

ATTACHMENT 1

RENEWED & EXPANDED LAUREL DISTRICT COMMUNITY BENEFIT DISTRICT (LDCBD)

ASSESSMENT ENGINEER'S REPORT

*Being Renewed for a 20-year Term Pursuant to the City of Oakland's
Business Improvement Management District Ordinance of 1999
12190, Under Municipal Code Chapter 4.48*

*Prepared by
Edward V. Henning
California Registered Professional Engineer # 26549
Edward Henning & Associates*

December 16, 2024

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To Whom It May Concern:

I hereby certify to the best of my professional knowledge and experience that each of the identified benefiting properties located within the proposed Laurel District Community Benefit District ("LDCBD") being renewed and expanded for a 20 year term will receive a special benefit over and above the benefits conferred on the public at large and that the amount of the proposed assessment is proportional to, and no greater than the benefits conferred on each respective property.

Prepared by Edward V. Henning, California Registered Professional Engineer # 26549



A handwritten signature in blue ink that reads "Edward V. Henning".

RPE #26549 December 16, 2024

Edward V. Henning

Date

(NOT VALID WITHOUT SIGNATURE AND CERTIFICATION SEAL HERE)

Introduction

This report serves as the “detailed engineer’s report” required by Section 4(b) of Article XIID of the California Constitution to support the benefit property assessments to be levied within the proposed LDCBD in the City of Oakland, California being renewed and expanded for a 20 year term. The discussion and analysis contained within this Report constitutes the required “nexus” of rationale between assessment amounts levied and special benefits conferred on real properties within the proposed LDCBD.

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Background

The LDCBD is a property-based benefit assessment type district being renewed and expanded for a 20 year term pursuant to the City of Oakland’s Business Improvement Management District Ordinance of 1999 # 12190, Under Municipal Code Chapter 4.48 (the “Ordinance”), modeled after Section 36600 et seq. of the California Streets and Highways Code (as amended), also known as the Property and Business Improvement District Law of 1994 (the “Act”). Due to the benefit assessment nature of assessments levied within a property and business improvement district (“PBID”) or community benefit district (“CBD”), district program costs are to be distributed amongst all identified benefiting properties based on the proportionate amount of special program benefit each property is projected to derive from the assessments levied. Only those properties expected to derive special benefits from CBD funded programs and activities may be assessed and only in an amount proportionate to the special benefits expected to be conferred on each assessed property.

Supplemental Article XIII D Section 4(b) California Constitution Procedures and Requirements

Proposition 218, approved by the voters of California in November of 1996, adds a supplemental array of procedures and requirements to be carried out prior to levying a property-based assessment like the LDCBD. These requirements are in addition to requirements imposed by State and local assessment enabling laws. These requirements were “chaptered” into law as Article XIII D Section 4(b) of the California Constitution (hereinafter Article XIII D).

Since Article XIII D provisions will affect all subsequent calculations to be made in the final assessment formula for the LDCBD, these supplemental requirements will be taken into account. The key provisions of Article XIII D along with a description of how the LDCBD complies with each of these provisions are delineated below.

(Note: All section references below pertain to Article XIII D of the California Constitution):

Finding 1. From Section 4(a): “Identify all parcels which will have a special benefit conferred upon them and upon which an assessment will be imposed”

Boundaries

The renewed and expanded district is to be named the Laurel District Community Benefit District (LDCBD). The proposed renewed and expanded LDCBD is located in the Laurel Business District of Oakland and runs one parcel deep along both sides of MacArthur Boulevard from just south of High Street north to Midvale Avenue and along 35th Avenue from just east of MacArthur Boulevard west to the 580 Freeway. The LDCBD encompasses about 20 blocks and includes 120 parcels, all of which are assessed. See the LDCBD map in Appendix 2 of this Report.

District Boundary Description

The LDCBD boundaries are comprised of commercial and mixed-use zoned parcels with an array of commercial (retail, service, banks, restaurants/bars/cafes) as well as multi-family rental and condominium residential land uses. The LDCBD is surrounded almost entirely by single family and other lower density residential uses that would not benefit from the LDCBD programs and services and thus, are not included in the LDCBD.

- ***Northern Boundary:*** The two parcels at the southeastern and southwestern corners of the intersection of Midvale Avenue and MacArthur Blvd. (APNs 28-956-01 and 28-957-12)
- ***Southern Boundary:*** The two parcels at the southwestern and southeastern corners of the intersection of MacArthur Blvd. and High Street (APNs 30-1982-123-1 and 30-1982-118-1).
- ***Eastern Boundary:*** Starting at the parcel at the southeastern corner of the intersection of Midvale Avenue and MacArthur Blvd (APN 28-957-12), running southward to include all parcels on the east side of MacArthur from Midvale Avenue to the parcel at the southeastern corner of the intersection of MacArthur Blvd and High Street (APN 30-1982-118-1). The eastern boundary will also include the parcel directly to the east of the parcel at the southeastern corner of the intersection of MacArthur and 35th Avenue, (APN 28-957-34-44).
- ***Western Boundary:*** Starting at the parcel at the southwestern intersection of Midvale Avenue and MacArthur, (APN 28-956-01) running southward on 35th Avenue to include all parcels on the west side of MacArthur Blvd up to 35th Avenue, continuing westward including the parcels from 35th Avenue and MacArthur on the west side of 35th Avenue ending at the 580 freeway, including the garden parcel APN 28-952-14. Crossing the street to APN 30-1980-01 at the 580 and 35th Avenue and continuing eastward to the southwestern intersection of 35th Avenue and MacArthur, continuing southward including the parcels on the west side of MacArthur terminating at the parcel at the southwestern intersection of High Street and MacArthur, (APN 30-1982-123-1)

All identified parcels within the above-described boundaries and shall be assessed to fund supplemental special benefit programs, services and improvements as outlined in the Management District Plan (the “Plan”) and in this Assessment Engineer’s Report (the “Report”). All LDCBD funded services, programs and improvements provided within the above-described boundaries shall confer special benefit to identified assessed parcels inside the LDCBD boundaries and none will be provided outside of the

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LDCBD. Each assessed parcel within the LDCBD will proportionately specially benefit from the LDCBD funded Civil Sidewalks/ Safety/Cleanliness, District Identity-Placemaking, Administration and Contingency as described in more detail under “Work Plan”, beginning on page 11 of this Report. These services, programs and improvements are intended to improve commerce, employment, rents, livability and commercial and residential occupancy rates of parcels and businesses within the LDCBD by reducing litter and debris, deterring crime, marketing the available goods and services and installing beautification elements, each considered necessary in a competitive properly managed mixed-use business district. All LDCBD funded services programs and improvements are considered supplemental, above normal base level services provided by the City of Oakland and are only provided for the special benefit of assessed parcels within the boundaries of the LDCBD.

A list of all parcels included in the proposed LDCBD is shown as Appendix 1, attached to this Report with their respective Alameda County assessor parcel number. The boundary of the proposed LDCBD and parcels within it are shown on the map of the LDCBD attached as Appendix 2 to this Report.

Finding 2. From Section 4(a): “Separate general benefits (if any) from the special benefits conferred on parcel(s). Only special benefits are assessable. “

QUANTITATIVE BENEFIT ANALYSIS

As stipulated in Article XIID, assessment district programs and activities confer a combination of general and special benefits, but the only program benefits that can be funded through property assessments are those that provide special benefit to the assessed properties. For the purposes of this analysis, a “general benefit” is hereby defined as: “A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied”. “Special benefit” as defined by Article XIID means a distinct benefit over and above general benefits conferred on real property located in the district.

The property uses within the boundaries of the LDCBD that will receive special benefits from LDCBD funded programs and services are currently an array of commercial retailers, service stores, banks, a mix of restaurants/bars/cafes and residential rental units and condominiums. Services, programs and improvements provided and funded by the LDCBD are primarily designed to provide special benefits as described below to identified assessed parcels and the array of land uses within the boundaries of the LDCBD.

The proposed LDCBD programs, improvements and services and Year 1 budget allocation are as follows:

Year 1 - LDCBD Special Benefit Cost Allocations (Assessment Revenue Only)

Civil Sidewalks- Safety- Cleanliness	District Identity - Placemaking	Administration	Contingency	TOTAL
39.8204%	30.0605%	24.9854%	5.1337%	100.00%
\$102,000	\$77,000	\$64,000	\$13,150	\$256,150

Assessed parcels are conferred proportionate special benefits from all LDCBD funded programs, services and improvements which are intended to attract more customers, users, visitors, employees, tenants and

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investors. LDCBD programs, services and improvements are designed to increase business volumes, sales transactions, occupancies, livability and rental income. These programs, services and improvements are designed to improve commerce and aesthetic appeal for owners, tenants, patrons, residents, visitors and employees of these parcels within the LDCBD by reducing litter and debris, deterring crime, marketing the available goods and services and installing beautification elements, each considered necessary in a competitive properly managed mixed-use business district.

These benefits are particular and distinct to each and every identified and assessed parcel within the LDCBD and are not provided to non-assessed parcels outside of the LDCBD. These programs, services and improvements will only be provided to each individual assessed parcel within the LDCBD boundaries and, in turn, confer proportionate special benefits to each assessed parcel.

In the case of the LDCBD, the very nature of the purpose of this CBD is to fund supplemental programs, services and improvements to assessed parcels within the LDCBD boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. All benefits derived from the assessments to be levied on assessed parcels within the LDCBD are for services, programs and improvements directly and specially benefiting each individual assessed parcel within the LDCBD. No LDCBD funded services, activities or programs will be provided outside of the LDCBD boundaries.

While every attempt is made to provide LDCBD services and programs to confer special benefits only to those identified assessed parcels within the LDCBD, Article XIID stipulates that general benefits exist (either by design or unintentional) in all assessment districts and that a portion of the program costs must be considered attributable to general benefits and assigned a value. General benefits cannot be funded by assessment revenues.

Empirical assessment engineering analyses throughout California have found that general benefits within a given assessment district tend to range from 2-6% of the total costs. A majority of assessment districts in California for which this Assessment Engineer has provided assessment engineering services in conformance with Article XIID have used the composite district overlay determinant method of computing general benefits which will be used for the LDCBD. This method of computing the value of general benefit involves a composite of three distinct types of general benefit – general benefit to assessed parcels within the LDCBD, general benefit to the public at large within the LDCBD and general benefit to parcels outside the LDCBD.

General Benefit – Assessed Parcels within the LDCBD

LDCBD funded programs are narrowly designed and carefully implemented to specially benefit the assessed LDCBD parcels and are only provided for the special benefit to each and every assessed parcel within the LDCBD. It is the opinion of this Engineer, based on over 30 years of professional assessment engineering experience, that nearly 100% of benefits conferred on the 120 assessed parcels within the LDCBD are distinct and special but in the case of the LDCBD, it is projected that there are 0.25% general benefits conferred on these parcels. This high ratio of special benefits to general benefits is because the LDCBD funded programs and services are specially geared to the unique needs of each parcel within the LDCBD and are directed specially only to these parcels within the LDCBD. This concept is further reinforced by the proportionality of special benefits conferred on each parcel within the LDCBD as determined by the special benefit assessment formula as it is applied to the unique and varying property characteristics of each parcel. The computed 0.25% general benefit value on the 120 assessed parcels

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within the LDCBD equates to \$640 or (.25% x \$256,150).

General Benefits – Outside Parcels

While LDCBD programs and services will not be provided directly to parcels outside the LDCBD boundaries, it is reasonable to conclude that LDCBD services may confer an indirect general benefit on parcels adjacent to the LDCBD boundaries. An inventory of the LDCBD boundaries finds that the LDCBD is immediately surrounded by 111 parcels. Of these, 1 is a commercial zoned parcel with commercial uses, 107 are residentially zoned parcels with residential uses and 3 are public or non-profit owned parcels with public or non-profit uses.

The 111 parcels directly outside the LDCBD boundaries can reasonably be assumed to receive some indirect general benefit as a result of LDCBD funded programs, services and improvements. Based on over 30 years of assessment engineering experience, it is the opinion of this Engineer that a benefit factor of 1.0 be attributed to the 120 assessed parcels within the LDCBD, a benefit factor of 0.05 be attributed to general benefits conferred on the 1 commercial parcel located adjacent to or across the street from assessed parcels within the LDCBD, a benefit factor of 0.015 be attributed to general benefits conferred on the 107 residential parcels and uses located adjacent to or across the street from assessed parcels within the LDCBD and a benefit factor of 0.015 be attributed to general benefits conferred on the 3 public or non-profit owned parcels and uses located adjacent to or across the street from assessed parcels within the LDCBD. The cumulative dollar value of this general benefit type equates to \$3,627 (\$107 + \$3,520) as delineated in the following Table:

Parcel Type	Quantity	Benefit Factor	Benefit Units	Benefit Percent	Benefit Value
Assessed Parcels Inside BID	120	1.000	120.00	98.6031%	\$256,150
Commercial Perimeter Parcels Outside BID	1	0.050	0.05	0.0411%	\$107
Other Perimeter Parcels Outside BID	110	0.015	1.65	<u>1.3558%</u>	<u>\$3,520</u>
TOTAL			121.70	100.00%	\$259,777

General Benefit - Public At Large

While the LDCBD funded programs are narrowly designed and carefully implemented to specially benefit the assessed LDCBD parcels and are only provided for the special benefit to each and every assessed parcel within the LDCBD, these programs also provide general benefits to the public at large within the LDCBD.

For the proposed LDCBD activities, assessment engineering experience in California has found that generally over 95% of people moving about within similar district boundaries are engaged in business related to assessed parcels and businesses contained located within them, while the public at large “just passing through” is typically 5% or less.

Based on experience curves and the nature of the proposed LDCBD funded programs and over 30 years of assessment engineering experience, it is the opinion of this Assessment Engineer that districtwide general benefit factors for each of the LDCBD funded special benefit program element costs that provide a general benefit to the public at large are as shown in the Table below. These factors are applied to each program element cost in order to compute the dollar and percent value of districtwide general benefits to the public at large. The total dollar value of this general benefit type, public at large, equates to \$2,301 as

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delineated in the following Table:

	A	B	C	E
Program Element	Dollar Allocation	General Benefit Percent	General Benefit Factor	General Benefit Value (A x C)
Civil Sidewalks-Safety-Cleanliness	\$102,000	1.50%	0.0150	\$1,530
District Identity-Placemaking	\$77,000	0.50%	0.0050	\$385
Administration	\$64,000	0.50%	0.0050	\$320
Contingency	<u>\$13,150</u>	0.50%	0.0050	<u>\$66</u>
Total	\$256,150			\$2,301

Composite General Benefit

Based on the general benefit values delineated in the three sections above, the total value of districtwide general benefits conferred on assessed parcels within the LDCBD, on parcels outside the LDCBD, and on the public at large, equates to \$6,568 (\$640 + \$3,627 + \$2,301) or 2.5% of the total Year 1 program costs. This leaves a value of 97.5% assigned to special benefit related costs. The districtwide general benefit value of \$6,568 when added to the special benefit value of \$256,150 (Year 1 – 2026 assessments) equates to a total Year 1 – 2026 program cost of \$262,718. Remaining costs that are attributed to districtwide general benefits will need to be derived from other non-assessment sources such as grants, underwritings, event proceeds and sponsorships.

The program special benefit related cost allocations of the LDCBD assessment revenues for Year 1 – 2026 are shown in the Table on page 13 of this Report. The projected program special benefit related cost allocations of the LDCBD assessment revenues for Years 1-20 of the LDCBD, assuming an 8% maximum annual assessment rate increase, are shown in the Table on page 14 of this Report.

A breakdown of projected special and districtwide general benefits for Years 1-20 for each program element is shown in the following Table:

Year 1 - 2026 Special + Districtwide General Benefits

YR	PROGRAM CATEGORY	SPECIAL BENEFIT ASSESSMENT COSTS	GENERAL BENEFIT NON-ASSESSMENT COSTS	TOTAL ADJUSTED COSTS	% OF TOTAL
1	Civil Sidewalks-Safety-Cleanliness	\$102,000	\$2,616	\$104,616	39.8204%
	District Identity - Placemaking	\$77,000	\$1,974	\$78,974	30.0605%
	Administration	\$64,000	\$1,641	\$65,641	24.9854%
	Contingency	<u>\$13,150</u>	<u>\$337</u>	<u>\$13,487</u>	<u>5.1337%</u>
	Total	\$256,150	\$6,568	\$262,718	100.0000%
2	Civil Sidewalks-Safety-Cleanliness	\$110,160	\$2,825	\$112,985	39.8204%
	District Identity & Placemaking	\$83,160	\$2,132	\$85,292	30.0605%

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	Administration	\$69,120	\$1,772	\$70,892	24.9854%
	Contingency	<u>\$14,202</u>	<u>\$364</u>	<u>\$14,566</u>	<u>5.1337%</u>
	Total	\$276,642	\$7,093	\$283,735	100.0000%
3	Civil Sidewalks-Safety-Cleanliness	\$118,973	\$3,051	\$122,024	39.8204%
	District Identity & Placemaking	\$89,813	\$2,303	\$92,116	30.0605%
	Administration	\$74,650	\$1,914	\$76,564	24.9854%
	Contingency	<u>\$15,338</u>	<u>\$393</u>	<u>\$15,731</u>	<u>5.1337%</u>
	Total	\$298,774	\$7,661	\$306,435	100.0000%
4	Civil Sidewalks-Safety-Cleanliness	\$128,491	\$3,295	\$131,786	39.8204%
	District Identity & Placemaking	\$96,998	\$2,487	\$99,485	30.0605%
	Administration	\$80,622	\$2,067	\$82,689	24.9854%
	Contingency	<u>\$16,565</u>	<u>\$424</u>	<u>\$16,989</u>	<u>5.1337%</u>
	Total	\$322,676	\$8,273	\$330,949	100.0000%
5	Civil Sidewalks-Safety-Cleanliness	\$138,770	\$3,559	\$142,329	39.8204%
	District Identity & Placemaking	\$104,758	\$2,686	\$107,444	30.0605%
	Administration	\$87,072	\$2,232	\$89,304	24.9854%
	Contingency	<u>\$17,890</u>	<u>\$458</u>	<u>\$18,348</u>	<u>5.1337%</u>
	Total	\$348,490	\$8,935	\$357,425	100.0000%
6	Civil Sidewalks-Safety-Cleanliness	\$149,872	\$3,844	\$153,716	39.8204%
	District Identity & Placemaking	\$113,139	\$2,901	\$116,040	30.0605%
	Administration	\$94,038	\$2,411	\$96,449	24.9854%
	Contingency	<u>\$19,321</u>	<u>\$495</u>	<u>\$19,816</u>	<u>5.1337%</u>
	Total	\$376,370	\$9,651	\$386,021	100.0000%
7	Civil Sidewalks-Safety-Cleanliness	\$161,862	\$4,152	\$166,014	39.8204%
	District Identity & Placemaking	\$122,190	\$3,133	\$125,323	30.0605%
	Administration	\$101,561	\$2,604	\$104,165	24.9854%
	Contingency	<u>\$20,867</u>	<u>\$535</u>	<u>\$21,402</u>	<u>5.1337%</u>
	Total	\$406,480	\$10,424	\$416,904	100.0000%
8	Civil Sidewalks-Safety-Cleanliness	\$174,811	\$4,484	\$179,295	39.8204%
	District Identity & Placemaking	\$131,965	\$3,384	\$135,349	30.0605%
	Administration	\$109,686	\$2,812	\$112,498	24.9854%
	Contingency	<u>\$22,536</u>	<u>\$578</u>	<u>\$23,114</u>	<u>5.1337%</u>
	Total	\$438,998	\$11,258	\$450,256	100.0000%
9	Civil Sidewalks-Safety-Cleanliness	\$188,796	\$4,843	\$193,639	39.8204%
	District Identity & Placemaking	\$142,522	\$3,655	\$146,177	30.0605%

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	Administration	\$118,461	\$3,037	\$121,498	24.9854%
	Contingency	<u>\$24,339</u>	<u>\$624</u>	<u>\$24,963</u>	<u>5.1337%</u>
	Total	\$474,118	\$12,159	\$486,277	100.0000%
10	Civil Sidewalks-Safety-Cleanliness	\$203,900	\$5,230	\$209,130	39.8204%
	District Identity & Placemaking	\$153,924	\$3,947	\$157,871	30.0605%
	Administration	\$127,938	\$3,280	\$131,218	24.9854%
	Contingency	<u>\$26,286</u>	<u>\$674</u>	<u>\$26,960</u>	<u>5.1337%</u>
	Total	\$512,048	\$13,131	\$525,179	100.0000%
11	Civil Sidewalks-Safety-Cleanliness	\$220,212	\$5,648	\$225,860	39.8204%
	District Identity & Placemaking	\$166,238	\$4,263	\$170,501	30.0605%
	Administration	\$138,173	\$3,542	\$141,715	24.9854%
	Contingency	<u>\$28,389</u>	<u>\$728</u>	<u>\$29,117</u>	<u>5.1337%</u>
	Total	\$553,012	\$14,181	\$567,193	100.0000%
12	Civil Sidewalks-Safety-Cleanliness	\$237,829	\$6,100	\$243,929	39.8204%
	District Identity & Placemaking	\$179,537	\$4,604	\$184,141	30.0605%
	Administration	\$149,227	\$3,825	\$153,052	24.9854%
	Contingency	<u>\$30,660</u>	<u>\$786</u>	<u>\$31,446</u>	<u>5.1337%</u>
	Total	\$597,253	\$15,315	\$612,568	100.0000%
13	Civil Sidewalks-Safety-Cleanliness	\$256,855	\$6,588	\$263,443	39.8204%
	District Identity & Placemaking	\$193,900	\$4,972	\$198,872	30.0605%
	Administration	\$161,165	\$4,131	\$165,296	24.9854%
	Contingency	<u>\$33,113</u>	<u>\$849</u>	<u>\$33,962</u>	<u>5.1337%</u>
	Total	\$645,033	\$16,540	\$661,573	100.0000%
14	Civil Sidewalks-Safety-Cleanliness	\$277,403	\$7,115	\$284,518	39.8204%
	District Identity & Placemaking	\$209,412	\$5,370	\$214,782	30.0605%
	Administration	\$174,058	\$4,461	\$178,519	24.9854%
	Contingency	<u>\$35,762</u>	<u>\$917</u>	<u>\$36,679</u>	<u>5.1337%</u>
	Total	\$696,635	\$17,863	\$714,498	100.0000%
15	Civil Sidewalks-Safety-Cleanliness	\$299,595	\$7,684	\$307,279	39.8204%
	District Identity & Placemaking	\$226,165	\$5,800	\$231,965	30.0605%
	Administration	\$187,983	\$4,818	\$192,801	24.9854%
	Contingency	<u>\$38,623</u>	<u>\$990</u>	<u>\$39,613</u>	<u>5.1337%</u>
	Total	\$752,366	\$19,292	\$771,658	100.0000%
16	Civil Sidewalks-Safety-Cleanliness	\$323,563	\$8,299	\$331,862	39.8204%
	District Identity & Placemaking	\$244,258	\$6,264	\$250,522	30.0605%

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	Administration	\$203,022	\$5,203	\$208,225	24.9854%
	Contingency	<u>\$41,713</u>	<u>\$1,069</u>	<u>\$42,782</u>	<u>5.1337%</u>
	Total	\$812,556	\$20,835	\$833,391	100.0000%
17	Civil Sidewalks-Safety-Cleanliness	\$349,448	\$8,963	\$358,411	39.8204%
	District Identity & Placemaking	\$263,799	\$6,765	\$270,564	30.0605%
	Administration	\$219,264	\$5,619	\$224,883	24.9854%
	Contingency	<u>\$45,050</u>	<u>\$1,155</u>	<u>\$46,205</u>	<u>5.1337%</u>
	Total	\$877,561	\$22,502	\$900,063	100.0000%
18	Civil Sidewalks-Safety-Cleanliness	\$377,404	\$9,680	\$387,084	39.8204%
	District Identity & Placemaking	\$284,903	\$7,306	\$292,209	30.0605%
	Administration	\$236,805	\$6,069	\$242,874	24.9854%
	Contingency	<u>\$48,654</u>	<u>\$1,247</u>	<u>\$49,901</u>	<u>5.1337%</u>
	Total	\$947,766	\$24,302	\$972,068	100.0000%
19	Civil Sidewalks-Safety-Cleanliness	\$407,596	\$10,454	\$418,050	39.8204%
	District Identity & Placemaking	\$307,695	\$7,890	\$315,585	30.0605%
	Administration	\$255,749	\$6,555	\$262,304	24.9854%
	Contingency	<u>\$52,546</u>	<u>\$1,347</u>	<u>\$53,893</u>	<u>5.1337%</u>
	Total	\$1,023,586	\$26,246	\$1,049,832	100.0000%
20	Civil Sidewalks-Safety-Cleanliness	\$440,204	\$11,290	\$451,494	39.8204%
	District Identity & Placemaking	\$332,311	\$8,521	\$340,832	30.0605%
	Administration	\$276,209	\$7,079	\$283,288	24.9854%
	Contingency	<u>\$56,750</u>	<u>\$1,455</u>	<u>\$58,205</u>	<u>5.1337%</u>
	Total	\$1,105,474	\$28,345	\$1,133,819	100.0000%

LDCBD WORK PLAN

Overview

The services, programs and improvements to be funded by the LDCBD include Civil Sidewalks-Safety-Cleanliness, District Identity-Placemaking, Administration and Contingency. The property uses within the boundaries of the LDCBD that will receive special benefits from LDCBD funded programs, services and improvements are currently an array of commercial retailers, service stores, banks, financial centers, a mix of restaurants/bars/cafes and multi-family residential and condominium units. Services, programs and improvements provided and funded by the LDCBD are primarily designed to provide special benefits as described below to identified assessed parcels within the boundaries of the LDCBD.

These special benefits are particular and distinct to each and every identified assessed parcel within the LDCBD and are not provided to non-assessed parcels outside of the LDCBD. These programs, services and improvements will only be provided to each individual assessed parcel within the LDCBD boundaries and, in turn, confer proportionate "special benefits" to each assessed parcel.

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The very nature of the purpose of the LDCBD is to fund supplemental programs, services and improvements to assessed parcels within the LDCBD boundaries above and beyond the base line services provided by the City of Oakland. The City of Oakland does not provide these supplemental programs and services. All benefits derived from the assessments to be levied on assessed parcels within the LDCBD are for services, programs and improvements directly benefiting each individual assessed parcel within the LDCBD. No LDCBD funded services, activities or programs will be provided outside of the LDCBD boundaries.

The program special benefit cost allocations of the LDCBD assessment revenues for Year 1-2026 are shown in the Table on page 13 of this Report. The projected program special benefit cost allocations of the LDCBD assessment revenues for the 20-year term of the LDCBD, assuming an 8% maximum annual assessment rate increase, are shown in the Table on page 14 of this Report.

WORK PLAN DETAILS

The services to be provided by the LDCBD (i.e. Civil Sidewalks-Safety-Cleanliness, District Identity-Placemaking, Administration and Contingency) are all designed to contribute to the cohesive urban fabric to ensure economic success and vitality of each assessed parcel within the proposed LDCBD. The assessed parcels in the LDCBD will specially benefit from the LDCBD programs in the form of increasing commerce and improving economic success, livability and vitality through meeting the LDCBD Goals: to improve cleanliness, safety, beautification, landscaping and to attract and retain businesses and services, generate more pedestrian and visitor traffic and to increase commerce and improve the economic viability of each individual assessed parcel.

Assessed parcels are conferred proportionate special benefits from all LDCBD funded programs, services and improvements which are intended to attract more customers, users, visitors, employees, tenants, residents and investors. LDCBD programs, services and improvements are designed to increase business volumes, sales transactions, occupancies and rental income. These programs, services and improvements are designed to improve commerce, livability and aesthetic appeal for owners, tenants, patrons, residents, visitors and employees of these parcels within the LDCBD by reducing litter and debris, deterring crime, marketing the available goods and services and installing beautification elements, each considered necessary in a competitive properly managed business district.

These benefits are particular and distinct to each and every identified and assessed parcel within the LDCBD and are not provided to non-assessed parcels outside of the LDCBD. These programs, services and improvements will only be provided to each individual assessed parcel within the LDCBD boundaries and, in turn, confer proportionate "special benefits" to each assessed parcel.

The following programs, services and improvements are proposed by the LDCBD to specially benefit each and every individually assessed parcel within the LDCBD boundaries. LDCBD services, programs and improvements will not be provided to parcels outside the LDCBD boundary.

1. CIVIL SIDEWALKS/SAFETY AND CLEANLINESS/BEAUTIFICATION – 40%

Examples of this category of special benefit services and costs may include, but are not limited to:

- Regular sidewalk and gutter sweeping

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- Regular sidewalk power washing
- Private security or OPD overtime officers, and homeless outreach workers
- Personnel to manage in-house or contracted maintenance and/or security teams
- Beautification of the district
- Enhanced trash emptying (over and above city services)
- Timely graffiti removal, within 72 hours as necessary
- Installation and maintenance of planters throughout the district
- Streetscape improvements for walkability

2. DISTRICT IDENTITY AND PLACEMAKING 30%

Examples of this category of special benefit services and costs may include, but are not limited to:

- Branding of the Laurel District so a positive image is promoted to the public-at-large and surrounding residents
- Web site and merchant directory maintenance and updates
- Business attraction
- Social media, public relations
- Enhancing the current holiday and seasonal decorations
- Banner programs
- Public art displays
- Public space design and improvements
- Events and programming to increase foot traffic and district awareness

3. ADMINISTRATION/PROGRAM MANAGEMENT- 25%

Examples of this category of special benefit services and costs may include, but is not limited to:

- Staff and administrative costs, contracted or in-house
- Business and property owner support services and advocacy
- Directors and Officers and General Liability Insurance
- Government and public relations
- Office related expenses, rent
- Financial reporting and accounting
- Compliance
- Legal work
- Grant writing

4. CONTINGENCY/CITY AND COUNTY FEES/RESERVE – 5%

Examples of this category of special benefit services and costs include, but is not limited to:

- Delinquencies, City/County fees
- Contingency

In summary, all LDCBD funded services, programs and improvements described above confer special benefits to identified assessed parcels inside the LDCBD boundaries and none will be provided outside of the LDCBD. Each assessed parcel within the LDCBD will proportionately specially benefit from Civil Sidewalks-Safety-Cleanliness, District Identity-Placemaking, Administration and Contingency. These services, programs and improvements are intended to improve commerce, employment, rents, livability and occupancy rates of assessed parcels within the LDCBD by reducing litter, deterring crime, marketing

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the available goods and services and installing physical improvements, each considered necessary in a competitive properly managed mixed-use business district. All LDCBD funded services programs and improvements are considered supplemental, above normal base level services provided by the City of Oakland and are only provided for the special benefit of each and every assessed parcel within the boundaries of the LDCBD.

WORK PLAN BUDGET

Each identified assessed parcel within the LDCBD will be assessed the full amount of the proportionate special benefit conferred upon it based on the level of LDCBD funded services provided. The projected LDCBD program special benefit (assessments) allocation budget for Year 1-2026 is shown in the following Table:

LDCBD Year 1-2026 Special Benefit Assessment Budget by Zone

Civil Sidewalks- Safety- Cleanliness	District Identity - Placemaking	Administration	Contingency	TOTAL
39.8204%	30.0605%	24.9854%	5.1337%	100.00%
\$102,000	\$77,000	\$64,000	\$13,150	\$256,150

In order to carry out the LDCBD programs outlined in the previous section, a Year 1-2026 assessment budget of \$256,150 is projected. Since the LDCBD is being proposed for a 20-year term, projected program costs for future years (Years 2-20) are set at the inception of the LDCBD. While future inflationary and other program cost increases are unknown at this point, a maximum annual increase of 8% per year, commensurate to special benefits conferred on each assessed parcel, is incorporated into the projected program costs and assessment rates for the LDCBD.

Funding carryovers, if any, may be reapportioned the following year for related programs, services and improvements in accordance with the Plan. Detailed annual budgets will be prepared by the Property Owners’ Association Board and included in the Annual Report for the City Council’s review and approval.

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year for the proposed LDCBD. Accordingly, the Owners’ Association shall have the ability to reallocate any budget line item within the budget categories in the Management District Plan subject to the review and approval by the Owners’ Association Board. Any proposed variation that exceeds 10% of the total budget shall be subject to review and approval from the City Manager’s Office. Any surplus or unspent funds, per category, shall be accumulated year to year over the life of the LDCBD. Such reallocation will be included in the Annual Report for approval by the City of Oakland City Council pursuant to related City policies. Any accrued interest or delinquent payments may be expended in any budget category in accordance with the Management District Plan.

A 20-year projected LDCBD special benefit budget is shown in the following Table:

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YEAR 1-20 PROJECTED LDCBD ASSESSMENT BUDGET SUMMARY (Special Benefits)

(Assumes 8% max rate increase per year)

YR	Civil Sidewalks-Safety-Cleanliness	District Identity - Placemaking	Administration Services	Contingency	TOTAL
	39.8204%	30.0605%	24.9854%	5.1337%	100.00%
1	\$102,000	\$77,000	\$64,000	\$13,150	\$256,150
2	\$110,160	\$83,160	\$69,120	\$14,202	\$276,642
3	\$118,973	\$89,813	\$74,650	\$15,338	\$298,774
4	\$128,491	\$96,998	\$80,622	\$16,565	\$322,676
5	\$138,770	\$104,758	\$87,072	\$17,890	\$348,490
6	\$149,872	\$113,139	\$94,038	\$19,321	\$376,370
7	\$161,862	\$122,190	\$101,561	\$20,867	\$406,480
8	\$174,811	\$131,965	\$109,686	\$22,536	\$438,998
9	\$188,796	\$142,522	\$118,461	\$24,339	\$474,118
10	\$203,900	\$153,924	\$127,938	\$26,286	\$512,048
11	\$220,212	\$166,238	\$138,173	\$28,389	\$553,012
12	\$237,829	\$179,537	\$149,227	\$30,660	\$597,253
13	\$256,855	\$193,900	\$161,165	\$33,113	\$645,033
14	\$277,403	\$209,412	\$174,058	\$35,762	\$696,635
15	\$299,595	\$226,165	\$187,983	\$38,623	\$752,366
16	\$323,563	\$244,258	\$203,022	\$41,713	\$812,556
17	\$349,448	\$263,799	\$219,264	\$45,050	\$877,561
18	\$377,404	\$284,903	\$236,805	\$48,654	\$947,766
19	\$407,596	\$307,695	\$255,749	\$52,546	\$1,023,586
20	\$440,204	\$332,311	\$276,209	\$56,750	\$1,105,474

The LDCBD assessments may increase for each individual parcel each year during the life of the LDCBD, but not to exceed 8% per year, commensurate to special benefits received by each assessed parcel, and must be approved by the Owners’ Association Board of Directors, included in the Annual Report and adopted by the City of Oakland City Council. Any accrued interest and delinquent payments will be expended within the budgeted categories. The Owners’ Association Board of the Directors (“Property Owners’ Association of the LDCBD) shall determine the percentage increase, if any, to the annual assessment, not to exceed 8% per year. The Owners’ Association Executive Director shall communicate the annual increase to the City each year in which the LDCBD operates at a time determined in the Administration Contract held between the Owners’ Association and the City of Oakland. No bonds are to be issued in conjunction with the proposed LDCBD.

Pursuant to the Ordinance, any funds remaining after the 20-Year term will be rolled over into the renewal budget or returned to stakeholders in accordance with the Ordinance. If the LDCBD is terminated for any reason or disestablished, unencumbered/unexpended funds will be returned to the property owners in accordance with the Ordinance.

Finding 3. From Section 4(a): “(Determine) the proportionate special benefit derived by each parcel in relationship to the entirety of the.....cost of public improvement(s) or the maintenance and operation expenses.....or the cost of the property related service being provided.

Each identified assessed parcel within the LDCBD will be assessed based on property characteristics unique only to that parcel. Based on the specific needs and corresponding nature of the program activities to be funded by the proposed LDCBD (i.e. Civil Sidewalks-Safety-Cleanliness, District Identity-Placemaking, Administration and Contingency), it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of building area, land area and street frontage of each parcel except as noted herein within one benefit zone.

The calculated assessment rates are applied to the actual assessed factor quantities of each parcel and thereby are proportional to each and every other identified assessed parcel within the LDCBD as a whole. Larger parcels and those with larger buildings and/or street frontage are projected to impact the demand for services and programs to a greater extent than smaller parcels or smaller buildings or street frontages and thus, are assigned a greater proportionate degree of assessment program and service costs. The proportionality is further achieved by setting targeted formula component weights for the respective parcel by parcel identified property attributes.

The proportionate special benefit cost for each parcel has been calculated based on proportionate formula components and is listed in the Plan and this Report. The individual percentages (i.e. proportionate relationship to the total special benefit related program and activity costs) are computed by dividing the individual parcel assessment by the total special benefit program related costs.

Finding 4. From Section 4(a): “No assessment shall be imposed on any parcel which exceeds the reasonable cost of the proportional special benefit conferred on that parcel.”

Not only are the proposed program costs reasonable due to the benefit of group purchasing and contracting which would be possible through the proposed LDCBD, they are also considerably less than other options considered by the LDCBD Formation Advisory Committee. The actual assessment rates for each parcel within the LDCBD directly relate to the level of service and, in turn, special benefit to be conferred on each parcel based on the respective amount of building area, land area and street frontage of each parcel except as noted herein within one benefit zone.

Finding 5. From Section 4(a): “Parcels.....that are owned or used by any (public) agency shall not be exempt from assessment.....”

Article XIID states that “parcels within a District that are owned or used by any agency, the State of California or the United States shall not be exempt from assessment unless the agency can demonstrate by clear and convincing evidence that those publicly-owned parcels in fact receive no special benefit.”

There are currently no publicly owned parcels within the boundaries of the proposed LDCBD. It is the opinion of this Assessment Engineer that there is no clear and convincing evidence that any future publicly

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owned parcels would not receive proportionate special benefits and thus, would not be exempt from assessments nor assessed differently than privately owned parcels.

Finding 6. From Section 4(b): “All assessments must be supported by a detailed engineer’s report prepared by a registered professional engineer certified by the State of California”.

This report serves as the “detailed engineer’s report” to support the benefit property assessments proposed to be levied within the proposed LDCBD.

Finding 7. From Section 4(c): “The amount of the proposed assessment for each parcel shall be calculated (along with) the total amount thereof chargeable to the entire district, the duration of such payments, the reason for such assessment and the basis upon which the amount of the proposed assessment was calculated.”

The individual and total parcel assessments attributable to special property benefits are shown in Appendix 1 to the Plan and this Report. The proposed LDCBD and resultant assessment levies will continue for 20 years unless disestablished. The reasons for the proposed assessments are outlined in Finding 2 above as well as in the Plan. The calculation basis of the proposed assessment is attributed to building area, land area and street frontage of each parcel except as noted herein within one benefit zone.

Assessment Formula Methodology

Step 1. Select “Benefit Unit(s)”

Background – Generic Assessment Formula Development

The method used to determine special benefits derived by each identified assessed property within a CBD begins with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the LDCBD, the benefit unit may be measured in building size in square feet, parcel land area in square feet or parcel street frontage in linear feet or any combination of these factors. Factor quantities for each parcel are then measured or otherwise obtained. From these figures, the amount of benefit units to be assigned to each property can be calculated. Special circumstances such as unique geography, land uses, development constraints etc. are carefully reviewed relative to specific programs and improvements to be funded by a CBD in order to determine any levels of different benefit that may apply on a parcel-by-parcel or categorical basis.

Based on the factors described above such as geography and nature of programs and activities proposed, an assessment formula is developed which is derived from a singular or composite benefit unit factor or factors. Within the assessment formula, different factors may be assigned different “weights” or percentage of values based on their relationship to programs/services to be funded.

Next, all program and activity costs, including incidental costs, administration and ancillary program costs, are estimated. It is noted, as stipulated in Article XIID Section 4(b) of the California Constitution, and now required of all property-based assessment districts, indirect or general benefit related costs may not be incorporated into the assessment formula and levied on the district properties; only direct or

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“special” benefits related costs may be used. Indirect or general benefits, if any, must be identified and, if quantifiable, calculated and factored out of the assessment cost basis to produce a “net” cost figure. In addition, Article XIID Section 4(b) of the California Constitution also no longer automatically exempts publicly owned property from being assessed unless the respective public agency can provide clear and convincing evidence that their property does not specially benefit from the programs and services to be funded by the proposed special assessments. If special benefit is determined to be conferred upon such properties, they must be assessed in proportion to special benefits conferred in a manner similar to privately owned property assessments. (See page 16 of this Report for discussion regarding publicly owned parcels within the LDCBD).

From the estimated program costs, the value of a benefit unit or “unit cost” can be computed by dividing the total amount of estimated program costs by the total number of benefit units. The amount of assessment for each parcel can be computed at this time by multiplying the Unit Cost times the number of Benefit Units per parcel. This is known as “spreading the assessment” or the “assessment spread” in that all costs are allocated proportionately or “spread” amongst all benefitting properties within the CBD.

The method and basis of spreading program costs varies from one CBD to another based on local geographic conditions, types of programs and activities proposed, and size and development complexity of the district. CBIDs may require secondary benefit zones to be identified to allow for a tiered assessment formula for variable or stepped-down benefits derived based on general land use differentials or levels of services required or programmed to be provided.

LDCBD Assessment Formula

Based on the specific needs and corresponding nature of the program activities to be funded by the proposed LDCBD (i.e. Civil Sidewalks-Safety-Cleanliness, District Identity-Placemaking, Administration and Contingency) it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of building area, land area and street frontage of each parcel except as noted herein within one benefit zone.

The “Benefit Units” will be expressed as a combined function of gross building square footage (Benefit Unit “A”), parcel land square footage (Benefit Unit “B”), street frontage (Benefit Unit “C”) and residential condominium interior building square footage (Benefit Unit “D”). Based on the shape of the proposed LDCBD, as well as the nature of the work program, it is determined that all identified properties will gain a direct and proportionate degree of special benefit based on the respective amount of building area, land area and street frontage of each parcel except as noted herein within one benefit zone. It is noted and explained in more detail on page 18 under “Special Assessment Circumstances” that residential condominiums will be assessed based only on interior building pad square footage of each unit.

The interaction of building area, land area and street frontage quantities is a common method of fairly and equitably spreading special benefit costs to the beneficiaries of CBD funded services, programs and improvements. These factors directly relate to the proportion of special benefit each assessed parcel will receive from LDCBD funded activities, programs and improvements.

Building Area (Benefit Units A & D) is a direct measure of the static utilization of each parcel and its corresponding impact or draw on LDCBD funded activities. The combined targeted revenue weight of Building Area (Units A & D) is about 20% and will actually generate 18.6091% of the overall assessment revenue

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Land Area (Benefit Unit B) is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on LDCBD funded activities. The targeted revenue weight of Land Area (Unit B) is about 45%. Unit B will actually generate 45.7211% of the overall assessment revenue.

Street Frontage (Benefit Unit C) is a direct measure of each parcel’s corresponding impact or draw on LDCBD funded activities. The targeted revenue weight of Street Frontage (Unit C) is about 35%. Unit C will actually generate 35.6697% of the overall assessment revenue.

Special Assessment Circumstances

1. Residential Condominiums

Residential condominium parcels will be assessed as a separate category. It is the opinion of this Assessment Engineer that residential condominium parcels will proportionately specially benefit from LDCBD funded programs and activities, but differently than commercial parcels and other residential parcels with multiple units on them. As such, based on the development configuration of such units which are generally multi floor buildings with no direct land or street frontage, the assessments for residential condominiums shall be assessed based solely on the internal building area of each residential condominium unit at the rate of \$0.12 per square foot of internal building pad area, subject to any approved annual rate increases.

2. Commercial and Mixed-Use Condominiums

While no mixed-use condominiums currently exist within the LDCBD, ground floor commercial condominiums within the LDCBD shall be assessed based on actual land area covered, condominium building area and direct street frontage for each unit. Because such uses are typically developed as part of a multi-floor mixed-use complex, special methodologies are needed to address the levy of assessments on such land uses as follows:

Multi-Floor Commercial Only Condominiums (Upper Floors)

- Building area assessed at respective building area rate and pro-rated for land area and street frontage based on quantities of the whole complex

Multi-Floor Mixed-Use Condominiums

- Commercial condo (See above for ground floor and upper floor locations)
- Residential condo (See # 1 above)

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Changes to Building and/or Parcel Size

Any changes in building or parcel size as a result of new construction, demolitions, land adjustments including but not limited to lot splits, consolidations, subdivisions, street dedications, right of way setbacks shall have their assessment adjusted upon final City approval of such building and/or parcel adjustments.

Other Future Development

Other than future maximum rates and the assessment methodology delineated in this Report, future assessments may increase for any given parcel if such an increase is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land. Any change in assessment formula methodology or rates other than as stipulated in this Report would require a new Article XIID ballot procedure in order to approve any such changes.

Step 2. Quantify Total Basic Benefit Units

Considering all identified specially benefiting parcels within the LDCBD and their respective assessable benefit units, the cumulative quantities by factor and zone are shown in the following Table:

Year 1 – 2026 - Assessable Benefit Units

BLDG AREA (SF)	LAND AREA (SF)	STREET FRONTAGE (LF)	R-CONDO BLDG AREA (SF)	# OF ASSESSABLE PARCELS
374,558	780,764	10,152	22,670	120

Considering all identified specially benefiting parcels within the LDCBD and their respective assessable benefit units, the cumulative assessment revenue by factor are shown in the following Table:

Year 1 – 2026 - Assessment Revenue

BLDG ASSMT \$	LAND ASSMT \$	STREET FRONTAGE ASSMT REVENUE	R-CONDO BLDG ASSMT REVENUE	TOTAL ASSMT REVENUE
\$44,946.96	\$117,114.60	\$91,368.00	\$2,720.40	\$256,149.96
17.5471%	45.7211%	35.6697%	1.0620%	100.00%

Step 3. Calculate Benefit Units for Each Property.

The number of Benefit Units for each identified benefiting parcel within the proposed LDCBD was computed from data extracted from County Assessor records and maps. These data sources delineate current land uses, property areas and dimensions of record for each tax parcel. While it is understood that this data does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records, it does provide an acceptable basis for the purpose of calculating

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property-based assessments. All respective property data being used for assessment computations will be provided to each property owner in the LDCBD for their review. If a property owner believes there is an error on a parcel’s assessed quantities, the LDCBD may confirm the data with the Alameda County Assessor’s office. If LDCBD data matches Assessor’s data, the property owner may opt to work with the Assessor’s office to correct the data so that the LDCBD assessment may be corrected.

Step 4. Determine Assessment Formula

In the opinion of this Assessment Engineer, the general assessment formula for the proposed LDCBD as shown in the Year 1 Assessment Rate Table above is as follows:

$$\begin{aligned} \text{Assessment} &= \text{Building Area (Unit A) Sq Ft x Unit A Rate} \\ &\quad \text{Land Area (Unit B) Sq Ft x Unit B Rate, plus} \\ &\quad \text{Street Frontage (Unit C) Lin Ft x Unit C Rate} \\ &\quad \text{OR} \\ &\quad \text{Residential Condominium Building Area (Unit D) Sq Ft x Unit D Rate} \end{aligned}$$

Assessment Formula Unit Rates

Based on figures from the Assessable Benefit Units Table above, the assessment rates for each factor and zone are shown as calculated below:

Building Area Rate (Unit A)

$$(\$256,149.96 \times 17.5471\%) / 374,558 \text{ assessable building area units} = \$0.12/\text{sq ft building area}$$

Land Area Rate Rate B (Unit B)

$$(\$256,149.96 \times 45.7211\%) / 780,764 \text{ assessable land area units} = \$0.15/\text{sq ft land area}$$

Street Frontage Rate (Unit C)

$$(\$256,149.96 \times 35.6607\%) / 10,152 \text{ assessable street frontage units} = \$9.00/\text{LF street frontage}$$

Condo Building Area Rate (Unit D)

$$(\$256,149.96 \times 1.0620\%) / 22,670 \text{ assessable condo building units} = \$0.12/\text{sq ft building area}$$

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YEAR 1 –2026 Assessment Rates

BLDG ASSMT RATE (\$/SF)	LAND ASSMT RATE (\$/SF)	STREET FRONTAGE ASSMT RATE (\$/LF)	R-CONDO BLDG ASSMT RATE
\$0.12	\$0.150	\$9.00	\$0.12

The complete Year 1 – 2026 assessment roll of all parcels to be assessed by the LDCBD is included in this Report as Appendix I.

Step 5. Estimate Total LDCBD Costs

The total projected 20-year LDCBD special benefit costs for 2026 – 2045 are shown in the Table on page 14 of this Report assuming a maximum 8% increase per year.

Step 6. Separate General Benefits from Special Benefits and Related Costs (Article XIID)

Total Year 1 special and districtwide general benefit related costs are estimated at \$262,718. Districtwide general benefits are factored at 2.5% of the total benefit value (see Finding 2 of this Report) with special benefits set at 97.5%. Article XIID limits the levy of property assessments to costs attributed to special benefits only. The 2.5% general benefit value is computed to be \$6,568 with a resultant 97.5% special benefit limit computed at \$256,150. *Based on current property data and land uses, this is the maximum amount of Year 1 - 2026 revenue that can be derived from property assessments from the subject District.* All program costs associated with district-wide and site/activity specific general benefits will be derived from sources other than LDCBD assessments.

Step 7. Calculate “Basic Unit Cost”

With a YR 1 - 2026 assessment revenue portion of the budget set at \$256,150 (special benefit only), the Unit Costs (rates) are shown earlier in Step 4. The LDCBD is proposed for a 20-year term. An annual inflationary assessment rate increase of up to 8%, commensurate to special benefits received by each assessed parcel, may be imposed for future year assessments, on approval by the LDCBD Property Owner’s Association. The maximum assessment rates for years 1-20 (2026-2045) are shown in the Table below. The assessment rates listed constitute the maximum assessment rates that may be imposed for each year of the 20-year LDCBD term.

**LDCBD – Maximum Assessment Rates - Years 1-20
(Includes an 8%/Yr. Max Increase)**

YEAR	BLDG ASSMT RATE (\$/SF)	LAND ASSMT RATE (\$/SF)	FRONTAGE ASSMT RATE (\$/LF)	R-CONDO BLDG ASSMT RATE (\$/SF)
1	\$0.1200	\$0.1500	\$9.0000	\$0.1200
2	\$0.1296	\$0.1620	\$9.7200	\$0.1296

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3	\$0.1400	\$0.1750	\$10.4976	\$0.1400
4	\$0.1512	\$0.1890	\$11.3374	\$0.1512
5	\$0.1633	\$0.2041	\$12.2444	\$0.1633
6	\$0.1764	\$0.2204	\$13.2240	\$0.1764
7	\$0.1905	\$0.2380	\$14.2819	\$0.1905
8	\$0.2057	\$0.2570	\$15.4245	\$0.2057
9	\$0.2222	\$0.2776	\$16.6585	\$0.2222
10	\$0.2400	\$0.2998	\$17.9912	\$0.2400
11	\$0.2592	\$0.3238	\$19.4305	\$0.2592
12	\$0.2799	\$0.3497	\$20.9849	\$0.2799
13	\$0.3023	\$0.3777	\$22.6637	\$0.3023
14	\$0.3265	\$0.4079	\$24.4768	\$0.3265
15	\$0.3526	\$0.4405	\$26.4349	\$0.3526
16	\$0.3808	\$0.4757	\$28.5497	\$0.3808
17	\$0.4113	\$0.5138	\$30.8337	\$0.4113
18	\$0.4442	\$0.5549	\$33.3004	\$0.4442
19	\$0.4797	\$0.5993	\$35.9644	\$0.4797
20	\$0.5181	\$0.6472	\$38.8416	\$0.5181

Step 8. Spread the Assessments

The resultant assessment spread calculation results for each parcel within the LDCBD are shown in the Plan and this Report and were determined by applying the LDCBD assessment formula to each identified benefiting property.

Miscellaneous LDCBD Provisions

Time and Manner of Collecting Assessments:

Assessments shall be collected at the same time and in the same manner as ad valorem taxes paid to Alameda County. The LDCBD assessments shall appear as a separate line item on the property tax bills issued by Alameda County. The City of Oakland is authorized to collect any assessments not placed on the County tax rolls, or to place assessments, unpaid delinquent assessments, or penalties on the County tax rolls as appropriate to implement the Plan.

Bonds:

No bonds are to be issued in conjunction with the proposed LDCBD.

Duration:

As allowed by the Ordinance, the LDCBD will have a 20-year operation term, beginning January 1, 2026 and ending December 31, 2045. At that time, the LDCBD may be renewed again in accordance with the Ordinance.

APPENDIX 1

LDCBD YR 1 – 2026 ASSESSMENT ROLL

APN	Year 1 Assessment
028 -0952-014-00	\$3,795.45
028 -0955-002-01	\$1,434.00
028 -0955-003-04	\$4,598.52
028 -0955-006-05	\$2,252.37
028 -0956-001-00	\$2,491.20
028 -0956-002-00	\$755.40
028 -0956-006-04	\$4,305.45
028 -0956-013-03	\$3,799.80
028 -0956-025-00	\$113.16
028 -0956-026-00	\$129.96
028 -0956-027-00	\$115.56
028 -0956-028-00	\$89.64
028 -0956-029-00	\$110.88
028 -0956-030-00	\$129.96
028 -0956-031-00	\$115.56
028 -0957-012-00	\$2,076.75
028 -0957-034-00	\$189.24
028 -0957-035-00	\$182.76
028 -0957-036-00	\$182.76
028 -0957-037-00	\$182.76
028 -0957-038-00	\$182.76
028 -0957-039-00	\$182.76
028 -0957-040-00	\$1,770.39
028 -0957-041-00	\$190.32
028 -0957-042-00	\$199.32
028 -0957-043-00	\$240.24
028 -0957-044-00	\$182.76
030 -1898-008-01	\$4,867.92
030 -1898-011-00	\$1,112.76
030 -1898-012-00	\$1,325.82
030 -1898-013-00	\$1,313.25
030 -1898-014-00	\$1,231.20
030 -1903-011-00	\$1,912.29
030 -1903-012-01	\$2,349.51
030 -1903-014-00	\$342.00
030 -1903-015-01	\$3,398.10
030 -1907-012-00	\$1,892.01
030 -1907-013-00	\$924.15
030 -1907-014-00	\$1,243.95
030 -1907-015-00	\$1,230.45
030 -1907-016-00	\$1,198.05
030 -1907-017-00	\$3,160.56
030 -1912-012-00	\$2,030.10
030 -1912-013-00	\$900.00
030 -1912-014-00	\$1,404.00
030 -1912-015-00	\$1,611.48
030 -1912-019-01	\$6,848.43
030 -1917-012-00	\$1,768.05
030 -1917-013-00	\$903.27
030 -1917-014-00	\$1,249.14
030 -1917-015-00	\$1,249.14
030 -1917-016-00	\$798.90

030 -1917-017-00	\$1,121.04
030 -1917-018-00	\$2,721.87
030 -1980-001-00	\$4,465.20
030 -1980-020-01	\$4,784.25
030 -1980-021-00	\$306.00
030 -1980-022-00	\$315.00
030 -1980-023-00	\$288.00
030 -1980-055-00	\$4,077.66
030 -1980-057-00	\$3,438.00
030 -1980-058-01	\$3,181.35
030 -1980-059-00	\$11,251.44
030 -1980-060-00	\$1,617.60
030 -1980-061-00	\$1,515.96
030 -1980-062-00	\$1,140.00
030 -1980-063-00	\$2,391.60
030 -1980-132-01	\$3,480.00
030 -1980-134-02	\$2,236.95
030 -1980-135-00	\$1,296.00
030 -1980-136-00	\$1,260.00
030 -1980-137-00	\$1,351.74
030 -1980-138-00	\$1,283.34
030 -1980-139-00	\$1,920.00
030 -1980-140-00	\$1,632.00
030 -1980-141-00	\$1,468.80
030 -1980-142-02	\$2,274.00
030 -1980-144-00	\$2,160.00
030 -1980-163-00	\$1,127.25
030 -1980-164-00	\$4,195.71
030 -1981-059-01	\$2,100.00
030 -1981-060-00	\$1,497.00
030 -1981-061-00	\$1,250.16
030 -1981-063-01	\$5,100.96
030 -1981-064-00	\$17,658.96
030 -1981-065-00	\$870.45
030 -1981-066-00	\$1,201.05
030 -1981-067-00	\$854.25
030 -1981-068-00	\$870.00
030 -1981-069-00	\$600.45
030 -1981-070-00	\$894.96
030 -1981-091-00	\$2,274.84
030 -1981-092-00	\$819.90
030 -1981-093-00	\$2,799.42
030 -1981-094-00	\$2,490.93
030 -1981-097-00	\$3,730.50
030 -1981-098-01	\$3,378.66
030 -1981-099-00	\$2,093.64
030 -1981-113-00	\$2,310.45
030 -1981-114-00	\$2,458.86
030 -1981-115-00	\$894.54
030 -1981-116-00	\$2,238.60
030 -1981-117-00	\$3,591.27
030 -1981-118-00	\$1,200.00
030 -1981-119-00	\$1,434.30

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030 -1981-128-00	\$1,668.12
030 -1981-129-00	\$2,880.00
030 -1981-130-02	\$2,901.93
030 -1981-131-00	\$1,632.15
030 -1981-132-00	\$1,176.00
030 -1981-133-00	\$3,379.50
030 -1981-135-00	\$4,294.50
030 -1981-150-01	\$4,532.16
030 -1981-151-00	\$1,447.17
030 -1981-152-00	\$3,061.65
030 -1981-154-01	\$2,079.00
030 -1981-155-00	\$1,000.26
030 -1981-157-00	\$4,936.53
030 -1982-118-01	\$3,881.22
030 -1982-123-01	\$8,100.60
TOTAL	\$256,149.96

APPENDIX 2

LDCBD BOUNDARY MAP

