs per Prototype ¹	Jobs Accommodated in Oakland ²	Oakland Households ³	Average Worker Income ⁴	Household Income ⁵	Demand from New Very Low-, Low- and Moderate income Households	Affordability Group ⁶	Total Affordability Gap ⁷	Maximum Legal Affordable Housing Impact Fee per Unit ⁸
Less than \$10,000	0	0	n/a	n/a	n/a	n/a			
\$10,000-\$15,000	0	0	n/a	n/a	n/a	n/a			
\$15,000-\$25,000	13.56	3.80	2.57	\$23,778	\$35,191	2.57	Very Low-Income	\$1,085,142	
\$25,000-\$35,000	11.11	3.11	2.10	\$29,506	\$43,668	2.10	Low-Income	\$799,723	
\$35,000-\$50,000	40.93	11.46	7.74	\$44,229	\$65,459	7.74	Moderate-Income	\$1,699,195	
\$50,000-\$75,000	15.34	4.29	2.90	\$58,434	\$86,482	2.90	Moderate-Income	\$636,590	
\$75,000-\$100,000	7.40	2.07	1.40	\$87,486	\$129,479	0.00			
\$100,000-\$150,000	15.16	4.24	2.87	\$115,683	\$171,211	0.00			
Over \$150,000	0	0	0	n/a	\$0	0.00			
Total	103.50	28.98	19.58	\$55,631	\$0	15.31		\$4,220,650	\$35,172

Assumptions:

120	number of units in prototype
28%	percent of Alameda County jobs located in Oakland (current and projected by ABAG)
1.48	number of wage earners per household, City of Oakland (2009 - 2013 American Community Survey, 5-Year Estimates)

Notes:

1. Results of IMPLAN3 input-output model
2. Total induced jobs multiplied by the percent of Alameda County jobs located in Oakland
3. Jobs in Oakland divided by wage earners per household with workers
4. Results of IMPLAN3 input-output model and analysis of data from the California Labor Market Information Division
5. Average worker income multiplied by the number of wage earners in households with workers
6. Based on City of Oakland household income threshold incomes for an average size household of 2.5 persons: Very Low Income (\$39,525), Low Income (\$63,580), and Moderate Income (\$95,370)
7. Number of households multiplied by average affordability gap for applicable income group (see Appendix Table A-1 - A-9 for background on the affordability gap analysis)
8. Total affordability gap divided by number of new units in the prototype

Source: Vernazza Wolfe Associates, Inc. and ADE, Inc.

Table 12
H-4 Rental Apartments, Five to Six Floors over Podium (Downtown, Jack London, Broadway-Valdez, and North Oakland)
Affordability Gap Calculation and Maximum Legal Affordable Housing Impact Fee

Income Category	Total Induced Jobs per Prototype ¹	Jobs Accommodated in Oakland ²	Oakland Households ³	Average Worker Income ⁴	Household Income ⁵	Demand from New Very Low-, Low- and Moderate income Households	Affordability Group ⁶	Total Affordability Gap ⁷	Maximum Legal Affordable Housing Impact Fee per Unit ⁸
Less than \$10,000	0	0	n/a	\$0	\$0				
\$10,000-\$15,000	0	0	n/a	\$0	\$0				
\$15,000-\$25,000	22.60	6.33	4.28	\$23,778	\$35,191	4.28	Very Low-Income	\$1,808,313	
\$25,000-\$35,000	18.75	5.25	3.55	\$29,518	\$43,687	3.55	Low-Income	\$1,349,672	
\$35,000-\$50,000	69.90	19.57	13.22	\$44,238	\$65,472	13.22	Moderate-Income	\$2,901,407	
\$50,000-\$75,000	26.99	7.56	5.11	\$58,481	\$86,552	5.11	Moderate-Income	\$1,120,304	
\$75,000-\$100,000	12.99	3.64	2.46	\$87,542	\$129,562				
\$100,000-\$150,000	25.64	7.18	4.85	\$115,734	\$171,287				
Over \$150,000	0	0	0	n/a	\$0				
Total	176.87	49.52	33.46	\$55,783		26.15		\$7,179,696	\$39,887

Assumptions:

180	number of units in prototype
28%	percent of Alameda County jobs located in Oakland (current and projected by ABAG)
1.48	number of wage earners per household, City of Oakland (2009 - 2013 American Community Survey, 5-Year Estimates)

Notes:

1. Results of IMPLAN3 input-output model
2. Total induced jobs multiplied by the percent of Alameda County jobs located in Oakland
3. Jobs in Oakland divided by wage earners per household with workers
4. Results of IMPLAN3 input-output model and analysis of data from the California Labor Market Information Division
5. Average worker income multiplied by the number of wage earners in households with workers
6. Based on City of Oakland household income threshold incomes for an average size household of 2.5 persons: Very Low Income (\$39,525), Low Income (\$63,580), and Moderate Income (\$95,370)
7. Number of households multiplied by average affordability gap for applicable income group (see Appendix Table A-1 - A-9 for background on the affordability gap analysis)
8. Total affordability gap divided by number of new units in the prototype

Source: Vernazza Wolfe Associates, Inc. and ADE, Inc.

Table 13
H-5 Rental Apartments, High Rise (Downtown, Jack London, and Broadway-Valdez)
Affordability Gap Calculation and Maximum Legal Affordable Housing Impact Fee

Income Category	Total Induced Jobs per Prototype ¹	Jobs Accommodated in Oakland ²	Oakland Households ³	Average Worker Income ⁴	Household Income ⁵	Demand from New Very Low-, Low- and Moderate income Households	Affordability Group ⁶	Total Affordability Gap ⁷	Maximum Legal Affordable Housing Impact Fee per Unit ⁸
Less than \$10,000	0	0	n/a	\$0	\$0				
\$10,000-\$15,000	0	0	n/a	\$0	\$0				
\$15,000-\$25,000	35.24	9.87	6.67	\$23,778	\$35,191	6.67	Very Low-Income	\$2,819,597	
\$25,000-\$35,000	29.16	8.17	5.52	\$29,515	\$43,682	5.52	Low-Income	\$2,099,444	
\$35,000-\$50,000	108.90	30.49	20.60	\$44,240	\$65,475	20.60	Moderate-Income	\$4,520,272	
\$50,000-\$75,000	41.86	11.72	7.92	\$58,481	\$86,552	7.92	Moderate-Income	\$1,737,654	
\$75,000-\$100,000	20.15	5.64	3.81	\$87,534	\$129,550				
\$100,000-\$150,000	39.86	11.16	7.54	\$115,723	\$171,270				
Over \$150,000	0	0	0	n/a	\$0				
Total	275.18	77.05	52.06	\$55,751		40.71		\$11,176,967	\$50,804

Assumptions:

220	number of units in prototype
28%	percent of Alameda County jobs located in Oakland (current and projected by ABAG)
1.48	number of wage earners per household, City of Oakland (2009 - 2013 American Community Survey, 5-Year Estimates)

Notes:

1. Results of IMPLAN3 input-output model
2. Total induced jobs multiplied by the percent of Alameda County jobs located in Oakland
3. Jobs in Oakland divided by wage earners per household with workers
4. Results of IMPLAN3 input-output model and analysis of data from the California Labor Market Information Division
5. Average worker income multiplied by the number of wage earners in households with workers
6. Based on City of Oakland household income threshold incomes for an average size household of 2.5 persons: Very Low Income (\$39,525), Low Income (\$63,580), and Moderate Income (\$95,370)
7. Number of households multiplied by average affordability gap for applicable income group (see Appendix Table A-1 - A-9 for background on the affordability gap analysis)
8. Total affordability gap divided by number of new units in the prototype

Source: Vernazza Wolfe Associates, Inc. and ADE, Inc.

Table A-1

Unit Types and Household Sizes Used in Housing Affordability Gap Analysis

Unit Type	Rental Household Size	Ownership Household Size
Studio	1 person	NA
1-bedroom	2 person	1.5 person
2-bedroom	3 person	3 person
3- bedroom	4 person	4 person
4- bedroom	5 person	5 person

Source: Vernazza Wolfe Associates Inc.

Table A-2
Income Assumptions by Tenure Used in Affordability Gap Analysis

Income Category	Maximum Income by Category as a Percent of Area Median Income ¹
Rental Housing	
Extremely Low-Income	30%
Very Low-Income	50%
Low-Income	60%
Moderate-Income	110%
Ownership Housing	
Very Low-Income	50%
Low-Income	70%
Moderate-Income	110%

1. Area median income for the City of Oakland

Source: Vernazza Wolfe Associates Inc.

Table A-3
City of Oakland Income Limits

Income Category	Number of Persons in Household					
	1	1.5	2	3	4	5
Rental Housing						
Extremely Low Income (30% AMI)	\$19,500	NA	\$22,300	\$25,100	\$27,850	\$30,100
Very Low Income (50% AMI)	\$32,550	NA	\$37,200	\$41,850	\$46,450	\$50,200
Low Income (60% AMI)	\$39,060	NA	\$44,640	\$50,220	\$55,740	\$60,240
Moderate Income (110% AMI)	\$71,995	NA	\$82,280	\$92,565	\$102,850	\$111,100
Ownership Housing						
Very Low Income (50% AMI)	\$32,550	\$34,875	\$37,200	\$41,850	\$46,450	\$50,200
Low Income (70% AMI)	\$44,610	\$47,790	\$50,970	\$57,340	\$63,670	\$68,800
Moderate Income (110% AMI)	\$71,995	\$77,138	\$82,280	\$92,565	\$102,850	\$111,100

Note: 30%, 50%, 60%, and 70% of AMI income limits provided by the City of Oakland based on the 2015 HOME Income Limits. 110% of AMI calculated based on median household incomes provided by the City of Oakland.

Sources: City of Oakland; Vernazza Wolfe Associates, Inc., 2015.

Table A-4
Rental Housing Affordability Calculations by Income Level and Unit Type

	Studio	1 BR	2 BR	3 BR	4 BR
Household Size (Persons per HH)	1	2	3	4	5
Extremely Low (30% AMI)					
Maximum Household Income at 30% AMI	\$19,500	\$22,300	\$25,100	\$27,850	\$30,100
Maximum Monthly Housing Cost ¹	\$488	\$558	\$628	\$696	\$753
Utility Deduction ²	\$34	\$40	\$49	\$60	\$74
Maximum Available for Rent ³	\$454	\$518	\$579	\$636	\$679
Maximum Available for Rent (Unit Type)	\$454	\$518	\$579	\$636	\$679
Very Low Income (50% AMI)					
Maximum Household Income at 50% AMI	\$32,550	\$37,200	\$41,850	\$46,450	\$50,200
Maximum Monthly Housing Cost ¹	\$814	\$930	\$1,046	\$1,161	\$1,255
Utility Deduction ²	\$34	\$40	\$49	\$60	\$74
Maximum Available for Rent ³	\$780	\$890	\$997	\$1,101	\$1,181
Maximum Available for Rent (Unit Type)	\$780	\$890	\$997	\$1,101	\$1,181
Low Income (60% AMI)					
Maximum Household Income at 60% AMI	\$39,060	\$44,640	\$50,220	\$55,740	\$60,240
Maximum Monthly Housing Cost ¹	\$977	\$1,116	\$1,256	\$1,394	\$1,506
Utility Deduction ²	\$34	\$40	\$49	\$60	\$74
Maximum Available for Rent ³	\$943	\$1,076	\$1,207	\$1,334	\$1,432
Maximum Available for Rent (Unit Type)	\$943	\$1,076	\$1,207	\$1,334	\$1,432
Moderate Income (110% AMI)					
Maximum Household Income at 110% AMI	\$71,995	\$82,280	\$92,565	\$102,850	\$111,100
Maximum Monthly Housing Cost ¹	\$1,800	\$2,057	\$2,314	\$2,571	\$2,778
Utility Deduction ²	\$34	\$40	\$49	\$60	\$74
Maximum Available for Rent ³	\$1,766	\$2,017	\$2,265	\$2,511	\$2,704
Maximum Available for Rent (Unit Type)	\$1,766	\$2,017	\$2,265	\$2,511	\$2,704

1. 30 percent of maximum monthly household income.

2. Assumptions used in the calculation of utility costs are based on schedules by unit size provided by the Oakland Housing Authority and information from the US Census on utilities commonly used in rental and ownership housing units.

3. Maximum monthly housing cost minus utility deduction.

Sources: City of Oakland, 2015; Oakland Housing Authority, 2014; Vernazza Wolfe Associates, Inc. 2015

**Table A-5
Affordable Sales Prices by Income Level and Unit Type**

Income Level and Unit Type ¹	Affordable Sales Price ²
Very Low-Income Households (50% AMI)	
1 Bedroom	\$61,657
2 Bedroom	\$87,572
3 Bedroom	\$104,663
4 Bedroom	\$118,596
Low-Income Households (70% AMI)	
1 Bedroom	\$109,641
2 Bedroom	\$145,124
3 Bedroom	\$168,642
4 Bedroom	\$187,702
Moderate-Income Households (110% AMI)	
1 Bedroom	\$266,445
2 Bedroom	\$333,318
3 Bedroom	\$377,900
4 Bedroom	\$413,660

1. The sales price table differs from the rental table in that a studio unit is not included for the sales calculations. This reflects the fact that there are no studio units developed for sale in single family detached or townhouse development in the Oakland housing market.

2. Assumes 30% of gross annual household income allocated to housing costs. Affordable sales prices are based on a number of assumptions, including standard loan terms for first-time home-buyers used by CalHFA programs and many private lenders:

- Downpayment: 5%
- Mortgage term: 30-year fixed rate
- Interest rate: 4.125%
- Property mortgage insurance: 0.89% of sales price
- Property insurance: 0.35% of sales price
- Property maintenance reserve: \$300 per month

Source: Vernazza Wolfe Associates Inc.

Table A-6

Unit Types, Size, and Costs Used in Housing Affordability Gap Analysis

<u>Rental Housing Cost @ \$515 per Net SF</u>		
Unit Type by Number of Bedrooms	Unit Size (net SF)	Development Costs
Studio	500	\$257,500
1	600	\$309,000
2	850	\$437,750
3	1,200	\$618,000
4	1,500	\$772,500
<u>For Sale Cost @ \$400 per Net SF</u>		
Unit Type by Number of Bedrooms	Unit Size (net SF)	Development Costs
1	900	\$360,000
2	1,150	\$460,000
3	1,450	\$580,000
4	1,500	\$600,000

Sources: Vernazza Wolfe Associates, Inc., City of Oakland Housing Proformas, and DataQuick Sales Data.

**Table A-7
Rental Housing Affordability Gap Calculation**

Income Level and Unit Type	Unit Size (SF)	Maximum Monthly Rent ¹	Annual Income	Net Operating Income ²	Available for Debt Service ³	Supportable Debt ⁴	Development Costs ⁵	Affordability Gap
Extremely Low-Income (30% AMI)								
Studio	500	\$454	\$5,442	(\$2,330)	\$0	\$0	\$257,500	\$257,500
1 Bedroom	600	\$518	\$6,210	(\$1,601)	\$0	\$0	\$309,000	\$309,000
2 Bedroom	850	\$579	\$6,942	(\$905)	\$0	\$0	\$437,750	\$437,750
3 Bedroom	1,200	\$636	\$7,635	(\$247)	\$0	\$0	\$618,000	\$618,000
4 Bedroom	1,500	\$679	\$8,142	\$235	\$235	\$3,106	\$772,500	\$769,394
Average Affordability Gap⁶								\$478,329
Very Low-Income (50% AMI)								
Studio	500	\$780	\$9,357	\$1,389	\$1,111	\$14,695	\$257,500	\$242,805
1 Bedroom	600	\$890	\$10,680	\$2,646	\$2,117	\$27,990	\$309,000	\$281,010
2 Bedroom	850	\$997	\$11,967	\$3,869	\$3,095	\$40,923	\$437,750	\$396,827
3 Bedroom	1,200	\$1,101	\$13,215	\$5,054	\$4,043	\$53,465	\$618,000	\$564,535
4 Bedroom	1,500	\$1,181	\$14,172	\$5,963	\$4,771	\$63,082	\$772,500	\$709,418
Average Affordability Gap⁶								\$438,919
Low-Income (60% AMI)								
Studio	500	\$943	\$11,310	\$3,245	\$2,596	\$34,321	\$257,500	\$223,179
1 Bedroom	600	\$1,076	\$12,912	\$4,766	\$3,813	\$50,420	\$309,000	\$258,580
2 Bedroom	850	\$1,207	\$14,478	\$6,254	\$5,003	\$66,157	\$437,750	\$371,593
3 Bedroom	1,200	\$1,334	\$16,002	\$7,702	\$6,162	\$81,472	\$618,000	\$536,528
4 Bedroom	1,500	\$1,432	\$17,184	\$8,825	\$7,060	\$93,351	\$772,500	\$679,149
Average Affordability Gap⁶								\$413,806
Moderate-Income (110% AMI)								
Studio	500	\$1,766	\$21,191	\$12,631	\$10,105	\$133,613	\$257,500	\$123,887
1 Bedroom	600	\$2,017	\$24,204	\$15,494	\$12,395	\$163,897	\$309,000	\$145,103
2 Bedroom	850	\$2,265	\$27,182	\$18,322	\$14,658	\$193,819	\$437,750	\$243,931
3 Bedroom	1,200	\$2,511	\$30,135	\$21,128	\$16,903	\$223,499	\$618,000	\$394,501
4 Bedroom	1,500	\$2,704	\$32,442	\$23,320	\$18,656	\$246,683	\$772,500	\$525,817
Average Affordability Gap⁶								\$286,648

Note: The calculation does not assume the availability of any other source of housing subsidy because not all "modest" housing is built with public subsidies, and tax credits and tax-exempt bond financing are highly competitive programs that will not always be available to developers of modest housing units.

- Affordable rents are based on City of Oakland's 2015 Income Limits. These are net rents, since utility costs have been deducted.
- Amount available for debt. Assumes 5% vacancy and collection loss and \$7,500 per unit for operating expenses and reserves.
- Assumes 1.25 Debt Coverage Ratio.
- Assumes 5.38%, 30 year loan. Calculations based on annual payments.
- Assumes development cost of \$515 per net square foot on rental units.
- Calculated as the simple average across all unit sizes because of variability in the relationship between household size and the type of unit occupied.

Sources: Vernazza Wolfe Associates, Inc., and selected Oakland Rental Housing Pro Formas.

**Table A-8
For-Sale Housing Affordability Gap Calculation**

Income Level and Unit Type	Unit Size (SF)	Affordable Sales Price ¹	Development Costs ²	Affordability Gap ³
Very Low-Income (50% AMI)				
1 Bedroom	900	\$61,657	\$360,000	\$298,343
2 Bedroom	1,150	\$87,572	\$460,000	\$372,428
3 Bedroom	1,450	\$104,663	\$580,000	\$475,337
4 Bedroom	1,500	\$118,596	\$600,000	\$481,404
Average Affordability Gap⁴				\$406,878
Low Income (70% of AMI)				
1 Bedroom	900	\$109,641	\$360,000	\$250,359
2 Bedroom	1,150	\$145,124	\$460,000	\$314,876
3 Bedroom	1,450	\$168,642	\$580,000	\$411,358
4 Bedroom	1,500	\$187,702	\$600,000	\$412,298
Average Affordability Gap⁴				\$347,223
Moderate Income (110% of AMI)				
1 Bedroom	900	\$266,445	\$360,000	\$93,555
2 Bedroom	1,150	\$333,318	\$460,000	\$126,682
3 Bedroom	1,450	\$377,900	\$580,000	\$202,100
4 Bedroom	1,500	\$413,660	\$600,000	\$186,340
Average Affordability Gap⁴				\$152,169

Note: The calculation does not assume the availability of any other source of housing subsidy because not all "modest" housing is built with public subsidies, and tax credits and tax-exempt bond financing are highly competitive programs that will not always be available to developers of modest housing units.

1. See Table A-5.
2. Assumes \$400/SF for development costs.
3. Calculated as the difference between affordable sales price and development cost.
4. Calculated as the simple average across all unit sizes because of variability in the relationship between household size and the type of unit occupied.

Sources: Vernazza Wolfe Associates, Inc., Habitat for Humanity pro forma, and DataQuick Sales Data.

Table A-9
Average Rental and For-Sale Housing Affordability Gap by Income Group

Income Level	Rental Gap	Ownership Gap	Combined Average Affordability Gap
Extremely Low-Income (30% AMI)	\$478,329	NA	\$478,329
Very Low-Income (50% AMI)	\$438,919	\$406,878	\$422,898
Low-Income (60% - 70% AMI)	\$413,806	\$347,223	\$380,514
Moderate-Income (110% AMI)	\$286,648	\$152,169	\$219,409

Source: Vernazza Wolfe Associates, Inc. 2015.

Economic Feasibility Context for New Impact Fee Program

The consultant team analyzed the economic feasibility context as a basis for creating an impact fee program that can be implemented without adversely affecting Oakland's ability to attract new development. The analysis defined representative development prototypes for Oakland and developed associated real estate market and cost data. The economic feasibility models were used to assess the current economic feasibility of different land uses and building types in different parts of the city. The feasibility models are now being used to assess the impacts of potential impact fee options on project feasibility and development in Oakland.

Below contains information about Oakland's market context for considering a new impact fee program, the current economic feasibility context for adopting new impact fees, and the effect of phasing in new fees so as to enhance project feasibility and increase development's ability to pay higher fees.

1.) Oakland Market Context for Considering an Impact Fee Program

Growing Demand on the Heels of the Recession

There is growing demand for housing and commercial and industrial space in Oakland and strong potentials for future development if the regional economy stays strong. The current market context follows the major downturn of the economy with the Recession (2009-2011) which halted new construction and resulted in substantial declines in real estate prices and rents. Between 2011 and 2013, as the regional economy began to recover and grow in San Francisco, the Peninsula, and the South Bay, mostly fueled by the technology sectors, recovery lagged in the East Bay. Increased interest in Oakland and the East Bay followed thereafter (2013-present), and there has been increasing demand spillover from San Francisco to Oakland given Oakland's central location, urban character and assets, transit accessibility, and relative affordability.

Oakland: Increased Potential for New Development, But Only Limited Development Thus Far

As demand grows for Oakland locations, recent changes (years 2013-2015) in the real estate market context have been substantial, and include the following:

- 1.) Occupancies of existing buildings increased resulting in low vacancy rates today.
- 2.) Housing and commercial space rents and prices increased substantially. Recent percentage increases in Oakland's apartment rents have been among the highest in the country. Rents for downtown office space have also increased substantially.
- 3.) There has been increasing investment in existing buildings, such as in older commercial buildings in the downtown area, including the recent sale and future upgrading of the former Sears building as a new location for Uber.
- 4.) Potentials for new development have been increasing, as has developer interest in Oakland. There is a large pipeline of potential development projects.
- 5.) While the potentials for development are increasing, there has been very limited new market-rate housing development and no office development in Oakland since the Recession.

- a) Only 332 units in larger, market-rate, multi-family developments (5+ units) were built over the five (5) years from 2010 through 2014.
 - b) No new office buildings have been built since 2000.
- 6.) Some smaller residential projects and single-family detached and townhouse developments have occurred. Additionally, building permit activity has recently increased in 2014 and 2015.
- 7.) Larger residential projects are anticipated to begin applying for building permits in late 2015 through 2017 based on future anticipated higher rents and prices which will enhance new project feasibility.

Increasing rents and prices indicate growing potential for future development in Oakland if the regional and national economies remain strong. Growth forecasts for Oakland over the next 15 to 25 years indicate the most potential for growth of multi-family residential development and for office development. From the perspective of a new impact fee program in Oakland, multi-family residential development and office development hold the most potential for generating impact fee revenues in the future.

2.) Current Economic Feasibility Context for Adopting New Impact Fee Program

Multi-Family Housing and Office Buildings

The limited amount of recent new development in Oakland, along with growing demand, exemplify the finding that Oakland's increasing rents are still below those needed today for feasible development of the more costly building types: multi-family housing development and office building development. The feasibility of these higher-density developments depend on further future rent increases over and above development cost increases. Projects being planned today anticipate higher future rents by the time new projects are completed and ready for occupancy. Developing projects based on anticipated future rents adds risk and affects a developer's ability to attract financing and investment. As there are few existing "comparables" for successful, recent projects, there is the need for more successes in Oakland to prove the feasibility of developments and provide more certainty to developers, investors, and lenders who are often located outside of the Bay Area.

The ability to pay impact fees requires that project rents and prices increase to levels that are high enough to cover development costs, pay new impact fees, and provide a competitive return to attract developers and investors and cover risks. If not, new impact fees would slow development. Revenues also need to be able to provide enough value for land owners to encourage and support land sales so that impact fees would not slow land transactions and limit development. One way to help the market adjust to new impact fees is to phase in the fees.

Fee phasing-in could enhance development potentials and increase ability to pay higher fees. Market potentials and trends are anticipated to continue to support increasing rents for new development in Oakland, thereby enhancing project feasibility and increasing the ability to pay impact fees. As a result, the phasing in of new impact fees in sync with the market could both enhance potentials for new development and increase ability to pay higher fees. The imposition of significant impact fees without phase-in could render projects infeasible and slow development as a result.

Phasing-in also would allow time for the market to adjust to and plan for higher fees and for developers to plan future developments with knowledge of the new fee magnitude. Developers with projects in the pipeline that may have already bought land and made other commitments prior to knowing the new fee magnitude would benefit from the phasing in of new fees to allow their projects to proceed without delay. Allowing little or no time for those adjustments could have unintended consequences for project feasibility and could slow development.

3.) Summary of Economic Feasibility Analysis

The base case 2015 economic feasibility analyses are presented in charts and tables in **Attachment H**. **Attachment H-1** includes charts that summarize the current economic feasibility of new development in Oakland and the ability of different land uses to pay new impact fees based on current 2015 revenues and development costs (shown in Figures 1, 2, and 3 in **Attachment H-1**). **Attachment H-2** provides charts and base case pro formas summarizing the current economic feasibility of representative development prototypes for different land uses and building types in different areas of Oakland. The following text sections summarize the current feasibility context as relevant to ability to pay new impact fees for each development type.

Feasibility Overview: Multi-Family Housing Development

Multi-family housing projects are marginally feasible or not yet feasible based on 2015 rents and without new impact fees. The higher density building types are costly to develop and larger projects carry substantial risk. No large, market-rate multi-family housing projects have yet been developed in Oakland since the Recession. However, recent high rates of Oakland apartment rent increases have attracted substantial developer interest, and there is a large pipeline of potential future projects. Development feasibility and ability to pay new impact fees could be much improved with increasing rents over the next two (2) to three (3) years, if trends continue and the regional economy stays strong. Projects being planned now are based on higher future rents. The potential for developers to absorb new impact fees would be greatest if the fees are phased in consistent with improving development feasibility (as shown in Tables 1 and 2 and Figures 4 and 5 in **Attachment H-2**.)

Feasibility Overview: Single Family Housing Development

The development of single family detached homes and townhouses is feasible today in Oakland. Single family housing can be developed incrementally, in phases, and is much less risky than the larger, more costly building types required for multi-family housing development. Single family detached homes and townhouse development have been occurring in the Oakland Hills areas, and townhouse development is getting underway in West Oakland with more units planned. Infill, single family homes have also been developed in East Oakland, where the new development is particularly sensitive to costs. New impact fees could be phased in on single family housing development, consistent with the different markets served in different parts of the city (as shown in Table 1, Figure 3, and Table 6 in **Attachment H-2**).

Feasibility Overview: Office Building Development

There has been growing demand for office space in downtown Oakland where rents have been increasing, vacancies are low, and there has been investment in upgrading

existing office buildings. However, development of new office buildings is not yet feasible. Substantially higher rents are required for costly, new high rise office development downtown, and somewhat higher rents for mid-rise office development. Uber's recent commitment to locating in downtown Oakland enhances the potential for attracting other major tenants who are accustomed to paying higher rents in San Francisco or elsewhere. For more feasible projects, developers need tenant commitments at high rents for major portions of new buildings. Feasibility could be reached sooner or later, the timing of which depends on tenant commitments which are difficult to predict. Office projects need to attain feasibility before new impact fees can be paid. Figure 7 and Tables 4, 5A, and 5B in **Attachment H-2** show data related to this.

Feasibility Overview: Retail Development

Freestanding retail development, including grocery stores, possibly with small shops, and potentially larger stores, have been feasibly developed in various locations in Oakland, although such development can be sensitive to costs. Recent new retail developments primarily include new grocery stores: the new Safeway at College and Claremont, the Whole Foods in Adams Point, the new Lucky store on East 18th, the new FoodsCo at Foothill Square, the new Sprouts and other shops on Broadway, and the new Safeway under construction at 51st and Broadway. Beyond grocery stores and other convenience shopping, however, Oakland has had trouble attracting retail development offering comparison goods (including clothing/shoes/accessories, home furnishings / appliances, specialty goods, electronics, and department/general merchandise stores). A large share of Oakland residents' spending for comparison goods continues to be made outside the city (sales leakage). While freestanding retail development has some ability to pay impact fees, the City could consider policy goals for attracting more retailing for both the shopping opportunities and the sales tax base these developments can provide. Adopting a relatively low retail impact fee could encourage more retail development along with the tax benefits it provides. Figure 8 and Tables 6 and 7 in **Attachment H-2** show data related to this.

The feasibility of developing ground floor retail space in new residential and office buildings depends on overall development feasibility of the residential and office developments. Ground floor retail is often seen as an amenity for these projects, and does not typically cover development costs.

Feasibility Overview: Industrial Development

Warehouse development is feasible in Oakland. Projects have been built recently and future development is dependent on site availability for new warehouse development as there is demand for new warehouse facilities. Developments for custom manufacturing and light industrial uses, including industrial arts, also appear to be feasible and are desirable in parts of the West Oakland, Central Estuary, and the Coliseum Specific Plan Areas for the business and job opportunities they can provide. Additional impact fees could likely be collected from industrial development, particularly warehouse developments. Developments for smaller manufacturing and light industrial businesses have less ability to pay impact fees. Figure 9 and Tables 8 and 9 in **Attachment H-2** show data related to this.

Attachment H

Economic Feasibility Analysis Base Case 2015 Context

Attachment H-1

Charts Summarizing: Current Economic Feasibility of New Development in Oakland, and Ability of Different Land Uses to Pay New Impact Fees based on 2015 Revenues and Costs

Figure 1
Ability to Pay Impact Fees Based on
Relationship between Development Cost and Revenue

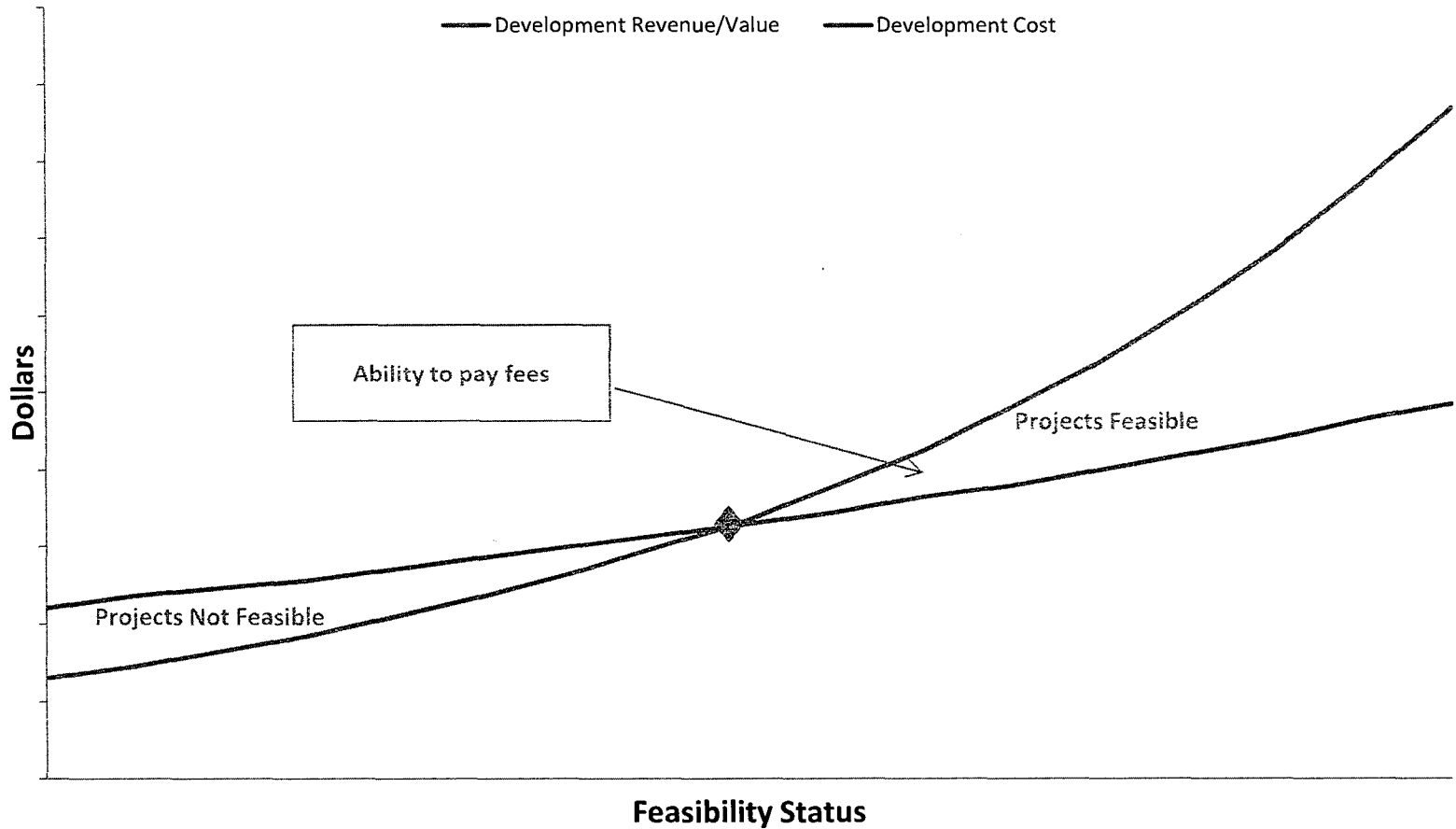


Figure 2
Relationship between Development Cost and Revenue:
Feasibility of Development in 2015

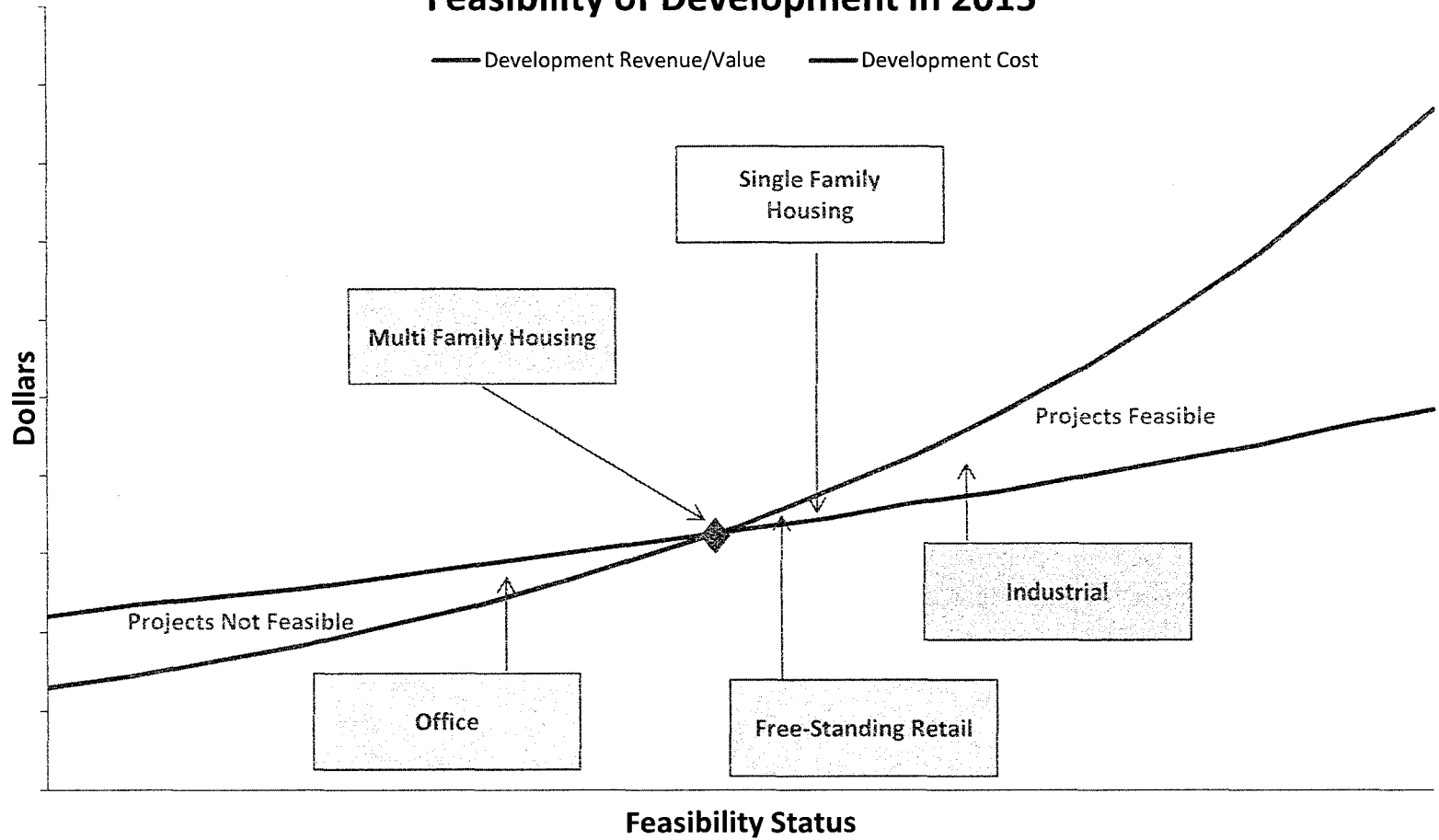
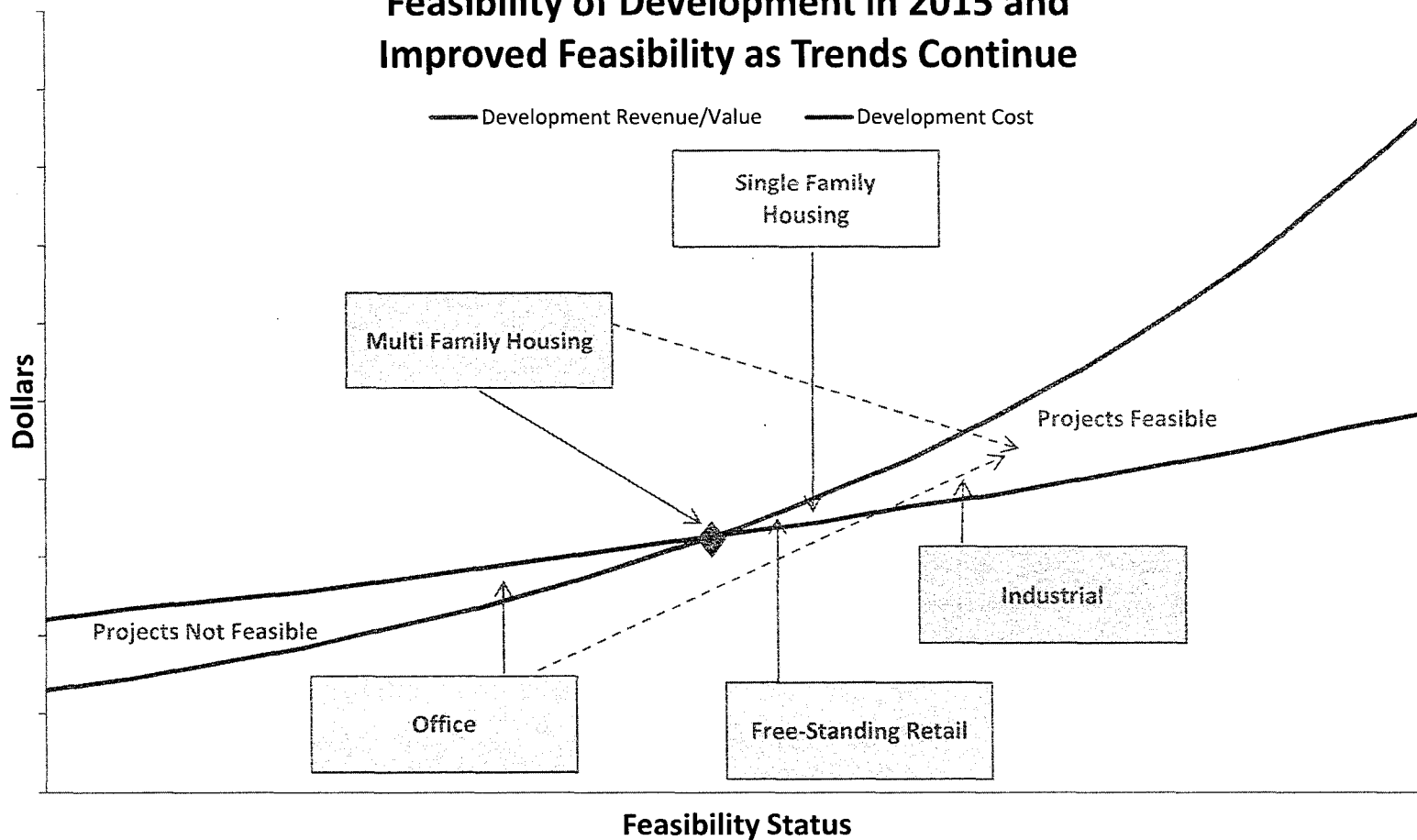


Figure 3
Relationship between Development Cost and Revenue:
Feasibility of Development in 2015 and
Improved Feasibility as Trends Continue



Attachment H-2

Charts and Base Case Pro Formas Summarizing Economic Feasibility of Representative Development Prototypes in Oakland

**TABLE 1
OAKLAND HOUSING DEVELOPMENT PROTOTYPES**

	Prototype H-1 Single Family Detached		Prototype H-2 Townhomes / Row Houses		Prototype H-3 Lower / Mid-Rise Multi-Family Apts.
<i>Construction Type</i>	Type V		Type V		Type V; typically over Type I podium
<i>Height</i>	2-story typically		3-story THs including garage		3-4 floors over podium; under 65 feet
<i>Parking Location</i>	attached garage		garage in unit		Podium above grade and possibly some surface pkg.
<i>Locations in City</i>	A. East Oakland	B. No. Hills/Rockridge/ So. Hills/Lower Hills	A. West Oakland	B. North Hills/South Hills	West Oakland/North Oakland/ East Oakland
<i>Tenure</i>	For Sale	For Sale	For Sale	For Sale	Rental
<i>Average Unit Size</i>	1,600 sf	3,000 sf	1,340 sf	2,085 sf	760 sf per unit
<i>Bedroom Mix</i>	3 BR	4 BR	90% 2BR; 10% 3 BR	10% 2BR; 75% 3 BR; 15% 4 BR	15% ST; 45% 1BR; 32% 2BR; 8% 3BR
<i>Parking</i>	2 cars	2-3 cars	1-2 cars	2 cars	1 space per unit
<i>Density</i>	avg. 15 units / acre	avg. 6 units / acre	20-40 units / acre	15-40 units / acre	60-130 units/acre
<i>Prototype:</i>	Individual Homes Infill Locations	Individual Homes Infill/300-unit dev. over time	150 units/ 30 per phase; 30 DU/acre	150 units/ 30 per phase; 30 DU/acre	120 units, 4 over 1, 100 DU/acre
<i>Examples Built</i>	Individual Homes - Infill Arcadia Park / Pulte Homes (168 homes)	Individual Homes - Infill Bellevue (Leona Quarry) (under construction)	Zephyr Gate - WO (130 THs) Magnolia Row - WO (36 THs) Louise Row - WO (12 THs)	Jade Townhomes / Monte Vista Villas (Leona Quarry) (320 units)	Temescal Place - NO Allegro - JLD 901 Jefferson - DT Uptown - DT
<i>Approved / Proposed:</i>	Infill - individual lots	Infill - individual lots Oak Knoll (~368 SFD homes) Sienna Hills (22 homes) Felton Acres (25 SF lots)	Wood St. - Area 4 (174 THs)	Oak Knoll (~433 THs)	3250 Hollis - WO (120 units rental) Oak Knolls - Hills (134 apts) 4700 Telegraph - NO (48 units) 4801 Shattuck - NO (44 units) 5227 Claremont - NO (33 units) 2315 Valdez - BV (234 units - rental & condo map) 459 8th - DT (50 units)

Source: Hausrath Economics Group, based on housing developments occurring and proposed in Oakland.

**TABLE 1
OAKLAND HOUSING DEVELOPMENT PROTOTYPES (cont'd)**

	Prototype H-4 Mid-Rise Multi-Family Development		Prototype H-5 High-Rise Multi-Family Development	
<i>Construction Type</i>	Type III over Type I podium		Type I	
<i>Height</i>	5-6 floors over podium; up to 85 feet		20-28 floors	
<i>Parking Location</i>	podium; typically 2 levels above grade		Most above grade; some below grade possible	
<i>Locations in City</i>	<i>Downtown/Jack London/ Broadway Valdez/North Oakland</i>		<i>Downtown/Jack London/ Broadway Valdez</i>	
<i>Tenure</i>	A. Rental Apartments	B. For Sale Condos	A. Rental Apartments	B. For Sale Condos
<i>Average Unit Size</i>	825 sf per unit	930 sf per unit	845 sf per unit	940 sf per unit
<i>Bedroom Mix</i>	17% ST; 50% 1BR; 30% 2BR; 3% 2+BR	10% ST; 35% 1BR; 15% 1+BR; 32% 2BR; 8% 2+/3BR	24% ST; 50% 1BR; 25% 2BR; 1% 3BR/PH	15% ST; 45% 1BR; 35% 2 BR; 5% 3 BR/PH
<i>Parking</i>	1 space per unit	1 space per unit	1 space per unit	1 space per unit
<i>Density</i>	90-200 units/acre	90-200 units/acre	350-485 units/acre	350-485 units/acre
<i>Prototype:</i>	180 units, 5-6 over 1+, 200 DU/acre	180 units, 5-6 over 1+, 200 DU/acre	220 units, 22 flrs, 400 DU/acre	220 units, 22 flrs, 400 DU/acre
<i>Examples Built</i>	Domain by Alta - DT (rental)	Broadway Grand - DT (115 units) 311 2nd St. - The Bond - JLD (101 units) 288 Third St - JLD (91 units) 428 Alice St - JLD (93 units) 200 Second St. - JLD (101 units) Uptown Place - DT (88 units)	100 Grand - DT (243 units, 22 floors)	The Essex - DT (270 units, 20 floors) The Ellington - JLD (134 units, 16 floors)
<i>Approved / Proposed:</i>	51st & Broadway - NO (126 units - rental) 3093 Broadway - BV (423 units - rental) 200 4th St. - JLD (330 units - rental)	51st & Telegraph - NO (185 units) 23rd & Valdez - BV (196 units - rental & condo map) 2315 Valdez - BV (234 units - rental & condo map) 469 23rd - DT (65 units)	1700 Webster - DT (206 Units, 22 floors) 2270 Broadway - BV (223 units, 24 floors)	1331 Harrison - DT (166 units, 27 floors) 1900 Broadway - DT (345 units, 33 floors) 1640 Broadway - DT (247 units, 36 floors)

Source: Hausrath Economics Group, based on housing developments occurring and proposed in Oakland.

Figure 4 Housing Development 2010-2014 (5 years)

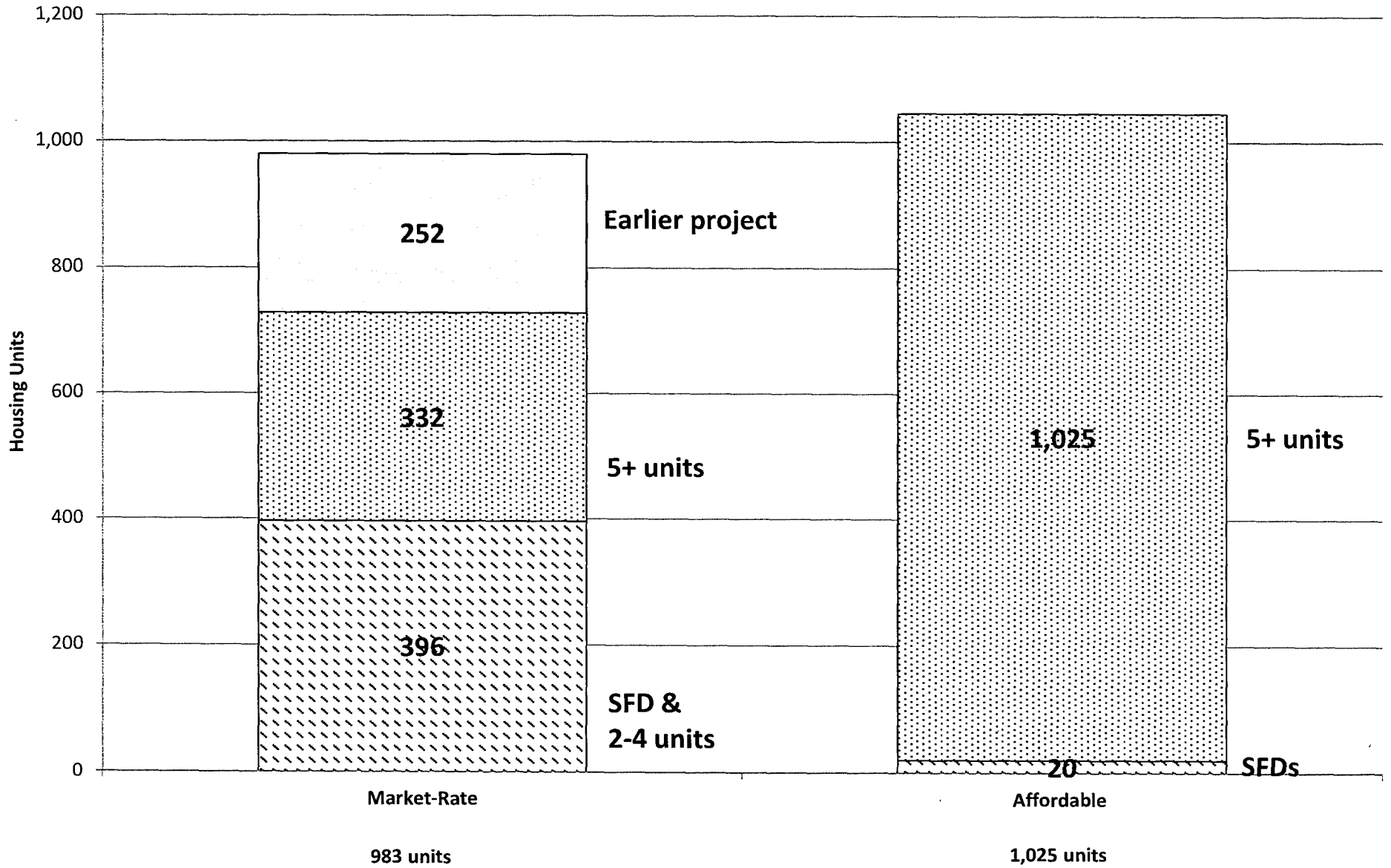


Figure 5

Multi-Family Housing Development

Prototypes	Feasibility 2015	New Construction?
<p>H-3 Lower/Mid-Rise Apts. West Oak/East Oak/ parts of North Oak</p>	<p>Marginal to small positives with today's rents; building types are costly</p>	<p>Limited; no large market rate projects completed since recession</p>
<p>H-4 Mid-Rise Apts. Downtown/JL/BV/ parts of North Oak</p>	<p>Very sensitive to assumptions Recent high rates of increase in rents</p>	<p>Projects to be proceeding based on higher, future rents</p>
<p>H-5 High-Rise Apts. Prime Sites: DT/JL/ BV</p>	<p>Feasibility much improved with higher rents as trends continue; could take 2-3 years For-sale condos are not feasible today</p>	<p>Large pipeline</p>

TABLE 2A
RENTAL HOUSING DEVELOPMENT PROTOTYPES - BASE CASE MID-2015
CITY OF OAKLAND DEVELOPMENT IMPACT FEE STUDY

	Rental Apartments Prototype H-3		Rental Apartments Prototype H-4		Rental Apartments Prototype H-5	
Development Characteristics						
Construction Type	Type V on Type I podium		Type III on Type I podium		Type I	
Height	3-4 floors over podium		5-6 floors over podium		20 - 28 floors	
Parking Location	podium; above grade		podium; above grade		largely above grade	
Parking Ratio	1 space/du		1 space/du		1 space/du	
Average Unit Size	760 sf		825 sf		845 sf	
Density	60-130 units/acre		90-200 units/acre		350 - 485 units/acre	
Location in City	West Oak, North Oak, East Oak		Downtown / JL / BV / No.Oak		Downtown / JL / BV: prime sites	
Prototype	120 units, 4 over 1, 100 DU/acre		180 units, 5-6 over 1+, 200 DU/acre		220 units, 22 flrs, 400 DU/acre	
Development Costs						
	Per SF Unit	Per Unit	Per SF Unit	Per Unit	Per SF Unit	Per Unit
Land	\$42.99	75/sf \$32,670	\$39.64	150/sf \$32,700	\$32.25	250/sf \$27,250
Hard Construction	\$328.13	\$249,380	\$359.36	\$296,470	\$417.16	\$352,500
Government Permits and Fees	\$34.76	\$26,420	\$33.67	\$27,780	\$36.37	\$30,730
Other Soft Costs	\$42.67	\$32,432	\$57.50	\$47,435	\$75.09	\$63,450
Construction Financing	\$13.95	\$10,600	\$18.67	\$15,400	\$29.70	\$25,100
Total Development Costs (excl. devel. fee & return on capital)	\$462.50	\$351,502	\$508.84	\$419,785	\$590.57	\$499,030
Revenue						
Monthly Rent	\$3.33	\$2,530	\$3.73	\$3,080	\$4.58	\$3,870
Gross Potential Rev. (100% Occ.)	\$39.95	\$30,360	\$44.80	\$36,960	\$54.96	\$46,440
Annual Rental Revenue (5% Vac.)	\$37.95	\$28,840	\$42.56	\$35,110	\$52.21	\$44,120
(Less) Operating Expenses (30%)	(\$11.38)	(\$8,650)	(\$12.76)	(\$10,530)	(\$15.67)	(\$13,240)
Net Operating Income (NOI)	\$26.57	\$20,190	\$29.79	\$24,580	\$36.54	\$30,880
Measures of Return						
Yield on Cost (NOI % of costs)	5.7%		5.9%		6.2%	
Target Yield	≈ 6%		6 - 6.5%		≈ 6.5%	
Capitalization Rate	5.5%		5.5%		5.5%	
Estimated Market Value	\$483.03	\$367,100	\$541.70	\$446,900	\$664.50	\$561,500
(Less) Dev. Costs & Sales Exp.	(\$486.65)	(\$369,857)	(\$535.92)	(\$442,130)	(\$623.79)	(\$527,105)
Net Value Over Costs	(\$3.62)	(\$2,757)	\$5.78	\$4,770	\$40.71	\$34,395
As % of Development Costs	-1%		1%		7%	
Required % of Cost	13-15%		15-19%		19-25%	
Capitalization Rate	5%		5%		5%	
Estimated Market Value	\$531.32	\$403,800	\$595.88	\$491,600	\$730.89	\$617,600
(Less) Dev. Costs & Sales Exp.	(\$489.07)	(\$371,692)	(\$538.62)	(\$444,365)	(\$627.11)	(\$529,910)
Net Value After Costs	\$42.25	\$32,108	\$57.26	\$47,235	\$103.78	\$87,690
As % of Development Costs	9%		11%		18%	
Required % of Cost	13-16%		15-19%		19-25%	
Equivalent IRR for ROC	12-15%		12-15%		12-15%	

Source: Hausrath Economics Group

TABLE 2B
 RENTAL HOUSING DEVELOPMENT PROTOTYPES - BASE CASE WITH RENTS FOR FEASIBLE PROJECTS (2015 \$)
 CITY OF OAKLAND DEVELOPMENT IMPACT FEE STUDY

	Rental Apartments Prototype H-3		Rental Apartments Prototype H-4		Rental Apartments Prototype H-5				
Development Characteristics									
Construction Type	Type V on Type I podium		Type III on Type I podium		Type I				
Height	3-4 floors over podium		5-6 floors over podium		20 - 28 floors				
Parking Location	podium; above grade		podium; above grade		largely above grade				
Parking Ratio	1 space/du		1 space/du		1 space/du				
Average Unit Size	760 sf		825 sf		845 sf				
Density	60-130 units/acre		90-200 units/acre		350 - 485 units/acre				
Location in City	West Oak, North Oak, East Oak		Downtown / JL / BV / No.Oak		Downtown / JL / BV: prime sites				
Prototype	120 units, 4 over 1, 100 DU/acre		180 units, 5-6 over 1+, 200 DU/acre		220 units, 22 flrs, 400 DU/acre				
Development Costs									
	Per SF Unit	Per Unit	Per SF Unit	Per Unit	Per SF Unit	Per Unit			
Land	\$42.99	75/sf	\$32,670	\$39.64	150/sf	\$32,700	\$32.25	250/sf	\$27,250
Hard Construction	\$328.13		\$249,380	\$359.36		\$296,470	\$417.16		\$352,500
Government Permits and Fees	\$34.76		\$26,420	\$33.67		\$27,780	\$36.37		\$30,730
Other Soft Costs	\$42.67		\$32,432	\$57.50		\$47,435	\$75.09		\$63,450
Construction Financing	\$13.95		\$10,600	\$18.67		\$15,400	\$29.70		\$25,100
Total Development Costs (excl. devel. fee & return on capital)	\$462.50		\$351,502	\$508.84		\$419,785	\$590.57		\$499,030
Revenue									
Monthly Rent	\$3.55		\$2,700	\$4.00		\$3,300	\$4.85		\$4,100
Gross Potential Rev. (100% Occ.)	\$42.63		\$32,400	\$48.00		\$39,600	\$58.22		\$49,200
Annual Rental Revenue (5% Vac.)	\$40.50		\$30,780	\$45.60		\$37,620	\$55.31		\$46,740
(Less) Operating Expenses (30%)	(\$12.14)		(\$9,230)	(\$13.68)		(\$11,290)	(\$16.59)		(\$14,020)
Net Operating Income (NOI)	\$28.36		\$21,550	\$31.92		\$26,330	\$38.72		\$32,720
Measures of Return									
Yield on Cost (NOI % of costs)	6.1%		6.3%		6.6%				
Target Yield	≈ 6%		6 - 6.5%		≈ 6.5%				
Capitalization Rate	5.5%		5.5%		5.5%				
Estimated Market Value	\$515.53	\$391,800	\$580.24	\$478,700	\$704.02	\$594,900			
(Less) Dev. Costs & Sales Exp.	(\$488.28)	(\$371,092)	(\$537.84)	(\$443,720)	(\$625.77)	(\$528,775)			
Net Value Over Costs	\$27.25	\$20,708	\$42.40	\$34,980	\$78.25	\$66,125			
As % of Development Costs	6%		8%		13%				
Required % of Cost	13-15%		15-19%		19-25%				
Capitalization Rate	5%		5%		5%				
Estimated Market Value	\$567.11	\$431,000	\$638.30	\$526,600	\$774.44	\$654,400			
(Less) Dev. Costs & Sales Exp.	(\$490.86)	(\$373,052)	(\$540.75)	(\$446,115)	(\$629.29)	(\$531,750)			
Net Value After Costs	\$76.25	\$57,948	\$97.55	\$80,485	\$145.15	\$122,650			
As % of Development Costs	16%		19%		25%				
Required % of Cost	13-16%		15-19%		19-25%				
Equivalent IRR for ROC	12-15%		12-15%		12-15%				

Source: Hausrath Economics Group

TABLE 2C
FOR SALE HOUSING DEVELOPMENT PROTOTYPES - BASE CASE MID-2015
CITY OF OAKLAND DEVELOPMENT IMPACT FEE STUDY

	Prototype H-4 Mid-rise Condos - Type III		Prototype H-5 High-rise Condos - Type I	
Development Characteristics				
Construction Type	Type III on Type I podium		Type I	
Height	5-6 floors over parking		20-28 floors	
Parking Location	podium; above grade		largely above grade	
Parking Ratio	1 space/du		1 space/du	
Average Unit Size	930 sf		940 sf	
Density	90-200 units/acre		350-485 units/acre	
Location in City	Downtown / JL / BV / NO		Downtown / JL / BV	
Prototype	180 units, 5-6 over 1+, 200 DU/acre		220 units, 22 flrs., 400 DU/acre	
Development Costs				
	Per SF	Per Unit	Per SF	Per Unit
Land	\$35.16	150/sf	\$28.99	250/sf
Hard Construction	\$375.00	\$348,750	\$433.40	\$407,400
Government Permits and Fees	\$32.05	\$29,810	\$34.95	\$32,850
Other Soft Costs	\$67.50	\$62,775	\$86.68	\$81,480
Construction Financing	\$21.51	\$20,000	\$29.89	\$28,100
Total Development Costs	\$531.22	\$494,035	\$613.91	\$577,080
(excl. devel. fee & return on capital)				
Revenue				
Residential Sales Price	\$617.20	\$574,000	\$672.34	\$632,000
(Less) Sales Expenses	(\$21.60)	(\$20,090)	(\$23.53)	(\$22,120)
Sales Net of Sales Expenses	\$595.60	\$553,910	\$648.81	\$609,880
(Less) Development Costs	(\$531.22)	(\$494,035)	(\$613.91)	(\$577,080)
Net Revenue	\$64.38	\$59,875	\$34.90	\$32,800
(for devel. fee & return on capital)				
Measures of Return				
Net Revenue:				
As % of Devel. Costs (ROC)		12.1%		5.7%
Required % of Costs (ROC)		17-22%		21-28%
Equivalent IRR		12-15%		12-15%
Prices for Feasible Projects	\$672.04	\$625,000	\$813.83	\$765,000

Source: Hausrath Economics Group

Figure 6

Single-Family Housing Development

Prototypes	Feasibility 2015	New Construction?
<p>H-1A Single Family Home East Oakland / Infill</p>	<p>Feasible today</p>	<p>Has been proceeding incrementally and in phases</p>
<p>H-1B Single Family Home No. / So. / Lower Hills & Rockridge Infill / Larger Dev.</p>	<p>SFD homes in East Oakland very sensitive to costs</p> <p>Can be developed incrementally and in phases</p>	<p>SFD and Townhome development occurring in Hill areas</p>
<p>H-2A Townhomes West Oakland</p>	<p>Less risky than multi-family development</p>	<p>Townhome development getting underway in West Oakland with more planned</p>
<p>H-2B Townhomes North Hills / South Hills</p>		

TABLE 3
FOR SALE HOUSING DEVELOPMENT PROTOTYPES - BASE CASE MID-2015
CITY OF OAKLAND DEVELOPMENT IMPACT FEE STUDY

	Prototype H-1A Single Family Detached Home		Prototype H-1B Single Family Detached Home		Prototype H-2A Townhomes/Row Houses		Prototype H-2B Townhomes/Row Houses		
Development Characteristics									
Construction Type	Type V		Type V		Type V - THs		Type V - THs		
Height	2 story typically		2 story typically		3 floors including garage		3 floors including garage		
Parking Location	attached garage		attached garage		garage in unit		garage in unit		
Parking Ratio	2 cars		2-3 cars		most 2 spaces/du - 1.7 sp. ave.		2 spaces/du		
Average Unit Size	1,600 sf		3,000 sf		1,340 sf		2,085 sf		
Density	avg. 15 units/acre		avg. 6 units/acre		20-40 units/acre		15-40 units/acre		
Location in City	East Oakland		No./So./Lower Hills & Rockridge		West Oakland		North Hills/ South Hills		
Prototype	Infill Locations		Infill / 300-unit dev. over time		150 units/30 per phase; 30 DU/acre		150 units/30 per phase; 30 DU/acre		
Development Costs									
	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	Per SF	Per Unit	
Land	\$45.63	25/sf	\$73.00	\$73.33	30/sf	\$220,000	\$48.76	45/sf	\$65,340
Hard Construction	\$130.00		\$208,000	\$220.00		\$660,000	\$220.00		\$294,800
Government Permits and Fees	\$30.33		\$48,530	\$33.40		\$100,190	\$24.51		\$32,840
Other Soft Costs	\$15.63		\$25,000	\$26.40		\$79,200	\$30.80		\$41,270
Construction Financing	\$5.00		\$8,000	\$9.97		\$29,900	\$8.51		\$11,400
Total Development Costs (excl. devel. fee & return on capital)	\$226.59		\$362,530	\$363.10		\$1,089,290	\$332.58		\$445,650
Revenue									
Residential Sales Price	\$253.13		\$405,000	\$413.33		\$1,240,000	\$386.57		\$518,000
(Less) Sales Expenses	(\$8.86)		(\$14,175)	(\$14.47)		(\$43,400)	(\$13.53)		(\$18,130)
Sales Net of Sales Expenses	\$244.27		\$390,825	\$398.86		\$1,196,600	\$373.04		\$499,870
(Less) Development Costs	(\$226.59)		(\$362,530)	(\$363.10)		(\$1,089,290)	(\$332.58)		(\$445,650)
Net Revenue (for devel. fee & return on capital)	\$17.68		\$28,295	\$35.76		\$107,310	\$40.46		\$54,220
Measures of Return									
Net Revenue:									
As % of Devel. Costs (ROC)		7.8%		9.9%		12.2%		9.5%	
Required % of Costs (ROC)		6-8%		8-10%		7-9%		7.5-9.5%	
Equivalent IRR		12-15%		12-15%		12-15%		12-15%	

Source: Hausrath Economics Group

Figure 7 Office Development

Prototypes	Feasibility 2015	New Construction?
<p>O-1 High-rise Office Downtown</p>	<p>Rents increasing</p> <p>Vacancies low</p>	<p>No new office buildings since around 2000</p>
<p>O-2 Mid-rise Office Downtown</p>	<p>Investment in Existing buildings</p>	<p>Developers need tenant commitments at much higher rents for Oakland</p>
<p>O-3 Lower/mid-rise Office Coliseum / West Oakland</p>	<p>New construction not yet feasible</p> <p>UBER commitment increases potentials</p> <p>SF spillover increasing</p>	

**TABLE 4
OAKLAND OFFICE DEVELOPMENT PROTOTYPES**

	Prototype O-1 High-rise Office Downtown	Prototype O-2 Mid-Rise Office Downtown	Prototype O-3 Lower / Mid-Rise Office Coliseum Area / West Oakland
<i>Construction Type</i>	Type I - steel/concrete	Type I - II	Type I or II
<i>Height</i>	20 + floors	4-8 floors	3-5 floors
<i>Description</i>	Class A space Views High quality improvements	Flexible, larger floor plates; Higher ceilings; Open floorplans Large windows / light Possible roof amenities	Flexible, larger floor plates; Higher ceilings; Open floorplans Large windows / light Possible roof amenities
<i>Parking</i>	1-2 levels below grade parking, or offsite garage nearby	Some parking in basement, or no on-site parking	On-site parking in garage or podium below office Could be some surface parking too
<i>FAR</i>	8 - 12+	3.2 - 7.0	1.0 - 2.0
<i>Location in City</i>	Downtown	Downtown	Coliseum Area, West Oakland
<i>Project Sizes</i>	300,000 - 600,000 sf	150,000 - 350,000 sf	80,000 - 200,000 sf
<i>Examples Built</i>	555 City Center (457,500 sf) Center 21 - DT (233,000 sf connected to existing bldg.)	55 Harrison - Jack London Square (156,352 sf) Thomas Berkeley Square (114,000 sf)	Zhone - 66th Ave & Oakport (~200,000 sf)
<i>Approved / Proposed</i>	City Center T 12 (600,000 sf) 1100 Broadway (320,000 sf) Kaiser Center (780,000 sf) and (587,000 sf)	City Center 5/6 Site B Option (205,800 sf) Examples: South of Market / SF	— Examples: Emeryville

Source: Hausrath Economics Group, based on office developments with potential for Oakland.

TABLE 5A
OFFICE PROTOTYPES - BASE CASE MID-2015
CITY OF OAKLAND IMPACT FEE STUDY

	Highrise Office Prototype O-1			Mid Rise Office Prototype O-2			Lower/Mid Rise Office Prototype O-3			Mid Rise Office/No Parking Prototype O-2 Option		
Development Characteristics												
Construction Type	Type I - steel/concrete			Type I - II			Type I or II			Type I-II		
Height	20+ floors			4 - 8 floors			3 - 5 floors			4-8 floors		
Description	Class A space			Flexible, larger floor plates			Flexible, larger floor plates			Flexible/Larger floor plates		
Parking	2 levels below grade			1 level below grade			On-site in garage or podium			No on-site parking		
Project Size	300,000 - 600,000 sf			150,000 - 350,000 sf			80,000 - 200,000 sf			150,000 - 350,000 sf		
FAR	8.0 - 10.0+			3.5 - 7.0			1.0 - 2.0			3.5 - 7.0		
Location in City	Downtown			Downtown / Urban Model			Coliseum Area, West Oakland			Downtown / Urban Model		
Prototype	450,000 sf; 24 flrs;10 FAR;+2 flrs pkg.			210,000 sf; 6 flrs.;5.25 FAR; +1 flr pkg			140,000 sf; 4 flrs; 1.8 FAR			210,000 sf; 6 flrs; 5.25 FAR		
	450,000			210,000			140,000			210,000		
Development Costs	Per GSF		Per LSF	Per GSF		Per LSF	Per GSF		Per LSF	Per GSF		Per LSF
Land	\$15	180/sf	\$18	\$23	120/sf	\$28	\$28	50/sf	\$31	\$23	120/sf	\$24
Hard Construction	\$220		\$259	\$190		\$232	\$170		\$189	\$190		\$200
Tenant Improvements	\$55		\$65	\$45		\$55	\$45		\$50	\$52		\$55
Parking	\$39		\$46	\$32		\$39	\$50		\$56	\$0		\$0
Government Permits and Fees	\$20		\$24	\$20		\$24	\$15		\$17	\$20		\$21
Other Soft Costs	\$54		\$64	\$47		\$57	\$45		\$50	\$42		\$44
Construction Financing	\$23		\$28	\$15		\$18	\$13		\$15	\$12		\$13
Total Development Costs (excl. devel. fee & return on capital)	\$426		\$502	\$372		\$453	\$366		\$407	\$339		\$357
Revenue												
Office Monthly Rent	\$3.19		\$3.75	\$2.79		\$3.40	\$2.25		\$2.50	\$3.23		\$3.40
Gross Potential Rev. (100% Occ.)	\$38.25		\$45.00	\$33.46		\$40.80	\$27.00		\$30.00	\$38.76		\$40.80
Annual Rental Revenue (10% Vac.)	\$34.43		\$40.50	\$30.11		\$36.72	\$24.30		\$27.00	\$34.88		\$36.72
(Less) Operating Expenses	(\$15.00)		(\$17.65)	(\$14.40)		(\$17.56)	(\$13.80)		(\$15.33)	(\$14.40)		(\$15.16)
Parking Net Revenue	\$0.72		\$0.84	\$0.64		\$0.78	\$1.40		\$1.56	\$0.00		\$0.00
Net Operating Income (NOI)	\$20.14		\$23.70	\$16.35		\$19.94	\$11.90		\$13.23	\$20.48		\$21.56
Measures of Return												
Yield on Cost (NOI % of costs)	4.7%			4.4%			3.2%			6.0%		
Target Yield	= 7.5%			6.8 - 7 %			6.5 - 6.7 %			6.5 - 6.6 %		
Capitalization Rate	6.0%			6.0%			6.0%			6.0%		
Estimated Market Value	\$336		\$395	\$273		\$332	\$198		\$220	\$341		\$359
(Less) Dev. Costs & Sales Exp.	(\$443)		(\$521)	(\$385)		(\$470)	(\$376)		(\$418)	(\$356)		(\$375)
Net Value Over Costs	(\$108)		(\$127)	(\$112.86)		(\$138)	(\$178)		(\$198)	(\$15)		(\$16)
As % of Development Costs	-25%			-30%			-49%			-4%		
Required % of Cost	18 -25%			14-18%			12-16%			7-11%		
Capitalization Rate	5.5%			5.5%			5.5%			5.5%		
Estimated Market Value	\$366		\$431	\$297		\$363	\$216		\$240	\$372		\$392
(Less) Dev. Costs & Sales Exp.	(\$445)		(\$523)	(\$387)		(\$471)	(\$377)		(\$419)	(\$358)		(\$377)
Net Value After Costs	(\$79)		(\$92)	(\$89)		(\$109)	(\$161)		(\$179)	\$15		\$16
As % of Development Costs	-18%			-24%			-44%			4%		
Required % of Cost	18-25%			14-18%			12-16%			7-11%		

Source: Hausrath Economics Group

TABLE 5B
OFFICE PROTOTYPES - BASE CASE WITH RENTS FOR FEASIBLE PROJECTS (2015 \$)
CITY OF OAKLAND IMPACT FEE STUDY

	Highrise Office Prototype O-1		Mid Rise Office Prototype O-2		Lower/Mid Rise Office Prototype O-3		Mid Rise Office/No Parking Prototype O-2 Option		
Development Characteristics									
Construction Type	Type I - steel/concrete		Type I - II		Type I or II		Type I-II		
Height	20+ floors		4 - 8 floors		3 - 5 floors		4-8 floors		
Description	Class A space		Flexible, larger floor plates		Flexible, larger floor plates		Flexible/Larger floor plates		
Parking	2 levels below grade		1 level below grade		On-site in garage or podium		No on-site parking		
Project Size	300,000 - 600,000 sf		150,000 - 350,000 sf		80,000 - 200,000 sf		150,000 - 350,000 sf		
FAR	8.0 - 10.0+		3.5 - 7.0		1.0 - 2.0		3.5 - 7.0		
Location in City	Downtown		Downtown / Urban Model		Coliseum Area, West Oakland		Downtown / Urban Model		
Prototype	450,000 sf; 24 flrs; 10 FAR; +2 flrs pkg.		210,000 sf; 6 flrs.; 5.25 FAR; +1 flr pkg		140,000 sf; 4 flrs; 1.8 FAR		210,000 sf; 6 flrs; 5.25 FAR		
Development Costs									
	Per GSF	Per LSF	Per GSF	Per LSF	Per GSF	Per LSF	Per GSF	Per LSF	
Land	\$15	180/sf	\$18	\$23	120/sf	\$28	\$28	120/sf	\$24
Hard Construction	\$220		\$259	\$190		\$232	\$170		\$200
Tenant Improvements	\$55		\$65	\$45		\$55	\$45		\$55
Parking	\$39		\$46	\$32		\$39	\$50		\$0
Government Permits and Fees	\$20		\$24	\$20		\$24	\$15		\$21
Other Soft Costs	\$54		\$64	\$47		\$57	\$45		\$44
Construction Financing	\$23		\$28	\$15		\$18	\$13		\$13
Total Development Costs (excl. devel. fee & return on capital)	\$426	\$502	\$372	\$453	\$366	\$407	\$339	\$357	
Revenue									
Office Monthly Rent	\$4.25	\$5.00	\$3.65	\$4.45	\$3.42	\$3.80	\$3.42	\$3.60	
Gross Potential Rev. (100% Occ.)	\$51.00	\$60.00	\$43.79	\$53.40	\$41.04	\$45.60	\$41.04	\$43.20	
Annual Rental Revenue (10% Vac.)	\$45.90	\$54.00	\$39.41	\$48.06	\$36.94	\$41.04	\$36.94	\$38.88	
(Less) Operating Expenses	(\$15.00)	(\$17.65)	(\$14.40)	(\$17.56)	(\$13.80)	(\$15.33)	(\$14.40)	(\$15.16)	
Parking Net Revenue	\$0.72	\$0.84	\$0.64	\$0.78	\$1.40	\$1.56	\$0.00	\$0.00	
Net Operating Income (NOI)	\$31.62	\$37.20	\$25.65	\$31.28	\$24.54	\$27.27	\$22.54	\$23.72	
Measures of Return									
Yield on Cost (NOI % of costs)	7.4%		6.9%		6.7%		6.6%		
Target Yield	= 7.5%		6.8 - 7 %		6.5 - 6.7 %		6.5 - 6.6 %		
Capitalization Rate	6.0%		6.0%		6.0%		6.0%		
Estimated Market Value	\$527	\$620	\$427	\$521	\$409	\$454	\$376	\$395	
(Less) Dev. Costs & Sales Exp.	(\$453)	(\$533)	(\$393)	(\$479)	(\$387)	(\$430)	(\$358)	(\$377)	
Net Value Over Costs	\$74	\$87	\$34.37	\$42	\$22	\$25	\$18	\$19	
As % of Development Costs	17%		9%		6%		5%		
Required % of Cost	18 -25%		14-18%		12-16%		7-11%		
Capitalization Rate	5.5%		5.5%		5.5%		5.5%		
Estimated Market Value	\$575	\$676	\$466	\$569	\$446	\$496	\$410	\$431	
(Less) Dev. Costs & Sales Exp.	(\$455)	(\$536)	(\$395)	(\$482)	(\$389)	(\$432)	(\$360)	(\$378)	
Net Value After Costs	\$120	\$141	\$71	\$87	\$58	\$64	\$50	\$53	
As % of Development Costs	28%		19%		16%		15%		
Required % of Cost	18-25%		14-18%		12-16%		7-11%		

Source: Hausrath Economics Group

Figure 8
Retail Development

Prototypes	Feasibility	New Construction
Ground floor Retail in New Residential and Office Buildings	Typically supported by major use; at best will break even	
R-1 Freestanding Larger Store Com'l Corridors / Districts	Feasible potentially	R-1: No recent construction
R-2/R-3 Grocery store, possibly with small shops	Feasible in many locations Freestanding retail development is cost-sensitive	R-2/R-3: New Developments: Safeways, Sprouts, Whole Foods, Lucky on East 18 th , FoodsCo at Foothill Square

**TABLE 6
OAKLAND RETAIL DEVELOPMENT PROTOTYPES**

	Prototype R-1 Freestanding larger store(s); surface parking	Prototype R-2 Grocery Store; some small shops possibly roof parking	Prototype R-3 Grocery Store; some small shops possibly surface parking
<i>Construction Type</i>	Type V or III	Type II or I	Type V or III
<i>Height</i>	1 level; 18 ft. height	1 level; 18 ft. height	1 level; 18 ft. height
<i>Description</i>	Freestanding larger store; some small shops possible in addition	Freestanding grocery store; some small shops possible in addition	Freestanding grocery store; some small shops possible in addition
<i>Parking</i>	surface/on-site parking; 3-4 per 1,000 sf	roof parking; 3-4 per 1,000 sf	surface/on-site parking; 3-4 per 1,000 sf
<i>FAR</i>	0.3 - 0.4	0.4 - 0.8	0.3 - 0.4
<i>Location in City</i>	Commercial Corridors / Districts	Commercial Corridors / Districts; Downtown; North Oak; Hills	Commercial Corridors / Districts
<i>Project Sizes</i>	30,000 - 60,000 sf	35,000 - 65,000 sf	35,000 - 65,000 sf
<i>Examples Built</i>	Best Buy (45,000 sf) Lexus Dealership (22,000 sf building with outdoor auto sales and lower FAR of ~0.15)	Whole Foods (56,000 sf) Safeway - College Avenue (45,000 sf grocery + 9,500 sf sm. shops)	
<i>Approved/Proposed/ Under Construction</i>		Shops at Broadway (Sprouts + smaller stores, 36,000 sf) Safeway - Redwood Road (48,874 sf new grocery)	

Note: The focus of the retail prototypes is on freestanding larger stores or smaller shopping centers. The feasibility of other types of retail either depends on the feasibility of the other uses in a larger housing or office project, or would need to be addressed on a case-by-case basis, as noted below:

1. Overall project feasibility for office and residential developments with ground floor retail is determined by the office and residential space. Typically, the ground floor retail is neutral or adds more costs than revenues. Often, it is seen as an amenity that can enhance the attractiveness of the larger project.
2. The feasibility of larger retail district or shopping center development with a mix of larger and smaller stores cannot be generalized into a prototype and needs to be assessed on a case-by-case basis for the district or center overall. In urban areas like Oakland, public sector participation is often required to help launch and support larger-scale destination retail development. Land prices are high, site control can be difficult, structured parking is costly, significant new development is required to create a critical mass of retailing, and area-wide plazas and streetscape improvements are desired.

Source: Hausrath Economics Group, based on retail developments occurring in Oakland.

TABLE 7
RETAIL DEVELOPMENT PROTOTYPES - BASE CASE MID-2015
 CITY OF OAKLAND IMPACT FEE STUDY

Development Characteristics	Prototype R-1 Freestanding Larger Store/Surface Pkg		Prototype R-2 Grocery Store, Sm.Shops / Roof Parking		Prototype R-3 Grocery Store, Sm. Shops / Surface Pkg	
	Per GSF	Per LSF	Per GSF	Per LSF	Per GSF	Per LSF
Construction Type	Type V or III		Type II or I		Type V or III	
Height	1 level; 18 ft. height		1 level; 18 ft. height		1 level; 18 ft. height	
Description	Freestanding larger store; some small shops possible in addition		Freestanding grocery store; some small shops possible in addition		Freestanding grocery store; some small shops possible in addition	
Parking	Surface/on-site; 3-4 sp per 1k sf		Roof Parking; 3-4 sp per 1k sf		Surface/on-site; 3-4 sp per 1k sf	
Project Sizes	30,000 - 60,000 sf		35,000 - 65,000 sf		35,000 - 65,000 sf	
FAR	0.3 - 0.4		0.4 - 0.8		0.3 - 0.4	
Location in City	Commercial Corridors/Districts		Commercial Corridors/Districts; Downtown, North Oakland, Hills		Commercial Corridors/Districts	
Prototype	45,000 sf; pkg 4 sp/1k sf; 0.35 FAR		55,000 sf; pkg 3.3 sp/1k sf; 0.60 FAR		45,000 sf; pkg 4 sp/1k sf; 0.32 FAR	
Development Costs	Per GSF	Per LSF	Per GSF	Per LSF	Per GSF	Per LSF
Land	\$100.00	35/sf	\$100.00	\$133.00	80/sf	\$138.54
Hard Construction (shell)	\$100.00		\$100.00	\$160.00		\$166.67
Tenant Improvements	\$40.00		\$40.00	\$65.00		\$67.71
Parking /loading /paving/on-sites/off-sites	\$85.00		\$85.00	\$110.00		\$114.58
Government Permits and Fees	\$12.00		\$12.00	\$16.50		\$17.19
Other Soft Costs	\$43.00		\$43.00	\$60.00		\$62.50
Construction Financing	\$8.60		\$8.60	\$14.61		\$15.22
Total Development Costs (excl. devel. fee & return on capital)	\$388.60	\$388.60	\$559.11	\$582.40	\$460.02	\$479.19
Revenue						
Monthly Rent (NNN)	\$2.25	\$2.25	\$3.60	\$3.75	\$2.78	\$2.90
Gross Potential Rev. (100% Occ.)	\$27.00	\$27.00	\$43.20	\$45.00	\$33.41	\$34.80
Annual Rental Revenue (0% Vac.)	\$27.00	\$27.00	\$43.20	\$45.00	\$33.41	\$34.80
(Less) Replacement Reserve/Exp. (5%)	(\$1.35)	(\$1.35)	(\$2.16)	(\$2.25)	(\$1.67)	(\$1.74)
Net Operating Income (NOI)	\$25.65	\$25.65	\$41.04	\$42.75	\$31.74	\$33.06
Measures of Return						
Yield on Cost (NOI % of costs)	6.6%		7.3%		6.9%	
Target Yield	= 6.5%		= 6.5%		= 6.5%	
Capitalization Rate	5.0%		5.0%		5.0%	
Estimated Market Value	\$513	\$513	\$821	\$855	\$635	\$661
(Less) Dev. Costs & Sales Exp.	(\$414)	(\$414)	(\$600)	(\$625)	(\$492)	(\$512)
Net Value Over Costs	\$99	\$99	\$220.65	\$230	\$143	\$149
As % of Development Costs	25%		39%		31%	
Required % of Cost	8 - 10%		8 - 10%		8 - 10%	
Capitalization Rate	5.5%		5.5%		5.5%	
Estimated Market Value	\$466	\$466	\$746	\$777	\$577	\$601
(Less) Dev. Costs & Sales Exp.	(\$412)	(\$412)	(\$596)	(\$621)	(\$489)	(\$509)
Net Value After Costs	\$54	\$54	\$150	\$156	\$88	\$92
As % of Development Costs	14%		27%		19%	
Required % of Cost	8 - 10%		8 - 10%		8 - 10%	

Source: Hausrath Economics Group

Figure 9
Industrial Development

Prototypes	Feasibility 2015	New Construction
<p>I-1 Warehouse East Oak Industrial/ Coliseum Plan Area</p>	<p>Feasible</p>	<p>I-1: Recent development: Airport/Hegenberger Area, Army Base; some on infill sites</p>
<p>I-2 Custom Mfg./ Light Industrial</p>	<p>Feasible; could be build- to-suit</p>	<p>I-2 and I-3: desired in Specific Plan areas: West Oakland, Central Estuary, Coliseum Areas; not built recently</p>
<p>I-3 Low-rise Light Ind'I/R&D/ Office Flex</p>	<p>Probably feasible</p>	

**TABLE 8
OAKLAND INDUSTRIAL DEVELOPMENT PROTOTYPES**

	Prototype I-1 Warehouse / Logistics & Distribution	Prototype I-2 Custom Light Industrial / Manufacturing	Prototype I-3 Low-rise Light Ind'l / R & D / Office Flex
<i>Construction Type</i>	tilt-up	tilt-up	tilt-up or pre-fab
<i>Height</i>	1 story	1-2 stories / 1 story + mezzanine	1-2 stories
<i>Description</i>	Large floorplate Clear height minimums of 18 ft On-site loading area Dock and/or graded door Minimal build-out	May require clear heights May require storage / staging on site May include some office space May require on-site loading area and dock or graded doors	Space adaptable for production, studios, office, and/or R&D Limited build-out May require storage/staging on-site May require loading areas
<i>Parking</i>	Surface; on-site parking	Surface; on-site parking	Surface; on-site parking
<i>FAR</i>	0.4 - 0.5	0.45 - 0.6	0.4 - 0.8
<i>Location in City</i>	East Oakland Ind'l / Coliseum Plan Area D	Parts of Coliseum / West Oakland / Central Estuary Plan areas	Parts of Coliseum / West Oakland / Central Estuary Plan areas
<i>Project Sizes</i>	150,000 - 375,000 sf	20,000 - 200,000 sf smaller and larger facilities	10,000 - 125,000 sf
<i>Examples Built</i>	Goodman Logistics Center 8350 Pardee Dr. (377,725 sf) Horizon Beverages Hdqtrs & Distribution Center Pardee Dr. (155,000 sf)	Rainin Instruments manufacturing and office facility 7500 Edgewater (~200,000 sf)	-
<i>Approved/Proposed</i>	-	-	-

Source: Hausrath Economics Group, based on industrial developments occurring in Oakland and/or considered for the future

This attachment includes a summary of all of the proposals received from the Stakeholder Working Group and includes the same summary tables that are included on pages 14 and 15 in the December 21st Impact Fee report with references this attachment.

This attachment also includes a summary of the member comments from the December 14, 2015 Stakeholder Working Group meeting where each member was asked to summarize their position on the key aspects of the impact fee discussion.

1) Three (3) Impact Fee Proposals From Members of the Stakeholder Working Group

At the November 12, 2015 Impact Fee Stakeholder Working Group meeting, City Staff presented the members with a target fee of \$20,000 per unit of multi-family housing development in Zone 1. Staff also asked the group how they would propose to phase in the fee program, beginning in 2016 and achieve the target fee amount of \$20,000 per unit. The Stakeholder Working Group members generated three (3) different potential impact fee policy proposals, which are summarized below:

The first proposal presented by some of the Stakeholder Working Group members on November 12, 2015 is shown in Table 8A below. Some key points are:

- The fee amount is based upon when a planning application is complete for a project.
- Any planning application complete prior to July 1, 2016 is exempt from the impact fee.
- Any planning application completed from July 1, 2016 through June 30, 2017 will pay \$5,000 per unit when they apply for their building permit (an estimated one and a half (1.5) to two (2) year time frame is assumed for that to occur, which would be in the July 1, 2018 – June 30, 2019 time frame).
- Any planning application that is completed from July 1, 2017 through June 30, 2018 will pay \$10,000 per unit when they apply for their building permit (an estimated one and a half (1.5) to two (2) year time frame is assumed for that to occur, which would be in the July 1, 2019 – June 30, 2020 time frame).
- Any planning application completed July 1, 2018 or later will pay \$20,000 per unit when they apply for their building permit (an estimated one and a half (1.5) to two (2) year time frame is assumed for that to occur, which would be July 1, 2020 or later).
- Building permits must be applied for within one (1) year of planning application approval or fee changes to current fee at time of building permit.
- Construction must start within one (1) year of building permit issuance or the fee changes to the current fee at time of building permit.
- The fee is to cover all three (3) impact fee categories (affordable housing, capital improvements, and transportation).

The second proposal presented by some of the Stakeholder Working Group members on November 19, 2015 is shown in Table 8B below. Some key points are:

- The fee amount is determined at building permit application milestone.
- Any project that applies for a building permit prior to July 1, 2016 is exempt from the impact fee, except projects that had received a City Council extension of their approved planning permit from December 31, 2014 to December 31, 2015 would still be subject to pay the fee if they do not have a vested right.
- Any project that applies for a building permit from July 1, 2016 through June 30, 2017 will pay \$20,000 per unit during the building permit process.

- Any project that applies for a building permit from July 1, 2017 or later will pay \$24,000 per unit during the building permit process.
- There is flexibility on when the impact fee is paid in the building permit process (application, issuance, or certificate of occupancy).
- Under this proposal, the fees are only the affordable housing impact fees, and additional fee amounts will need to be charged for a transportation impact fee and a capital improvements impact fee, if desired. No specific fee amounts were listed for those.
- An addition was added to this proposal at the December 14, 2015 Stakeholder Working Group meeting to add \$710 for a transportation impact fee to start on July 1, 2016, but to hold off on charging a capital improvements impact fee until a future date.

The third proposal presented by a Stakeholder Working Group member through an email on December 7, 2015 and discussed at the December 10, 2015 meeting is shown in Table 8C below. Some key points are:

- The fee amount is determined at building permit application milestone.
- Any project that applies for a building permit prior to September 1, 2016 is exempt from the impact fee.
- Any project that applies for a building permit from September 1, 2016 through June 30, 2017 will pay \$5,000 per unit during the building permit process.
- Any project that applies for a building permit from July 1, 2017 through June 30, 2018 will pay \$10,000 per unit during the building permit process.
- Any project that applies for a building permit from July 1, 2018 or later will pay \$20,528 per unit during the building permit process.
- It is suggested that the impact fee is paid in the building permit process with 50% at building permit issuance and 50% at certificate of occupancy.
- Under this proposal, the fees are allocated with 60% to affordable housing, 20% to capital improvements, and 20% to transportation impact fees. This was based upon the percentages of the maximum fees that could be charged for each impact fee category.
- Recommended that parks and recreational facilities be disaggregated from capital improvement fees and that one of these three options be adopted: (1) a separate parks and recreation facilities impact fee, (2) a community facilities fee with parks and libraries combined, or (3) a city policy that the allocation of the capital facilities fees shall be proportional.

Table 8A: Stakeholder Working Group Proposals

<i>Fee Proposal from Some Working Group Members at the Nov. 12, 2015 Meeting</i>						
Proposed Fee is the Total Impact Fee for all Three (3) Impact Fee Categories for Multi-Family in Zone 1 and Amount is Per Residential Unit						
	Prior to 7/1/16	7/1/16 – 6/30/17	7/1/17 – 6/30/18	7/1/18 – 6/30/19	7/1/19 – 6/30/20	7/1/20 – 6/30/21
Projects Subject to the Fee	Projects that do not have a completed planning application.					
Fee Amount	\$0	\$5,000	\$10,000	\$20,000	\$20,000	\$20,000
Estimated Timing of when Payment Would Occur (at building permit stage)*	\$0	\$0	\$0	\$5,000	\$10,000	\$20,000
*The payment during building permit could be spread out over different stages of the building permit; including; but not limited to a percentage at application a percentage at issuance, and a percentage at certificate of occupancy; and/or any variation on this.						

Table 8B: Stakeholder Working Group Proposals

Fee Proposal from Some Working Group Members at the Nov. 19, 2015 Meeting (Amended at the Dec. 14, 2015 Meeting)						
Proposed Fee is For Affordable Housing Impact Fee Only Across the Whole City of Oakland and Amount is Per Residential Unit						
	Prior to 7/1/16	7/1/16 – 6/30/17	7/1/17 – 6/30/18	7/1/18 – 6/30/19	7/1/19 – 6/30/20	7/1/20 – 6/30/21
Projects Subject to the Fee	Projects that do not have a completed planning application.					
Fee Amount						
Affordable Housing	\$0	\$20,000	\$24,000	\$24,000	\$24,000	\$24,000
Capital Improvement		\$0	\$0	\$0	+	+
Transportation		\$710	\$710	\$710	\$710	\$710
Total		\$20,710	\$24,710	\$24,710	\$24,710	\$24,710
Estimated Timing of when Payment Would Occur (at building permit stage)*	\$0	\$20,710	\$24,710	\$27,710	\$24,710	\$24,710
*The payment during building permit could be spread out over different stages of the building permit; including; but not limited to a percentage at application, a percentage at issuance, and a percentage at certificate of occupancy; and/or any variation on this. +Indicates that additional fee amounts would be required for the transportation and capital improvement impact fees.						

Table 8C: Stakeholder Working Group Proposals

Fee Proposal from a Working Group Member emailed on Dec. 7, 2015 and Discussed at the Dec. 10, 2015 Meeting, Amended at the Dec. 14, 2015 Meeting						
Proposed Fee is the Total Impact Fee for all Three (3) Impact Fee Categories For Multi-family in Zone 1 and Amount is Per Residential Unit						
	Prior to 9/1/16	9/1/16 – 6/30/17	7/1/17 – 6/30/18	7/1/18 – 6/30/19	7/1/19 – 6/30/20	7/1/20 – 6/30/21
Projects Subject to the Fee	Projects that have not submitted a building permit application.					
Fee Amount						
Affordable Housing	\$0	\$3,000	\$6,000	\$12,317	\$12,317	\$12,317
Capital Improvement		\$1,000	\$2,000	\$4,106	\$4,106	\$4,106
Transportation		\$1,000	\$2,000	\$4,106	\$4,106	\$4,106
Total		\$5,000	\$10,000	\$20,528	\$20,528	\$20,528
Estimated Timing of When Payment Would Occur (at building permit stage)*	\$0	\$5,000	\$10,000	\$20,528	\$20,528	\$20,528
*The payment during building permit would be spread out with 50 percent collected at building permit issuance and 50 percent collected at certificate of occupancy.						

The proposal from a Stakeholder Working Group Member that was emailed on December 7, 2015 also included a proposal for impact fees for townhomes and single-family residential, this is shown in the table below. Additional impact fees were recommended for a potential zone that would be in East Oakland, lower fees were recommended than in Zone 1 for all three residential types.

Fee Proposal from a Stakeholder Working Group Member emailed on Dec. 7, 2015 and Discussed at the Dec. 10, 2015 Meeting, Amended at the Dec. 14, 2015 Meeting						
Proposed Fee is the Total Impact Fee for all Three (3) Impact Fee Categories For Single-family and Townhome in Zone 1 and Amount is Per Residential Unit						
	Prior to 9/1/16	9/1/16 – 6/30/17	7/1/17 – 6/30/18	7/1/18 – 6/30/19	7/1/19 – 6/30/20	7/1/20 – 6/30/21
Projects Subject to the Fee	Projects that have not submitted a building permit application.					
Fee Amount – Townhome						
Affordable Housing	\$0	\$3,000	\$6,000	\$15,448	\$15,448	\$15,448
Capital Improvement		\$1,000	\$2,000	\$5,149	\$5,149	\$5,149
Transportation		\$1,000	\$2,000	\$5,149	\$5,149	\$5,149
Total		\$5,000	\$10,000	\$25,746	\$25,746	\$25,746
Fee Amount – Single-family						
Affordable Housing	\$0	\$3,000	\$6,000	\$17,179	\$17,179	\$17,179
Capital Improvement		\$1,000	\$2,000	\$5,726	\$5,726	\$5,726
Transportation		\$1,000	\$2,000	\$5,726	\$5,726	\$5,726
Total		\$5,000	\$10,000	\$28,631	\$28,631	\$28,631
*The payment during building permit would be spread out with 50 percent collected at building permit issuance and 50 percent collected at certificate of occupancy.						

2) Summary of Impact Fee Stakeholder Working Group Member Input

At the last Stakeholder Working Group meeting on December 14, 2015, each Working Group member was asked to summarize their position on the key aspects of the impact fee discussion for multi-family residential units. The four (4) key components included the following:

- (1) What should the target fee be?
- (2) What should be the phase-in schedule?
- (3) What projects in the pipeline should pay the fee?
- (4) How should the City allocate the fee revenue among the different fee categories?

The Working Group was not asked to come to a consensus on one specific proposal. There were about three (3) different subgroups that gravitated towards the three (3) different Working Group proposals from the November 12th, November 30th, and December 7th. Summaries of those three (3) subgroups are presented below, as well as additional opinions provided at the meeting.

Subgroup in Support of the November 12, 2015 Proposal:

The subgroup in support of the November 12, 2015 proposal was in general agreement with the proposal, with some members having some slight adjustments to it. The general proposal is summarized below by the four (4) key components along with the slight adjustments explained thereafter.

- (1) Target fee level – \$20,000 per unit (on July 1, 2018 (for multi-family).
- (2) Phase-in schedule – \$5,000 per unit in July 2016, \$10,000 per unit in July 2017, \$20,000 per unit in July 2018.
- (3) Which projects in pipeline pay fee – Projects that have a complete planning application starting on July 1, 2016 are required to pay the fee when they apply for their building permit (an estimate of 1.5 to 2 years later).

- (4) Fee allocation – for the City to decide, but would support an allocation that is fair across all three (3) categories of affordable housing, capital improvements, and transportation.

Slight Adjustments: There is a general concern amongst this group that if the fee is set to high it will really hamper development. Members wanted those projects in the pipeline to be able to be built in order to have successes and comparables on the ground and have cap rates decrease. It is currently hard to get project financing from lenders in other states. There was further concern that projects have purchased property at high prices and cannot afford a \$20,000 impact fee in 2016 as another subgroup proposed. One member thought the fee allocation should be spread across all fees for affordable housing, capital improvements, and transportation.

Subgroup in Support of the November 19, 2015 Proposal

The subgroup in support of the November 19, 2015 proposal was in general agreement with the proposal, with some members having some slight adjustments to it. The general proposal is summarized below by the four (4) key components along with the slight adjustments explained thereafter.

- (1) Target fee level – \$24,710 per unit on July 1, 2016 (for multi-family in the whole City, no different zones).
- (2) Phase-in schedule – \$20,710 per unit in July 1, 2016 and \$24,710 per unit in July 1, 2017.
- (3) Which projects in pipeline pay fee – Projects that apply for a building permit starting on July 1, 2016 are required to pay the fee.
- (4) Fee allocation – All revenue would go to affordable housing except for \$710 which would go to transportation. This proposal would have no allocation go to capital improvements. A capital improvements fee can be added later to residential uses, but a fee should be charged for non-residential uses starting on July 1, 2016 and a portion should be earmarked for parks and libraries.

Slight Adjustments: Members of this group feel that there are already enough projects in the building pipeline that will not pay the impact fee and can provide successes and comparables on the ground. They believe this includes those projects with building permits issued, those with development agreements, and those with vested rights. The \$710 per unit for transportation is to cover the California Environmental Quality Act (CEQA) cumulative mitigations for projects to pay their fair share. One member thought that parking requirements should be eliminated in order to help developers pay for the \$20,710 fee in 2016 and that some money should go towards capital improvements, with the bulk of the fee revenue going towards affordable housing. A member mentioned the importance of working towards the development of a housing bond for affordable housing in order to help add to the overall amount of money for affordable housing.

Subgroup in Support of the December 7, 2015 Proposal

The subgroup in support of the December 7, 2015 proposal generally supported the proposal, with some members having some slight adjustments to the proposal. The general proposal is summarized below by the four (4) key components along with the slight adjustments explained thereafter. This proposal is very similar to the City staff proposal, except for the fee allocation among the three (3) fee categories and the later start date of September 1, 2016 as opposed to July 1, 2016. The target fee level and phase-in schedule are for multi-family units in Zone 1.

- (1) Target fee level – \$20,528 per unit on July 1, 2018 (for multi-family Zone 1).
- (2) Phase-in schedule – \$5,000 per unit in September 1, 2016; \$10,000 per unit in July 1, 2017; and \$20,528 per unit in July 1, 2018.
- (3) Which projects in pipeline pay fee – Projects that apply for a building permit starting on September 1, 2016 are required to pay the fee.
- (4) Fee allocation – The allocation would be 60 percent to affordable housing, 20 percent to capital improvements, and 20 percent to transportation.

Slight Adjustments: Members of this group feel that phasing in the target fee of \$20,528 per unit is better spread over three (3) years and should start with a lower fee of \$5,000 a unit in September 1, 2016 in order to keep development moving. A number of members felt concerned that July 2016 might be too soon for a \$20,000 impact fee. Another member thought the fee should start in October 1, 2016 and another thought at the end of 2016. One member thought there should be at least two (2) fee zones and the second fee zone would be in east of 14th Avenue and south of I-580. In this two (2) zone structure, Zone 2 would have a lower impact fee.

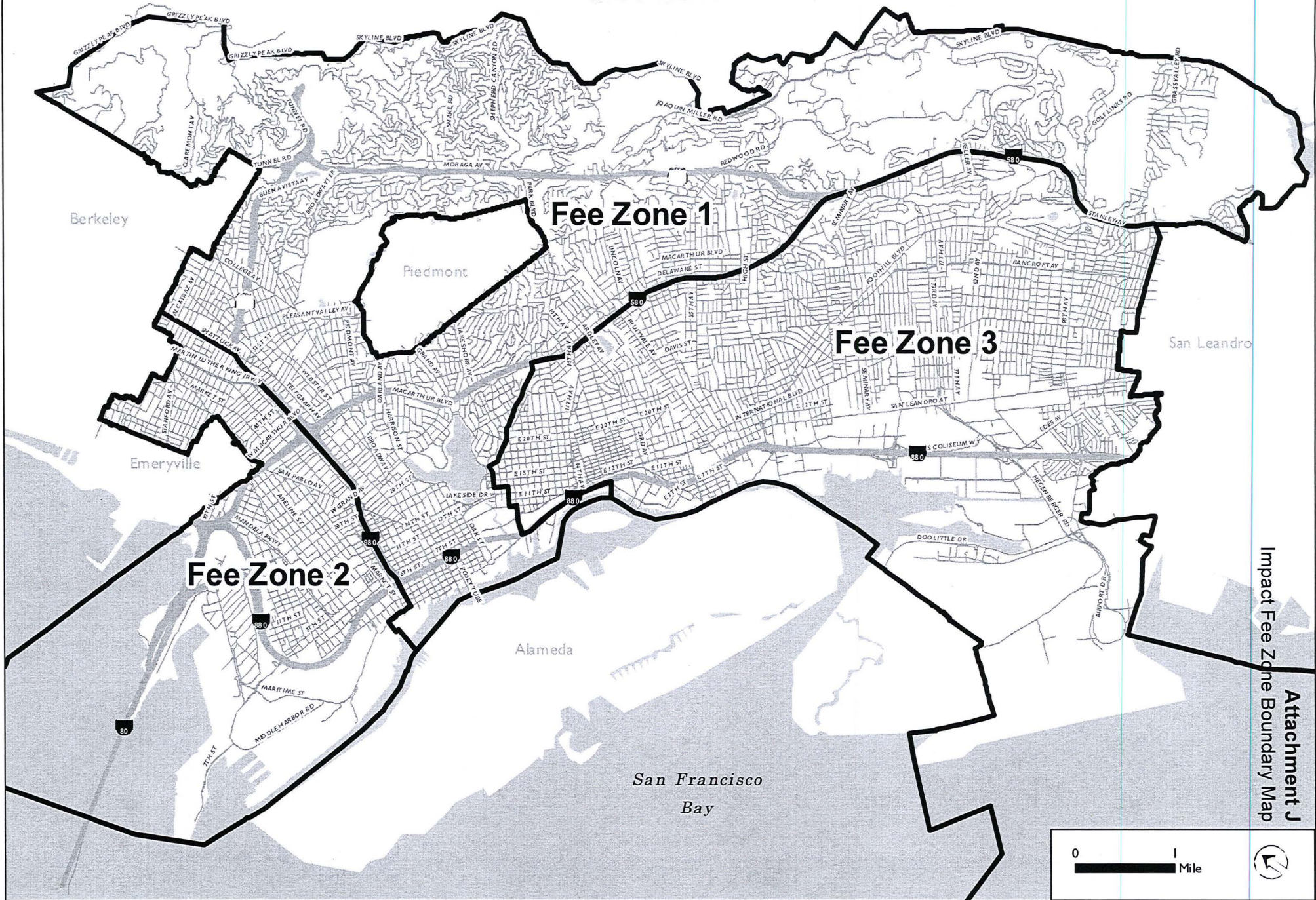
The allocation item prompted a lot discussion which is summarized here: One of the members agreed with the first three (3) items, but for item number four (4) they felt the allocation should be 60 percent to affordable housing, 10 percent to capital improvements, 15 percent to parks, and 15 percent to transportation. Another member thought the split should be 80 percent to affordable housing, 10 percent to capital improvements, and 10 percent to transportation. A few of the members also thought there should be some sort of separation in the capital improvements impact fee by either having parks as a separate impact fee, or a City policy that the capital improvement allocation shall be proportional based on the maximum nexus amount for each type of capital improvement.

Several members expressed that the City of Oakland along with the various stakeholders should work on an affordable housing bond and an infrastructure bond to help fund affordable housing development and infrastructure improvements.

Other General Comments from the Working Group

Other comments made by some of the members included:

- An infrastructure bond is needed.
- A regional affordable housing bond is also needed.
- If a fee level is set and an economic downturn occurs, Council can always adjust the fee as needed.
- Staff processing applications in a timely manner is a vital component to this program.
- Some members thought there should be lower fees in East Oakland.
- All members seemed to agree with allowing the impact fee to be paid at more than one phase in the building permit process, instead of one lump payment at application.



Attachment J
Impact Fee Zone Boundary Map



Draft Residential Development Impact Fee Zones

Impact Fee Comparison of Other Cities

1.) *Multi-Family Housing Development Impact Fee Survey of Oakland, Berkeley, and Emeryville*

Impact fees for multi-family housing development in Oakland, Berkeley, and Emeryville are summarized in Table 10 below and supported by additional information in **Attachment L**. For Oakland, the numbers include both existing impact fees (\$15,300 per unit) and new fees as currently proposed by City staff (\$20,710 per unit target fee in Zone 1). The impact fees shown include those charged by cities, schools, and other special districts.

Table 12: City Comparison (Multi-Family Residential Rental Development)

Development Impact Fees and Comparable Charges in Oakland, Berkeley, Emeryville, and San Jose as of September 25, 2015, with December 2015 Oakland Proposal				
FEE CATEGORY	FEE PER UNIT			
	Oakland (existing and proposed target fee)	Berkeley	Emeryville	San Jose
Development Impact Fees				
Transportation	\$710	-	\$1,555	-
Capital Facilities	\$11,390	\$17,156	16,236	\$7,004 - \$30,904
Construction Taxes	-	-	-	\$9,394
Affordable Housing	\$20,000	\$20,000	\$20,000	\$17,000
Public Art In-Lieu	\$710	-	\$710	-
School	\$3,200	-	\$2,970	\$3,360
TOTAL PER UNIT	\$36,010	\$37,156	\$41,471	\$36,758 - \$60,658

See Table 1 in **Attachment L** for more detailed information.

There are important differences and factors that explain why the fees in Berkeley and Emeryville are not indicative of the level of feasible impact fees for Oakland multi-family housing development. These differences are identified below.

Higher Rents and Greater Ability to Pay Impact Fees in Berkeley

Berkeley has substantially higher rents than Oakland. Those higher rents provide greater economic feasibility and more ability to pay impact fees. Construction costs are similar for comparable building types in both cities.

Berkeley rents for new mid-rise apartment development average \$4.80 to \$5.00 per square foot per month in Central Berkeley (downtown and campus areas) compared to \$3.75 in downtown Oakland/Jack London/Broadway Valdez. New mid-rise development rents in West Berkeley (south of Sacramento Street) average \$4.10 to \$4.20 per square foot compared to \$3.30 to \$3.35 per square foot in West Oakland/East Oakland/ parts of North Oakland. The demand strength associated with U.C. Berkeley is an important differentiating factor. (See rent Table 2 in **Attachment L**).

New Developments Are Not Paying the Affordable Housing Fees in Berkeley and Emeryville

Instead, new developments are choosing less costly options. New housing developments in Berkeley are electing to provide affordable housing on-site in exchange for substantial additional floor area over that allowable "by right," as well as additional cost offsets (reduced parking, modified setbacks). The increased densities as well as

other offsets are able to cover most or all of the cost of the affordable housing, making payment of the impact fee a more costly alternative. The rents in Berkeley are also high enough to justify the higher construction cost of a taller building. By comparison, most development proposals in Oakland include the highest density economically feasible and most are not constrained by land use policies. In addition, rents for mid-rise development are not high enough to justify construction costs for taller buildings in most Oakland locations. However, there are some locations where the state density bonus program could be a viable, on-site option in Oakland.

In Emeryville, the impact fee of \$20,000 per unit was adopted in July 2014, replacing earlier inclusionary zoning for rental housing. Due to many unrelated factors, no development projects have proceeded to construction since the July 2014 fee adoption, thus no fees have been collected (as of November 2015). In October 2015, Emeryville voted to increase the impact fee to \$28,000 in conjunction with downzoning and other land use regulations changes intended to encourage on-site affordable housing development over the collection of impact fees.

If developers in Berkeley and Emeryville continue to opt for providing affordable units on-site at lower costs than paying the fee, the affordable housing costs for new multi-family housing development in Oakland at the proposed target fee levels would be higher than the costs paid for affordable housing in Berkeley and Emeryville.

Berkeley and Emeryville had inclusionary housing programs prior to adopting housing impact fees. These cities also had other impact fees that have been implemented at different times over the years. Thus, there has been time for markets to adjust to the fees in those cities. By comparison, Oakland is currently proposing a citywide fee program with multiple fees to be implemented all together in the near future. Thus phasing-in of new impact fees is important in Oakland, to allow time for market adjustments and to avoid impacts on the timing and feasibility of development as well as on the positive momentum that has been building for development in Oakland.

Development in Oakland is still perceived to be riskier than development in Berkeley and Emeryville. As a result, developers, lenders, and investors may require higher returns (higher cap rates) or set higher financial terms for Oakland development compared to the neighboring cities.

2.) *San Jose*

San Jose recently adopted an impact fee on new rental housing development. The fee replaced the City's former inclusionary housing program, and the fee amount equals the in-lieu fee amount under the inclusionary program. The new impact fee is being phased-in to support the development of market-rate housing. The following summarizes San Jose's phase-in program:

- Impact fee adopted November 2014.
- Projects of three (3) or more units pay the fee beginning July 1, 2016. Projects are exempt if they pulled all building permits by June 30, 2016.
- Pipeline exemption for projects with planning permit approval by June 30, 2016 (and permit not expired) and certificate of occupancy by January 31, 2020.
- No fees on high-rise development of at least 150 feet tall located in the Downtown Core Area that obtains a certificate of occupancy by June 30, 2021 (five (5) years beyond June 30, 2016).

3.) *Impact Fee Survey for Office Development in Oakland, Berkeley, Emeryville, and San Jose*

Impact fees for office development in Oakland, Berkeley, Emeryville, and San Jose are summarized in Table 13 below and supported by additional information in **Attachment L**. The fees include fees charged by the cities, schools, and other special districts. For Oakland, the numbers include both existing fees (\$8.98 per square foot) and new fees as currently proposed by the City (\$4.00 per square foot target fee amount).

Table 13: City Comparison – Office Development

Office Development Impact Fees and Comparable Charges in Oakland, Berkeley, Emeryville, and San Jose as of September 25, 2015, with December 2015 Oakland Proposal				
FEE CATEGORY	FEE PER BUILDING SQUARE FOOT			
	Oakland (existing and proposed target fee)	Berkeley	Emeryville	San Jose
Development Impact Fees				
Transportation	\$2.00	-	\$3.74	-
Capital Facilities	\$3.12	\$3.46	\$5.01	\$0.10
Construction Taxes	-	-	-	\$9.74
Jobs/Housing Linkage	\$5.44	\$4.50	\$4.00	-
Public Art In-Lieu	\$1.91	-	\$1.91	-
School	\$0.51	-	\$0.47	\$0.54
TOTAL PER UNIT	\$12.98	\$7.96	\$15.13	\$10.38
See Table 3 in Attachment L for more detailed information.				

For Oakland, Berkeley, and Emeryville the largest fee amounts are the jobs/housing linkage fees for affordable housing. If the City staff proposed fees are adopted, Oakland and Emeryville will also have fees on office development for transportation, capital facilities, school impacts, and public art. Berkeley also has fees on capital facilities. San Jose takes a different approach and collects development/construction taxes to fund a variety of city operations and facilities. Office development in San Jose also pays sewer and school impact fees.

Attachment L

City Impact Fee Survey

Table 1
Multi-Family Residential Rental Development:
Development Impact Fees and Comparable Charges, Oakland, Berkeley, Emeryville, and San Jose
as of September 25, 2015, with December 2015 Oakland Proposal (shaded)

FEE CATEGORY	FEE PER UNIT			
	Oakland (existing and proposed target fee)	Berkeley	Emeryville	San Jose
Development Impact Fees				
Transportation ¹	\$710	\$0	\$1,555	\$0
Other Capital Facilities				
Capital Facilities ²	-	2,230	-	-
Sewer ^{3,4,5}	-	3,536	1,244	204
Sewer Treatment (EBMUD) ⁶	1,860	1,860	1,860	-
Water (EBMUD) ⁷	9,530	9,530	9,530	-
Fire	-	-	-	-
Police	-	-	-	-
Park and/or Park In-Lieu ⁸	-	-	3,602	\$6,800 - \$30,700
Library	-	-	-	-
Childcare	-	-	-	-
Subtotal Capital Facilities Fees	\$11,390	\$17,156	\$16,236	\$7,004 - \$30,904
Subtotal DIF (Transp. + Cap. Fac.)	\$12,100	\$17,156	\$17,791	\$7,004 - \$30,904
Affordable Housing Impact Fee^{9,10,11}	\$20,000	\$20,000	\$20,000	\$17,000
Non-Fees Similarly Applied				
Construction Taxes ¹²				\$9,394
Public Art In-Lieu ¹³	\$710	-	\$710	\$0
School Impact Fees	\$3,200	\$0	\$2,970	\$3,360
TOTAL PER UNIT	\$36,010	\$37,156	\$41,471	\$36,758 - \$60,658

NOTES:

1. In Emeryville, a lower fee applies in the Transit Hub Overlay Zone. San Jose traffic impact fees only apply in North San Jose and Evergreen East/Hills. The fees are not estimated here.
2. In Berkeley, applicable only to area covered by the Downtown Streets and Open Space Improvement Plan; primarily transportation and open space/street medians.
3. Covers impacts to local sewer lines owned by the City of Berkeley. The sewer connection fee is \$3,536 per Equivalent Single-Family Dwelling Unit (last amended May 18, 2004, "Establish Sewer Connection Fees for Fiscal Years 2005-2009").
4. Covers impacts to local sewer lines owned by the City of Emeryville. The sewer connection fee is assessed per Single Family Dwelling Equivalent. Applies to all multi-family dwellings except units that contain two rooms or less or one bedroom or less. For this table, all units are assumed to have more than one bedroom and more than two rooms total.
5. The San Jose sewer connection fee for residential multifamily development is \$1,991 per acre plus \$194 per unit over 7 dwelling units per acre. The fee amount was calculated using the characteristics of a stacked flat prototype of 157 units at a density of 65 units per acre.
6. East Bay Municipal Utility District (EBMUD) provides wastewater treatment services for several East Bay cities, including Berkeley, Emeryville, and Oakland. EBMUD charges a one-time wastewater capacity fee for each new customer. The fee for a single family residence is \$1,860 per unit and for multi-family residences of 2-4 units, the fee is \$1,860 times the number of units. Larger multi-family residences are treated as non-residential uses. This analysis assumes the single-family unit charge for all residential units.
7. EBMUD assesses a System Capacity Charge for new water system connections in its service area to cover the cost of system-wide facilities buy-in, regional facilities buy-in, and future water supply. For multi-family premises the capacity charge is assessed per unit.
8. The City of San Jose park fees vary across 15 zones. The fees for multifamily housing of 5 or more units range from \$6,800 per unit up to \$30,700 per unit.
9. In Berkeley, applies to projects of 5 units or more. The fee was originally adopted in 2012 at \$28,000 per unit (or \$28 per sq. ft. assuming 1,000 sq. ft. units). The fee option was reduced to \$20,000 per unit in February 2013 to offer an incentive for payment of the fee. Developers had been opting to provide 10 percent of the units as affordable to very low income tenants instead of paying the fee to the Housing Trust Fund. (City of Berkeley Municipal Code Section 22.20.065) In July 2015, the City Council considered an updated *Affordable Housing Nexus Study* (draft March 25, 2015) and is reviewing a range of options for a revised Affordable Housing Mitigation Fee Program.
10. The current \$20,000 fee was adopted in July 2014. No development projects have proceeded since the adoption. On October 20, 2015, the City of Emeryville voted to increase the Affordable Housing Impact Fee on rental residential projects to \$28,000 in conjunction with a number of changes to regulations and development bonuses for multi-unit residential uses.
11. Implemented by the City of San Jose in November 2014. Applies citywide to market rate rental projects of 3 or more units, except in Downtown Highrise Incentive Area where projects that obtain certificates of occupancy prior to June 30, 2021 are exempt. There are also Pipeline Exemptions for projects that have pulled permits prior to June 30, 2016 and receive certificates of occupancy prior to January 31, 2020.
12. The City of San Jose collects the following "development taxes" (excise taxes) to fund specific City operations set forth in the Municipal Code: Commercial, Residential, Mobile Home Park Construction Tax (percent of building valuation), Building and Structure Construction Tax (percent of building valuation), Residential Construction Tax (per unit), and Construction Tax (per unit) Construction taxes based on building valuations calculated using RSMean Square Foot Costs, 36th Annual Edition, 2015 with San Jose, CA location factors applied.
13. Cities assessing a public art in-lieu fee assess the fee as a percentage of building value or cost, generally 1%. In Emeryville and Oakland, the in-lieu fee for housing is 0.5% of building cost for residential development. The amounts shown here are based on building cost estimates for Oakland prototypes and assume development of similar buildings in the other cities imposing the public art in-lieu fee. In San Jose, the public art program is associated with municipal projects and redevelopment projects only, per municipal code.

Source: Hausrath Economics Group

Table 2
Current Rents for New Multi-Family Housing Development
in Oakland, Berkeley, and Emeryville

Mid-Rise Rental Apartments	Average Size	Average Rent per month	Rent per Sq. Ft per month
OAKLAND /a/			
– Downtown/Jack London/ Broadway Valdez/parts of North Oakland (Area 1)	825 sf	\$3,080	\$3.73
– West Oakland/East Oakland/parts of North Oakland (Area 2)	760 sf	\$2,530	\$3.33
BERKELEY /b/			
– Central Berkeley: Downtown and Campus Area (areas east of Sacramento St.)	760 - 825 sf	\$3,720 - 3,980	\$4.80 - 4.90
– West Berkeley: West of Sacramento St.	760 - 825 sf	\$3,200 - 3,390	\$4.10 - 4.20
EMERYVILLE /b/			
– Emeryville	760 - 825 sf	\$2,740 - 2,890	\$3.50 - 3.60

Note: Rents are identified for comparable mid-rise rental housing development in three Inner East Bay cities. The development prototypes are those identified for the economic feasibility analysis for Oakland's Impact Fee Study.

/a/ Hausrath Economics Group; rents in mid-2015 for mid-rise, residential development prototypes H-3 and H-4.

/b/ The Concord Group, October 2015; rents in Berkeley and Emeryville for comparable development to Oakland prototypes.

Table 3
Office Development:
Development Impact Fees and Comparable Charges, Oakland, Berkeley, Emeryville, and San Jose
 as of September 25, 2015, with December 2015 Oakland Proposal (shaded)

FEE CATEGORY	FEE PER BUILDING SQUARE FOOT			
	Oakland (existing and proposed target fee)	Berkeley	Emeryville	San Jose
Development Impact Fees				
Transportation ¹	\$2.00	-	\$3.74	-
Other Capital Facilities				
Capital Facilities ²	2.00	1.68	-	-
Sewer ^{3,4,5}	-	0.66	0.23	0.10
Sewer Treatment (EBMUD) ⁶	0.35	0.35	0.35	-
Water (EBMUD) ⁷	0.77	0.77	0.77	-
Fire	-	-	-	-
Police	-	-	-	-
Park and/or Park In-Lieu	-	-	3.66	-
Library	-	-	-	-
Childcare	-	-	-	-
Subtotal Capital Facilities Fees	\$3.12	\$3.46	\$5.01	\$0.10
Subtotal DIF (Transp. + Cap. Fac.)	\$5.12	\$3.46	\$8.75	\$0.10
Comm'l Dev. Impact (Linkage) Fee	5.44	4.50	4.00	-
Non-Fees Similarly Applied				
Construction Taxes ⁸				\$9.74
Public Art In-Lieu ¹⁰	\$1.91	\$0.00	\$1.91	\$0.00
School Impact Fees	\$0.51	\$0.00	\$0.47	\$0.54
TOTAL PER UNIT	\$12.98	\$7.96	\$15.13	\$10.38

NOTES:

1. In Emeryville, a lower fee applies in the Transit Hub Overlay Zone. San Jose traffic impact fees only apply in North San Jose and Evergreen East/Hills. The fees are not estimated here.
2. In Berkeley, applicable only to area covered by the Downtown Streets and Open Space Improvement Plan; primarily transportation and open space/street medians.
3. Covers impacts to local sewer lines owned by the City of Berkeley. The sewer connection fee is \$3,536 per Equivalent Single-Family Dwelling Unit (last amended May 18, 2004, "Establish Sewer Connection Fees for Fiscal Years 2005-2009").
4. Covers impacts to local sewer lines owned by the City of Emeryville. The sewer connection fee is assessed per Single Family Dwelling Equivalent. Applies to all multi-family dwellings except units that contain two rooms or less or one bedroom or less. For this table, all units are assumed to have more than one bedroom and more than two rooms total.
5. The San Jose sewer connection fee for non-residential development is \$1,991 per acre for the first 10 acres plus \$861 per acre for each acre over 10 acres plus \$194 for each "living unit equivalent" over 7 units per acre. For office, a living unit equivalent is 2,000 square feet of building space. The fee amounts were calculated using the characteristics of a mid-rise (210,000 sq. ft.), lower/mid rise (140,000 sq. ft.), and high-rise (450,000 sq. ft.) office prototypes.
6. East Bay Municipal Utility District (EBMUD) provides wastewater treatment services for several East Bay cities, including Berkeley, Emeryville, and Oakland. EBMUD charges a one-time wastewater capacity fee for each new customer. The fee for a single family residence is \$1,860 per unit and for multi-family residences of 2-4 units, the fee is \$1,860 times the number of units. Larger multi-family residences are treated as non-residential uses. This analysis assumes the single-family unit charge for all residential units.
7. EBMUD assesses a System Capacity Charge for new water system connections in its service area to cover the cost of system-wide facilities buy-in, regional facilities buy-in, and future water supply. For multi-family premises the capacity charge is assessed per unit.
8. The City of San Jose collects the following "development taxes" (excise taxes) to fund specific City operations set forth in the Municipal Code: Commercial, Residential, Mobile Home Park Construction Tax (percent of building valuation), Building and Structure Construction Tax (percent of building valuation), Residential Construction Tax (per unit), and Construction Tax (per unit) Construction taxes based on building valuations calculated using RSMean Square Foot Costs, 36th Annual Edition, 2015 with San Jose, CA location factors applied.
10. Cities assessing a public art in-lieu fee assess the fee as a percentage of building value or cost, generally 1%. In Emeryville and Oakland, the in-lieu fee for housing is 0.5% of building cost for residential development. The amounts shown here are based on building cost estimates for Oakland prototypes and assume development of similar buildings in the other cities imposing the public art in-lieu fee. In San Jose, the public art program is associated with municipal projects and redevelopment projects only, per municipal code.

Source: Hausrath Economics Group