

REVISED MEMORANDUM

To: Jessica Grossman, Tim Lewis Communities
 From: James Musbach and Paige Peltzer
 Subject: Encinal Terminal Fiscal Impact Analysis; EPS #141083
 Date: November 6, 2017

The Economics of Land Use



Tim Lewis Communities retained Economic & Planning Systems, Inc. (EPS) to prepare a fiscal impact analysis (Analysis) for the Encinal Terminal mixed-use residential development (Project). The purpose of a fiscal impact analysis is to estimate whether planned development will generate adequate public revenues to meet the costs of providing City General Fund operation and maintenance services to new development. This memorandum reflects the changes made to the program description since fall of 2017.

Project Description

The Encinal Terminals project site is located on the north shore of the City of Alameda (City) between the Fortman Marina and the Alaska Basin. The Project proposes to adaptively re-use Encinal Terminals site as a mixed-use waterfront residential community. The Project will include 589 units of residential townhomes, condominiums, and flats, and up to 50,000 square feet of commercial/retail space.¹

This analysis has evaluated several scenarios for the build-out of the project. We utilized conservative assumptions for the **Baseline Scenario**, which assumes that 75 percent of the units are rental and 25 percent are for-sale, and only 30,000 square feet of the commercial/retail space is occupied. **Table A-1** in **Appendix A** shows the Project's detailed land use assumptions used in this analysis, including affordable housing units.

*Economic & Planning Systems, Inc.
 One Kaiser Plaza, Suite 1410
 Oakland, CA 94612-3604
 510.841.9190 tel
 510.740.2080 fax*

*Oakland
 Sacramento
 Denver
 Los Angeles*

www.epsys.com

¹ Source: Tim Lewis Communities

The project is estimated to generate an on-going annual fiscal surplus of over \$850,000 to the City, support more than 1,750 jobs during construction, and result in the construction of 79 units of affordable housing.

The Baseline Scenario summary is shown in **Table 1** below. Taking into account all of the taxes that will be generated by the development, and comparing them to the costs to serve new residents and employees, indicates that the redevelopment of Encinal Terminals as proposed by the developer would result in an annual fiscal surplus of \$855,500 to the City, meaning the fiscal revenues generated by the Project are expected to exceed expenditures. New construction spending of approximately \$221 million is estimated to support 1,048 construction jobs (direct jobs) and 422 indirect jobs. Also shown in the table, development impact fees amounting to over \$11 million are expected to be paid to the City and the School District. The level of impact fees assumes that the project will not pay an affordable housing in lieu but, rather, will develop or facilitate the development of the required units. Affordable housing units constructed as part of the project are also shown below.

Table 1 Project Impact Summary: BASELINE SCENARIO

Item	Total
Net Fiscal Impact	\$855,500
Economic Impact of Construction Project (within city of Alameda) ¹	
Direct Employment ²	1,048
Indirect Jobs ³	422
Induced Jobs ⁴	<u>282</u>
Total	1,752
Est. Development Impact Fees	\$11,413,300
Affordable Housing Units ⁵	
Very Low Income	25
Low Income	20
Moderate Income	<u>34</u>
Total	79

* All dollar values are rounded to nearest hundred.

[1] City is defined by zip codes 94501 and 94502.

[2] Direct employment includes all construction jobs as well as jobs associated with project planning.

[3] Indirect effects represent economic impacts on upstream businesses that supply inputs (goods and services) to construction businesses.

[4] Induced effects represent economic impacts that are generated by the consumption expenditures of employees supported by their employment in the on-site and supplier businesses.

[5] The project developer/owner shall be responsible for funding and constructing all 79 of the affordable housing units in the Encinal Terminals site. The project developer/owner may enter into an agreement with the AHA or a non-profit housing developer to construct a portion of the units, but any such agreement shall not override the requirements of the Master Plan or the approved Agreement with the City.

Sources: Tim Lewis Communities; Economic & Planning Systems, Inc.

The Baseline Scenario of the Project is expected to generate about \$1.7 million in revenues and \$800,000 in costs to the City’s General Fund, its primary operating fund.

Figure 1 and **Table 2** summarize the estimated fiscal impact of project development at buildout. The estimated net positive result suggests that the Project is likely to have a large positive impact on the City’s General Fund at buildout, generating more than sufficient revenues to offset costs of City services provided to the Project’s residents and employees. The largest source of revenues is property taxes (including property tax in lieu of VLF), with sales, utility, property transfer, and franchise taxes also providing significant revenues. The largest cost item is public safety (police and fire services), which is consistent with the overall distribution of the City’s General Fund expenditures.

Figure 1 Annual Net Fiscal Impact (2017\$)

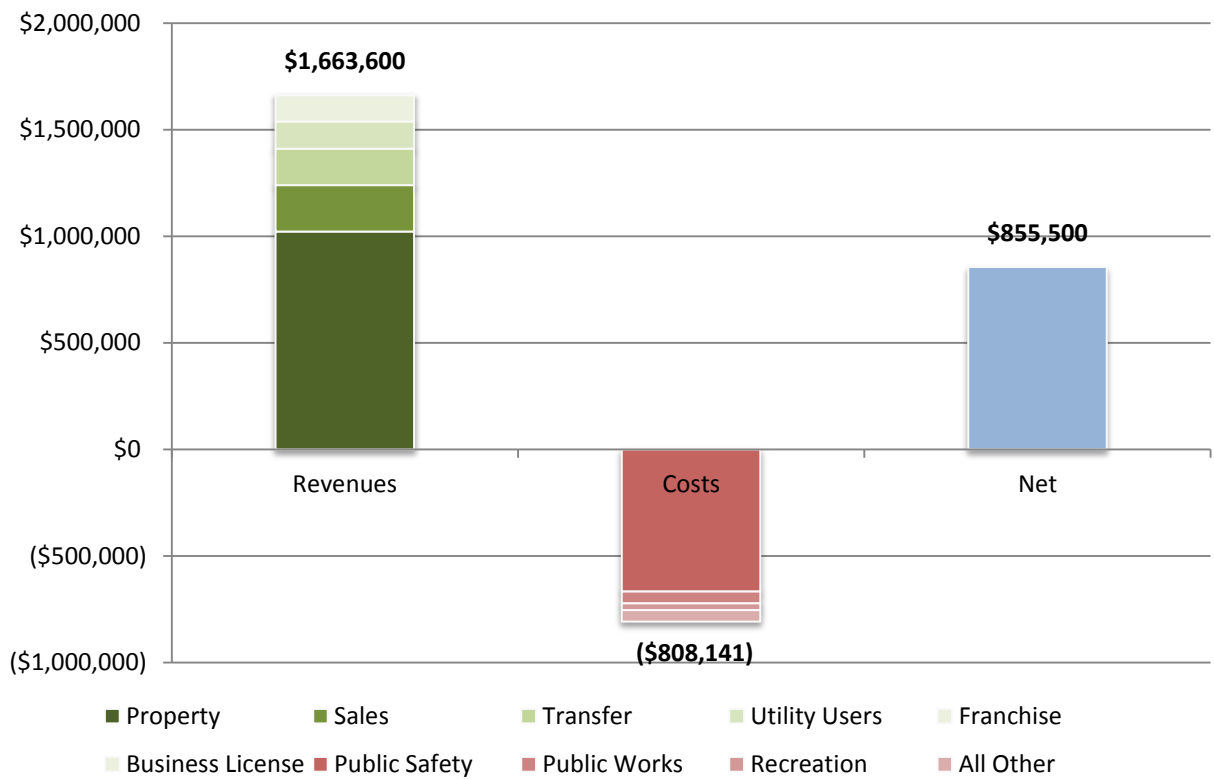


Table 2 Annual Fiscal Impact Summary (2017\$): BASELINE SCENARIO

General Fund Budget Category	Estimated Amount
Revenues	
Property Taxes ¹	\$1,021,200
Sales Taxes ²	\$218,300
Utility User Tax	\$127,700
Franchise Taxes	\$122,400
Transfer Tax	\$171,900
Business License Tax	<u>\$2,100</u>
Total Annual Revenues	\$1,663,600
Expenditures	
General Government ³	\$34,500
Recreation & Parks	\$32,600
Public Safety	\$666,600
Public Works	\$55,741
Library Services	<u>\$18,700</u>
Total Annual Expenditures	\$808,141
Net Annual Fiscal Surplus/(Deficit)	\$855,500
Per Unit	\$1,500

* All dollars rounded to nearest hundred.

[1] Includes general property tax and property tax in-lieu of VLF.

[2] Includes the Bradley-Burns local sales tax, in-lieu sales tax, and public safety sales tax.

[3] Includes City Council, City Manager, City Clerk, City Attorney, Finance, Human Resources, Central Services, and Non-departmental expenditures.

Source: Economic & Planning Systems, Inc.

After reviewing Alternative Scenarios, it is noteworthy that if the project has a greater proportion of for-sale units, or additional commercial space, the net annual fiscal surplus will be even greater, up to over \$1.5 million per year, depending on the scenario.

EPS performed several sensitivity analyses to understand the implications of a different unit mix and greater commercial space. For example, it is possible that the Project will include a larger share of for-sale units than is assumed in the Baseline Scenario, or that all 50,000 sf of commercial space is occupied. Each Alternative Scenario results in a higher annual net fiscal impact than the baseline scenario as shown in **Table 3** below, up to \$1,561,459 in the full for-sale scenario.

Table 3 Net Fiscal Impact Sensitivity Analysis

Scenario	Total Revenue	Total Expenditures	Net Fiscal Impact	% Net Increase over Baseline
<u>Baseline Scenario</u>				
25% For-Sale Units	\$1,663,600	\$808,141	\$855,459	
<u>Alternative Scenarios</u>				
25% for Sale/ 50,000 Sq. Ft. Retail/Commercial	\$1,690,600	\$808,141	\$882,459	3%
50% For-Sale Units	\$1,901,800	\$808,141	\$1,093,659	28%
100% For-Sale Units	\$2,369,600	\$808,141	\$1,561,459	83%

The remainder of this memorandum includes the following sections:

- Fiscal impact analysis. Methods, assumptions and description of the technical appendix tables related to the fiscal analysis
- Construction spending. Section describes the impact on jobs of the project-related construction spending.
- Development impact fees. Description of development impact fees calculation.
- Technical Appendices. Appendix tables with detailed calculations.

Fiscal Impact Analysis

Methodology and Assumptions

The Fiscal Analysis examined the Project's ability to generate adequate revenues to fund the City's costs of providing public services to the Project. The services analyzed in the Fiscal Analysis comprise General Fund services (e.g., police, fire, general government). It does not address activities budgeted in other Governmental Funds or Proprietary Funds, nor does it include an evaluation of capital facilities or funding of capital facilities needed to serve new development.

The Fiscal Analysis is based on the City's Budget for Fiscal Year (FY) 2016–17, tax regulations, statutes, and other general assumptions discussed herein. Specific revenues and expenditures that would be affected by new development in the City were identified and estimated. Each revenue item is estimated based on current State legislation and current City practices. Therefore, the analysis reflects the current state-local fiscal relationship as it exists at the time the analysis was completed. Future changes by either State legislation and City practices may affect the revenues and expenditures estimated in this Fiscal Analysis. All costs and revenues are shown in constant 2017 dollars.

Project Analytical Assumptions

The following list documents additional land use and other development-related assumptions used in the Fiscal Analysis:

- **Residential Population and Employment Estimates**—Projections of future resident population are calculated using a blend of average persons-per-household estimate for several housing types in Alameda published by the US Census. Employment estimates are based on typical average square feet per employee factors for retail land uses (see **Table A-2**).
- **Household Incomes**—Incomes for future Project households in market rate units are based on the projected home sales prices, as shown in **Table A-3**.² Incomes for households in affordable units are based on 2017 State Income Limits published by the California Department of Housing and Community Development. Incomes are used to estimate spending on retail goods and related sales tax generation (**Table A-5**).

² Income estimate assumes that annual rent payments are approximately 30 percent of household income.

- **Assessed Value**—The Project’s assessed valuation is based on the Project’s market value estimate using the income approach. Residential rents and retail lease rates are based on site specific studies prepared for Tim Lewis Communities by S.L. State & Associates and The Concord Group, respectively. Rents for moderate affordable units were based on expected household incomes based on 2017 State Income limits. Summary of estimated assessed values for the Project are shown in **Table A-4**. Assessed valuation for very-low and low income units is not included based on the assumption that these units will be developed and operated by a non-profit developer or the Alameda Housing Authority and would therefore be exempt from property tax assessment. The assessed value of the property is used to estimate property taxes, real estate transfer taxes, and property tax in-lieu of VLF (motor vehicle in-lieu tax), three of the top five taxes estimated.
- **Property Turnover Rates**—The Analysis is based on the assumption that a for-sale unit will be resold once every seven years (about 14 percent of units will resell each year) and commercial property will turn over once every 20 years or an average of 5 percent of property value annually. Rental residential is assumed to have a 0 percent turnover rate and, therefore, is not subject to property turnover tax.
- **Service Population (Persons-Served) Methodology**—In estimating service demands of the Project and those of the existing City, EPS uses a factor to approximate the service demands of a nonresident employee in the Project’s commercial land uses as compared to a Project resident. EPS has used a factor of 0.42 to estimate an employee’s impact on service demand as compared to a resident based on the City’s employment and population demographics. **Tables A-6** and **A-7** show the employee weighting calculation and the estimated citywide service population, respectively.

Revenue-Estimating Methods and Assumptions

The Fiscal Analysis considers only discretionary General Fund revenues that will be generated by the Project. General Fund revenues that are dedicated to offset the costs of specific General Fund department functions are netted out along with departmental costs that are funded by the offsetting revenues (e.g., city permit fees that are used to cover the cost of building inspectors). As shown in **Table 4**, EPS used either a marginal-revenue case-study approach or an average-revenue approach to estimate Project-related General Fund revenues. Property taxes (including property taxes in-lieu of vehicle license fees), property transfer taxes, and sales taxes (including new resident spending and onsite retail sales) are calculated using the case study approach.

Table 4 Revenue-Estimating Methods

General Fund Revenue Item	Estimating Method
Property Taxes	Case Study
Property Tax In Lieu of VLF	Case Study
Sales Tax In Lieu	Case Study
Sales Taxes	Case Study
Utility User Tax	Average Revenue
Franchise Taxes	Average Revenue
Business License Taxes	Average Revenue
Real Property Transfer Tax	Case Study
Transient Occupancy Tax	Not estimated
Departmental Revenues	Not estimated
Cost Allocation Reimbursements	Not estimated
Interest/Return on Investments	Not estimated
Other Revenues	Not estimated
Transfers In	Not estimated

The case-study (marginal-revenue) approach simulates actual revenue generation resulting from new development. The case-study approach for estimating property tax revenues, for instance, forecasts the increase in assessed valuation of Project property as well as the share of property taxes that would be allocated to the City’s General Fund. Case studies used in this Fiscal Analysis are discussed in greater detail later in this section.

The average-revenue approach uses the City’s FY 2016–17 budgeted revenue amounts on a citywide per-capita or per-persons-served basis to forecast revenues derived from estimated future residents of the Project.³ Revenue sources that are *not* expected to increase as a result of development are excluded from this Fiscal Analysis. These sources of revenue are assumed to not be affected by development because they are either one-time revenue sources not guaranteed to be available in the future or there is no direct relationship between new Project development and increased revenue.

A listing of all City General Fund revenue sources and the corresponding estimating procedure used to forecast future Project revenues is shown in **Table B-1**.

Reader’s Note: The discussion of revenues in this memorandum generally reflects the order of the revenues presented in the tables. In some cases, however, this order may vary for purposes of organizing the background discussion and in describing similarly estimated revenue items.

Property Tax

The property taxes that the City will receive from the Project are derived from the Project’s estimated assessed value and the City’s share of the 1 percent property tax in Tax Rate Area 21-004 where the Project is located (see **Table B-3**).

³ A *per capita* basis of estimating revenues assumes that only residents have a fiscal impact on City revenues. For example, library services are assumed to be used by residents only. A *per-persons-served* basis of estimating revenues is used to take into account that businesses (and their employees) have a fiscal impact on many City revenues but at a lower level than residential development’s impact.

Property Tax in Lieu of Vehicle License Fee

The Fiscal Analysis uses a formula provided by the California State Controller's Office to forecast Property Tax in Lieu of Vehicle License Fee (In-Lieu VLF). In-Lieu VLF or Motor Vehicle In-Lieu is calculated by taking the percentage increase in the City's assessed value resulting from the Project and applying that percentage increase to the City's current State allocation of In-Lieu VLF revenue (see **Table B-4**).

Real Property Transfer Tax

Real property transfer tax is based on the City's transfer tax rate of \$12 per \$1,000 of assessed value, estimated assessed values of the Project's land uses, and the anticipated turnover of properties over time. The Fiscal Analysis assumes that about 14 percent of for-sale residential units will turn over each year and nonresidential property will turn over at a rate of 5 percent per year (or once every 20 years), as shown in **Table B-5**. Rental residential is assumed to have a 0 percent turnover rate and, therefore, is not subject to property turnover tax. As a conservative assumption, no market appreciation above inflation is assumed. Market appreciation greater than inflation, which has been typical in inner-Bay Area residential markets, would result in more tax revenue.

Sales Tax

The proposed project is expected to generate retail sales tax accruing to the City's General Fund from residents' household spending on retail and consumers of the site's newly developed retail, as shown in **Table B-6**.

EPS uses two methodologies to fully account for taxable sales generated by the Project:

1. Market Support Method

This methodology measures taxable retail expenditures by future Project residents and employees and the portion of expenditures that would be captured in the City (i.e., generate sales in the City's retail establishments). The amounts of expenditures made by residents generally depend on their household income. Data for this Analysis is based on estimated Project resident incomes, household spending patterns, and retail market demand and supply conditions in the City.

Specifically, the Analysis evaluated taxable retail expenditures of future residents based on the following:

- Estimating the total income of households by income group (see **Table A-3**).
- Evaluating Consumer Expenditure Survey (CES) data from the Bureau of Labor Statistics which reports the proportion of income spent on various household goods and services, by income group.
- Translating BLS data on household expenditures into taxable retail spending.

Based on household incomes in **Table A-3**, **Table A-5** estimates taxable retail expenditures supported by these income levels by type of retail. In total, Project households are projected to spend approximately \$30 million annually on taxable retail purchases in and beyond the City.

This Analysis assumes that the City's retail businesses would capture roughly 59 percent of the Project's household retail demand resulting in \$18 million in total taxable retail sales.⁴

2. Commercial/ Retail Space Method

This approach measures taxable sales from the Project's retail space. In addition to retail sales in the City that will be generated by expenditures of Project households, the Project proposes 30,000 square feet of neighborhood retail, restaurant, and marine-related business use which will directly generate additional retail sales in the City. **Table B-6** shows the calculation of estimated on-site taxable sales. As shown in the table, the Project's commercial/retail uses are expected to generate approximately \$8.1 million in total taxable sales annually. Of this amount, \$4.1 million is expected to be attributable to spending by Project residents resulting in net new onsite sales of \$4.1 million at buildout. The annual city sales tax is approximately \$218,000.

As a sensitivity test, EPS estimated sales tax for the scenario in which all 50,000 square feet of commercial is retail/ restaurant use (see **Table B-6a**). This scenario results in approximately \$13.5 million onsite sales from retail and approximately \$245,000 in taxable sales, which is an addition of \$27,000 in revenue.

Expenditure- Estimating Methods and Assumptions

Expenditure estimates are based on the City's FY 2016–17 Budget. General Fund department expenditures that are expected to be affected by the Project are forecast using either an average-cost approach⁵ or case studies. Police, Fire, and Public Works are estimated using a marginal cost case study approach which uses existing service standards. As described for revenues, costs deemed not affected by development are also excluded from analysis. Average costs are summarized in **Table C-1**, while the Project's marginal cost impacts on police, fire, and public works maintenance services are presented in **Tables C-3 to C-5**.

- Expenditures that are affected by residents and employees are projected using an average cost multiplier based on service population. These expenditures include the department functions listed below.
 - General Government (Including City Council, Clerk, Manager and Attorney)
 - Administrative Services
 - Community Development
 - Central Services and Non-departmental
- Recreation & Parks and Library expenditures are estimated using a residential per capita average cost multiplier because these services are largely demanded by residential development.
- Police and fire expenditures are estimated using case studies and shown in **Tables C-3 and C-4**. The Fiscal Analysis calculates an annual General Fund marginal cost per officer for police and fire services based on department cost data from the City's budget. Using FY 2015 and

⁴ Given the distribution of the Project's household spending by retail category as shown, an IMPLAN model for the City of Alameda (based on zip code data for 94501 and 94502) suggests that about 59 percent of retail purchases by Project residents will be captured by City retailers.

⁵ The average cost was adjusted to reflect only operational (variable) costs since the Project is not expected to impact City overhead costs.

FY 2016–17 budgeted staffing levels, the Fiscal Analysis calculated average City staffing standards for police and fire services (number of officers and number of firefighting personnel per 1,000 residents) to estimate the Project’s impact on police and fire personnel needs.

- Public works costs are also estimated using the case study methodology. Project-related public works maintenance costs were based on the maintenance needs for new improvements to public streets serving the Project, as shown in **Table C-5**.

Fiscal Results

Table 5 provides a detailed summary of the fiscal impacts analysis. **Appendices A, B, and C** provide detailed calculations as follows:

Appendix A. Program Description and Demographic Assumptions

Appendix B. General Fund Revenues

Appendix C. General Fund Expenditures

Table 5 Summary of Fiscal Impact Analysis (2017\$)

Budget Category	Estimated Amount
<u>City General Fund Revenues</u>	
Property Tax	\$830,708
Sales Taxes	\$218,300
Utility User Tax	\$127,703
Franchise Taxes	\$122,394
Motor Vehicle in-Lieu	\$190,448
Transfer Tax	\$171,930
Business License Tax	<u>\$2,129</u>
Total General Fund Revenues	\$1,663,611
<u>City General Fund Expenditures</u>	
General Government	\$7,970
Administrative Services	\$5,387
Central Services	\$13,703
Recreation & Parks:	
Park Maintenance	\$30,625
Recreation Facilities	\$1,939
Community Development	\$1,578
Public Safety:	
Police	\$315,129
Fire	\$351,511
Public Works	\$55,741
Non-Departmental	\$5,835
Recreation Fund	\$0
Library Services	<u>\$18,696</u>
Total General Fund Expenditures	\$808,115
City General Fund - Net Annual Fiscal Balance	\$855,496

* Note that calculations have not been rounded and thus will differ slightly from the reported results in other tables which include rounding.

Sources: Economic & Planning Systems, Inc.

Construction Spending Analysis

Construction of the project will require the expenditure of about \$221 million. This spending will support approximately 1,048 construction job-years.⁶ The construction spending will also generate multiplier effects that will support about 704 additional jobs, on a temporary basis. These additional jobs include *indirect* jobs—employment at firms providing inputs (materials, supplies, and services) to construction – and *induced* jobs—jobs supported by household

⁶ One job-year is equal to one person working for one year. If the expenditure takes place over six months, this spending may translate into 2,096 people working for six months.

spending on goods and services by employees in the direct and indirect categories. See **Appendix D** for tables related to construction-spending related jobs.

Development Impact Fee Estimate

The City of Alameda and the Alameda Unified School District have adopted development impact fees. See **Appendix E** for the calculation of fees. The fees calculated include:

- Affordable housing unit fee applied to commercial square footage.
- School fees applied to residential and commercial square footage.
- Public safety fee applied to residential and commercial square footage.
- General public facilities fees applied to residential and commercial square footage.
- Transportation fee applied to residential and commercial square footage.
- Parks fee applied to residential square footage.

These estimated fees total \$11 million. The inclusionary fee for residential units has not been included in the analysis as the development program includes the provision of affordable units onsite.

Community Benefits

In addition to its fiscal impacts, the Project will generate a number of community benefits. Broadly speaking, the community benefits offered are intended to improve community design, access to open space, multi-modal transportation, traffic congestion, and economic development. More specifically, this project will include 79 units of affordable housing; several acres of open space; new pedestrian and bike-friendly thoroughfares; better connection of the site to Clement Street; and a Transportation Demand Management program which will help connect the area to the San Francisco Bay Area Rapid Transit (BART) stop. These benefits stem from the attunement of the Encinal Terminal Master Plan goals with the General Plan objectives for the City of Alameda's Northern Waterfront area.⁷

Northern Waterfront General Plan Amendment Community Benefit Policies

The 2007 amendment to the Northern Waterfront Plan includes Guiding Policies for the Encinal Terminal site so that new development there will provide benefits for the Alameda community. The Plan states the following community-minded policies (the following list does not represent the entire list of policies):

Site Development

E-T 2. Require that the master plan include adequate open space and a clear public access around the perimeter of the site.

E-T 7. If a parking structure is proposed, locate the structure to serve public access to the waterfront and future development at the Del Monte site.

⁷ Northern Waterfront General Plan Amendment, March 17, 2007

Land Use Program

E-T 8. The Master Plan for the Encinal Terminal site shall replace the existing container storage and cleaning operation with a mix of uses to create a lively waterfront development. The plan should include at least the following four land uses: residential, retail, commercial, and public open space.

E-T 10. Commercial uses may include restaurants, marine related uses, office uses, and/or additional berths in the Alaska Basin. Additional berths should not be allowed on the northern edge of the site facing the Estuary and Coast Guard Island to preserve views of the water and Oakland.

On-Site Parking and Landscaping

E-T 12. Consider opportunities for a public human powered/non-motorized boat launch facility at Alaska Basin.

E-T 13. Require public art installations adjacent to the Alaska Basin shoreline consistent with the Public Art Ordinance.

Public Improvements and Infrastructure

E-T 16. The site plan should allow for a shoreline public promenade around the perimeter of the site and adjacent to the Alaska Basin and Fortman Marinas.

Affordable Housing

This Project will provide affordable units in excess of what is required by the city's General Plan. The project will deliver a total of 79 affordable units broken down as follows:

- Five percent (5%) of the allowed base density of units shall be affordable to very low income households (25 units).
- Four percent (4%) of the allowed base density of units shall be affordable to low income households (20 units).
- Seven percent (7%) of the allowed base density of units shall be affordable to moderate income households (34 units).

The affordable units will be provided throughout the project and concurrent with the provision of the market rate units. It is anticipated that 34 Moderate income units will be spread among and within the market rate units, built in proportion to the market rate units. The 45 Low and Very Low income units will all be built in one or more new buildings within the Master Plan area.

Once the Development Plan and Design Review plans for the Low/Very Low building receive approval, all 79 affordable units shall be provided within the first 500 of the total units permitted by the Master Plan. Tim Lewis Communities will collaborate with the City and potentially nonprofit developers given their respective resources and mission to develop the affordable units.

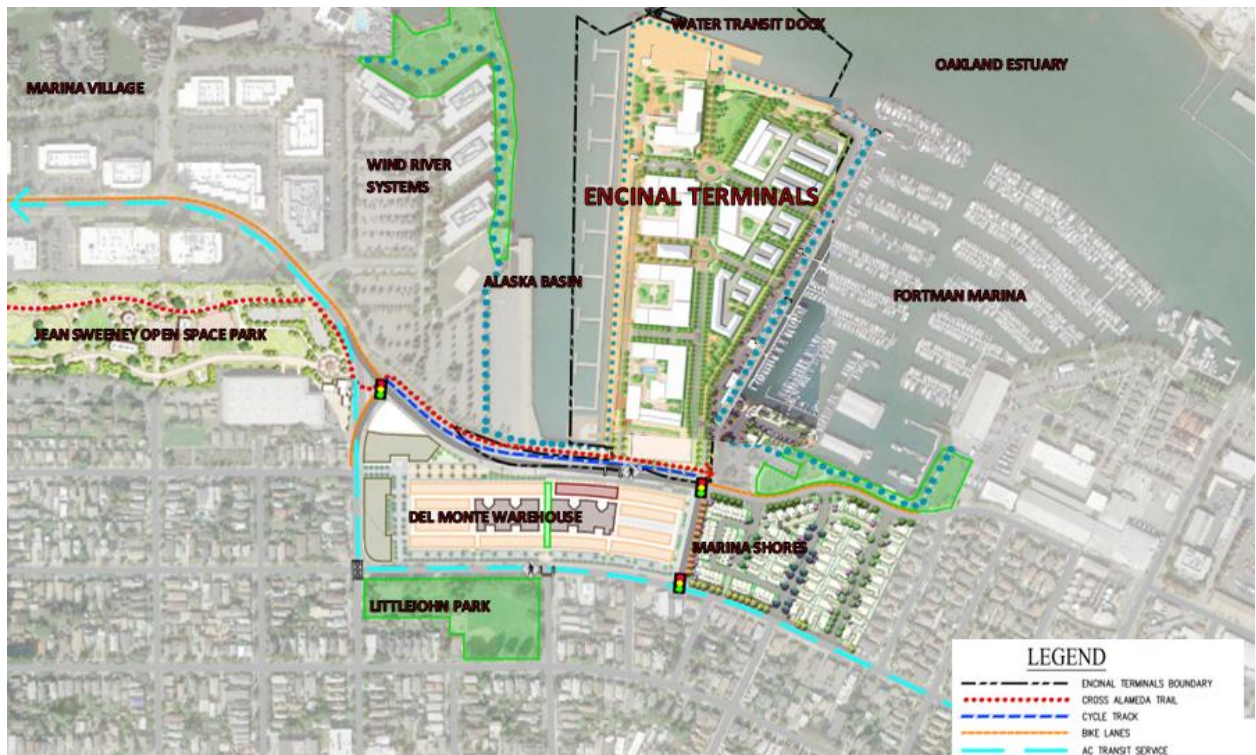
Open Space and Access to Estuary

This project will reconnect the community to its waterfront by extending the existing street grid to the waterfront and replacing existing industrial and warehouse uses with residential, commercial, retail, and open space. No longer will waterfront views be blocked by aging

warehouses. Instead, a continuous public promenade will extend around the waterfront perimeter of the site, providing convenient pedestrian access.

In addition to the exterior public space, the Encinal Terminals site will provide a 2-acre waterfront park. Each subarea within the development plan will also include open space. The project will include public common open space as well as private miniparks and open space patios for ground floor units and balconies/decks for elevated units, or possibly rooftop gardens. **Figure 2** below illustrates the open space framework for the project. As shown, the site lies proximate to the planned 22-acre Jean Sweeney Open Space Park.

Figure 2 Area-wide Open Space Framework Plan



Foster a Pedestrian-friendly, Transit-oriented Environment

In addition to the public promenade, this master plan seeks to foster public waterfront activities including walking, running, bicycling, rollerblading, fishing, and kayaking. The waterfront will include a watercraft launch facilities and vista points with viewing and gathering areas at the northwest corner of the site. The shoreline public promenade will be limited to use by pedestrians and bicyclists and not available to general vehicular traffic so as to encourage the use of non-vehicular modes of travel. At the same time, truck traffic on the site and throughout adjacent neighborhoods streets will be reduced by replacing warehouse and trucking uses with employment and residential uses. Extending the existing Alameda grid system into and through the area allows for the extension of the Clement Avenue truck route, which reduces traffic volumes on Buena Vista.

In addition to being a pedestrian and bicycling-friendly avenue, the new waterfront will serve as a new and inviting waterfront destination for the public. Public amenities will include bike racks, benches, trash containers, restrooms, and drinking fountains. The public areas will also include public art, and visual connections between Alameda and the waterfront shall be provided to the extent possible in order to support and enhance public access to the waterfront.

Contributions to BART Shuttle and Water Taxi

The City of Alameda has restricted access to regional roadways and public transit given that it is an island with a limited number of bridges connecting the City to nearby communities.

In order to incentivize and support traffic reduction upon the completion of this project, the Project will introduce a Transportation Demand Management (TDM) Program to the site. A Transportation Management Authority (TMA) will plan the site's transportation programs or join other existing TMAs.

The TDM program shall include an annual fee per residential unit and a per square foot fee for commercial space. These fees will be applied placed into a "Transit Fund" and applied to transit services. The Transit Fund will be managed by the TMA.

The project will provide better access from Alameda to BART. Shuttle services in the form of buses and/or water taxis will connect to BART, providing a community service that did not previously exist.

Aside from better access to BART and new thoroughfares for walking, running, and bicycling, the project will seek to minimize the need or parking through shared parking and car share parking. The site will be able to rely on shared parking in the mixed-use areas because of the staggered demand peaks for parking associated with different uses. For example, spaces occupied by daytime retail shoppers or office workers are largely left empty during the evening, and can be "shared" with residents who will park overnight.

Car share programs allow members to use cars only when they are needed rather than having to pay for and store a car that may not be use very often. Car share spaces will be interspersed throughout the project to ensure there are sufficient opportunities for residents to use them.

Each year, a report shall be submitted to the City, evaluating the effectiveness of the TDM measures. Aside from shuttle service to BART, the TDM program may include care share program and parking programs funded from an assessment district and onsite parking revenues.

Reduce Commuter Traffic

By locating residential, retail, and office on one site, this project hopes to generate jobs and services while reducing long commute trips for Alameda residents and workers. Bringing more jobs to Alameda should reduce overall citywide traffic.



APPENDICES:

- Appendix A: Program Description and Demographic Assumptions
- Appendix B: General Fund Revenues
- Appendix C: General Fund Expenditures
- Appendix D: Construction Spending and Jobs
- Appendix E: Development Impact Fees

APPENDIX A. PROGRAM DESCRIPTION AND DEMOGRAPHIC ASSUMPTIONS

**Table A-1
Detailed Land Use Program Description
Encinal Terminal Fiscal Impact Analysis; EPS #141083**

Land Use	Total Project	Market Rate	Affordable Units [1]			Total
			Very Low	Low	Moderate	
Project Site Area (Acres)	16.73					
Residential Uses						
Condos	106	72	0	0	34	34
Townhomes	41	41	0	0	0	0
Other Multifamily	<u>442</u>	<u>397</u>	<u>25</u>	<u>20</u>	<u>0</u>	<u>45</u>
Total Units	589	510	25	20	34	79
Nonresidential						
Commercial Sq. Ft.	30,000					
Parking Spaces						
Residential						
Townhome parking	82					
Market rate condos/flats	101					
Moderate income condos/flats	48					
Low/very low income units	<u>442</u>					
Subtotal	672					
Commercial	300					
Total Parking Spaces	972					

[1] Affordable Housing Units	% of	Units	Unit location and responsible developer
Very Low Income	4%	25	Built within 1 or more new buildings in Encinal Terminals Master Plan
Low Income	3%	20	Built within 1 or more new buildings in Encinal Terminals Master Plan
Moderate Income	<u>6%</u>	<u>34</u>	Mixed with market rate units
Total Affordable Units	13%	79	

Sources: Van Tilburg Banvard & Soderbergh Site Plan; Tim Lewis Communities; Economic & Planning Systems, Inc.

Table A-2
Estimated Service Population: Residents and Employees
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Land Use	Occupied Units	Persons per Household	Total Population	Resident-Equivalents
Residential	589	2.40	1,414	1,414
Commercial [1]	<u>Sq. Ft.</u> 30,000	<u>Sq. Ft./Employee</u> 450	<u>Total Employees</u> 67	28
Buildout Service Population [2]				1,442

[1] Assumes typical industry employment densities for retail.

[2] Service Population equals 100% of residents plus 42% of jobs. This measure of service population is used for cost impacts where employees affect the demand for services but by less than residents.

Sources: US Census; Economic & Planning Systems, Inc.

**Table A-3
 Estimated Project Home Prices and Household Income
 Encinal Terminal Fiscal Impact Analysis; EPS #141083**

Unit Type	Total Units	Vacancy Rate [1]	Occupied Units (Households)	Average Base Price Per Unit [2]	Estimated Annual HH Income [3,4]
Market Rate					
Subtotal	510		495	\$709,000	\$169,025
Affordable					
Very Low Income	25	0%	25	\$153,200	\$41,450
Low Income	20	0%	20	\$250,000	\$67,650
Moderate Income [5]	<u>34</u>	0%	<u>34</u>	<u>\$373,500</u>	<u>\$101,050</u>
Subtotal	79		79	\$373,500	\$101,050
Total Residential	589		574		

[1] Residential vacancy rate is assumed to be lower than the overall City vacancy rate due to marketing efforts for the new community. 2017 residential vacancy in the City of Alameda was 4.4% (Department of Finance).

[2] Base prices for market rate units based on February 2017 pricing study by S. L. State & Associates and base prices for affordable units were estimated by EPS based on household income.

[3] Household income assumptions:

Assumes that annual mortgage payments, plus property taxes and insurance are 30% of income. Mortgage payments assume a 20% down payment, 30-yr term, 5% fixed interest. Taxes and insurance are assumed to equal 2% of home value.

[4] Household incomes for affordable units are based on 2016 Income Limits for Alameda County. Very low assumes an even mix of 2- and 3-persons per household. Low Income assumes 3 persons, and Moderate assumes 3 persons.

[5] Assumes half moderate income units are for sale and low/very low income units are rental.

Source: California Department of HCD; and Economic & Planning Systems

Table A-4
Estimated Assessed Value of Project at Buildout (2016\$)
Encinal Terminal Fiscal Impact Analysis; EPS #141083

**Basis for A.V. Estimate: Sales Prices for
 25% of All Units, NOI Basis for 75%**

Item	Dwelling Units	Estimated A.V. Per Unit [1]	Estimated AV at Buildout
Existing Assessed Value [2]			\$10,610,346
New Residential Assessed Value			
Market Rate Units	510	\$573,925	\$292,701,750
Affordable Units:			
Moderate Income (For-Profit Developer)	34	\$283,125	\$9,626,250
Very-Low/Low Income (Non-Profit Developer) [3]	45	n/a	\$0
Subtotal Residential	589		\$302,328,000
Commercial	<u>sq. ft.</u> 30,000	<u>per sq. ft.</u> \$640	\$19,200,000
Total Project AV			\$321,528,000
Net New Project Assessed Value			\$310,917,654

[1] Assessed value estimated based on the sale price 25 percent of all units and on an NOI basis for 75 percent of all units.

Commercial assessed value was derived by reviewing recent lease rates for retail uses, discounting the rates for operating expenses, and capitalizing the net revenue.

[2] From the Alameda County Assessor, FY 2016/17.

[3] Assumes that very-low and low income units will be operated as rental housing by a non-profit developer, thus will be exempt from property tax assessment.

Sources: Tim Lewis Communities; The Concord Group; Economic & Planning Systems, Inc.

Table A-5
Estimated Retail Spending by Project Households
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Retail Category	Household Spending by Income Category						Project Total	
	\$50,000 to \$69,999	% of Income	\$100,000 to \$119,999	% of Income	\$150,000 and more	% of Income	Annual Retail Expenditures	Percent of Total
Taxable Retail Category								
Motor Vehicle and Parts Dealers	\$4,215	7.9%	\$7,096	7.0%	\$7,335	4.3%	\$4,028,952	12.3%
Furniture and Home Furnishings Stores	\$480	0.9%	\$772	0.8%	\$961	0.6%	\$497,603	1.5%
Electronics and Appliance Stores	\$1,624	3.1%	\$2,692	2.7%	\$3,436	2.0%	\$1,763,578	5.4%
Bldg. Materials & Garden Equip. & Supplies	\$9,213	17.4%	\$13,796	13.7%	\$17,875	10.6%	\$9,173,198	28.1%
Food and Beverage Stores ¹	\$3,913	7.4%	\$5,602	5.5%	\$5,370	3.2%	\$3,056,492	9.4%
Health and Personal Care Stores	\$2,660	5.0%	\$3,623	3.6%	\$4,059	2.4%	\$2,192,227	6.7%
Gasoline Stations	\$2,460	4.6%	\$3,351	3.3%	\$2,724	1.6%	\$1,659,019	5.1%
Clothing and Clothing Accessories Stores	\$1,439	2.7%	\$2,432	2.4%	\$3,284	1.9%	\$1,656,203	5.1%
Sporting Goods, Hobby, Book, & Music Stores	\$851	1.6%	\$1,446	1.4%	\$1,837	1.1%	\$943,125	2.9%
General Merchandise Stores	\$2,899	5.5%	\$4,068	4.0%	\$4,198	2.5%	\$2,329,143	7.1%
Miscellaneous Store Retailers ²	\$42	0.1%	\$63	0.1%	\$69	0.0%	\$37,247	0.1%
Food Services and Drinking Places	<u>\$2,387</u>	<u>4.5%</u>	<u>\$4,112</u>	<u>4.1%</u>	<u>\$5,195</u>	<u>3.1%</u>	\$2,670,439	<u>8.2%</u>
Subtotal, Taxable Retail Goods	\$32,182	60.6%	\$49,053	48.5%	\$56,344	33.4%	\$30,007,226	91.9%
Retail Capture/ Annual Taxable Retail Sales Generated in Alameda³						59.2%	\$17,777,650	
Non-Taxable								
Food and Beverage Stores ¹	<u>\$3,525</u>	<u>6.6%</u>	<u>\$4,929</u>	<u>4.9%</u>	<u>\$4,563</u>	<u>2.7%</u>	<u>\$2,634,952</u>	<u>8.1%</u>
Total Annual Retail Expenditures	\$35,707	67.3%	\$53,982	53.4%	\$60,906	36.1%	\$32,642,178	100.0%
Annual Retail Expenditures Captured in Alameda³							\$19,338,716	
Assumptions								
Weighted Average Household Income ⁴	\$53,094	--	\$101,050	--	\$168,917			
No. of Households by Income Category	45	--	171	--	358		574	

[1] Category includes non-taxable food and taxable grocery-store purchases.

[2] Includes florists, gifts, novelties, souvenir stores, stationery, and office supplies.

[3] IMPLAN data for Alameda zip codes 94501 and 94502 suggests a citywide capture rate of 59.2% based on distribution of spending by retail category as shown.

[4] Household incomes were estimated based on projected apartment rents and home sales prices and grouped into the income categories above to match BLS Consumer Expenditure Survey data used to estimate spending by retail category.

Sources: BLS, 2014 Consumer Expenditures Survey; IMPLAN 2014; and Economic and Planning Systems, Inc.

**Table A-6
Resident-Employee Weighting and Relationship
Encinal Terminal Fiscal Impact Analysis; EPS #141083**

Category	2017 Calendar Year		Weighted Weight [2]	Weighted Percentage	Normalized to 100%
	Number [1]	% of Total			
Residents					
Not in Labor Force or Unemployed	44,282	56%	100%	56%	
Employed in Alameda	4,565	6%	66%	4%	
Employed outside of Alameda	<u>30,430</u>	<u>38%</u>	66%	<u>25%</u>	
Total Residents	79,277	100%		85%	100%
Employees (Jobs in Alameda)					
Live in Alameda	4,565	19%	34%	7%	
Live outside of Alameda	<u>20,090</u>	<u>85%</u>	34%	<u>29%</u>	
Total Employees	23,561	100%		36%	42%

[1] LED OnTheMap employment estimates used to calculate employee weighting.

[2] Weighting based on percent of annual number of "awake" hours [5,840 = 16 hours per day * 365 days per year] and percent of annual number of hours at job [2,000 = 40 hours per week * 50 weeks per year].

Sources: CDOF 2016; LED On The Map, 2016; Economic & Planning Systems, Inc.

**Table A-7
Citywide Demographic Data
Encinal Terminal Fiscal Impact Analysis; EPS #141083**

Item	Formula	Amount	Data Source
Resident Population (Jan. 2016)	<i>a</i>	79,277	California Dept. of Finance
Total Jobs (2015)	<i>b</i>	26,420	ABAG 2013 (2015 est.)
Service Population [1]	$c = a + (b * 42\%)$	90,431	

[1] "Service Population" equals 100 percent of City residents plus 43% of jobs in the City. This measure of service population is used for cost and revenue impacts where employment affects the demand for service or revenue generation but by less than the residential demand.

Sources: California Department of Finance; Association of Bay Area Governments; Economic & Planning Systems, Inc.

APPENDIX B. GENERAL FUND REVENUES

General Fund Budget Revenue FY 2016/17 and Estimating Factors Encinal Terminal Fiscal Impact Analysis; EPS #141083

General Fund Revenue Item	Estimating Methodology		Persons Served [1]	FY 2016-17 Revised GF Budget	Average Revenue Multiplier
	Approach	Reference/ Basis			
			a	b	c = b / a
Property Taxes/Sales Tax In Lieu	Case Study	Table B-3	n/a	\$25,634,000	-
Sales Taxes	Case Study	Table B-6	n/a	\$9,500,000	-
Utility User Tax	Average Revenue	Service Population	90,431	\$8,010,000	\$88.58
Franchise Taxes	Average Revenue	Service Population	90,431	\$7,677,000	\$84.89
Transfer and Transient Occupancy Taxes	Case Study	Table B-5	n/a	\$1,840,000	-
Business License Taxes	Average Revenue	Employee Population	26,420	\$1,998,000	\$75.62
Motor Vehicle In Lieu Taxes	Case Study	Table B-4	n/a	\$6,892,000	-
Departmental Revenues [2]	Not estimated	--	--	\$6,345,000	-
Cost Allocation Reimbursements	Not estimated	--	--	\$5,005,000	-
Interest/Return on Investments	Not estimated	--	--	\$1,152,000	-
Other Revenues	Not estimated	--	--	\$0	-
Transfers In	Not estimated	--	--	\$489,000	-
Total General Fund Revenues				\$74,542,000	

[1] See Table A-7 for calculation of service population.

[2] Not estimated, revenues are dedicated to specific departmental costs. Correspondingly such costs are netted out of the expenditure side.

Sources: City of Alameda FY 2016-2017 Mid-Cycle Update Budget; and Economic & Planning Systems, Inc.

Table B-2 Summary of Annual General Fund Revenues at Buildout Encinal Terminal Fiscal Impact Analysis; EPS #141083

General Fund Revenue Item	Estimated Revenue
Property Tax	\$830,708
Sales Taxes [1]	\$218,300
Utility User Tax	\$127,703
Franchise Taxes	\$122,394
Property Tax In-Lieu of VLF (Motor Vehicle in-Lieu)	\$190,448
Transfer Tax	\$171,930
Business License Tax	\$2,129
Total General Fund Revenues	\$1,663,611

[1] Includes the Bradley-Burns local sales tax, In-lieu sales tax, and public safety sales tax.

Source: Economic & Planning Systems, Inc.

Table B-3
Estimated Property Tax Revenue at Buildout [1]
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Category	Assumptions/Reference	Estimated Amount
Net New Project Assessed Value	See Table A-4	\$310,917,654
Gross Property Tax	1.0% of Assessed Value	\$3,109,177
Share of Property Tax to City General Fund (Pre-ERAF) [2]	33.31% of Base 1.0%	\$1,035,537
Less ERAF Shift [3]	19.78% of City's GF Share	<u>(\$204,829)</u>
Net Property Tax to General Fund (Post-ERAF)	26.72% of Base 1.0%	\$830,708

[1] Does not include the state allocation of property tax in-lieu of VLF, which is calculated separately in Table B-4.

[2] Tax allocation rate reflects the share of the 1% base tax allocated to the City of Alameda in TRA 21-004.

[3] Based on FY 2015-16 ERAF shift for City General Fund as a percentage of total property tax revenue.

Sources: County of Alameda Auditor-Controller; Economic & Planning Systems, Inc.

Table B-4
Estimated Property Tax in-lieu of Vehicle License Fee (VLF)
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Item	Estimated Amount
Base Property Tax in-Lieu of VLF [1]	\$6,892,000
2014-2015 Citywide (Local Roll) Assessed Value [2]	\$11,251,618,749
Incremental Project Assessed Value	\$310,917,654
% Increase in Assessed Value (Above the Base)	2.8%
Total Annual Property Tax in-Lieu of VLF	\$190,448

[1] Budget amount for FY 2016-17 from the City's Budget for FY 2016-17.

[2] From the Alameda County Assessor FY 2015-2016 Local Roll.

Source: City of Alameda; Alameda County Assessor; Economic & Planning Systems, Inc.

Table B-5
Estimated Real Property Transfer Tax
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Item Description	Assumptions, Source	Property Value	Estimated Revenue
Tax Rate per \$1,000 of Assessed Value	\$12.00		
Owner-Occupied Residential Valuation at Buildout		\$93,572,250	
Commercial Valuation at Buildout		\$19,200,000	
Average Annual Turnover			
Residential ¹	14.3%	\$13,367,464	
Commercial ²	5.0%	<u>\$960,000</u>	
Total Annual Turnover Valuation		\$14,327,464	
Estimated Annual Revenue			\$171,930

[1] Assumes that owner-occupied housing turns over on average every 7 yrs (14.3% annually).

[2] Assumes that commercial uses turn over on average every 20 yrs (5% annually).

Source: City of Alameda; and Economic & Planning Systems.

Table B-6
Estimated Sales Tax Generated by Project Retail Space and Household Spending
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Item Description	Source	Assumptions	Estimated Amount
Residents' Retail Spending (Market Support)			
Taxable Retail Spending	Table A-5		\$30,007,226
% Capture in Alameda	Table A-5	59% of spending	
Taxable Purchases/Sales in Alameda			\$17,777,650
Estimated Onsite Retail Sales			
Retail Sq. Ft.		30,000	
Annual Retail Sales ¹		\$300 per sq. ft.	
Taxable Sales		90% of retail sales	\$8,100,000
Adjustment for Project Resident Spending ²		50% of onsite sales	<u>(\$4,050,000)</u>
Net Onsite Taxable Sales			\$4,050,000
Total City Taxable Sales			\$21,827,650
Total City Sales Taxes		1.00% of taxable sales	\$218,300

[1] Based on sales per sq. ft. assumption used in a Retail Market Analysis dated June 24, 2016 prepared by The Concord Group for Tim Lewis communities.

[2] Conservatively assumes that 50% of onsite retail sales estimated above are supported by Project residents' spending. To avoid double-counting, this portion of resident spending is deducted because it is already accounted for in onsite retail sales above.

Sources: The Concord Group; Bureau of Labor Statistics; Minnesota IMPLAN Group; Economic & Planning Systems.

Table B-6
Estimated Sales Tax Generated by Project Retail Space and Household Spending
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Item Description	Source	Assumptions	Estimated Amount
Residents' Retail Spending (Market Support)			
Taxable Retail Spending	Table A-5		\$30,007,226
% Capture in Alameda	Table A-5	59% of spending	
Taxable Purchases/Sales in Alameda			\$17,777,650
Estimated Onsite Retail Sales			
Retail Sq. Ft.		50,000	
Annual Retail Sales ¹		\$300 per sq. ft.	
Taxable Sales		90% of retail sales	\$13,500,000
Adjustment for Project Resident Spending ²		50% of onsite sales	<u>(\$6,750,000)</u>
Net Onsite Taxable Sales			\$6,750,000
Total City Taxable Sales			\$24,527,650
Total City Sales Taxes		1.00% of taxable sales	\$245,300

[1] Based on sales per sq. ft. assumption used in a Retail Market Analysis dated June 24, 2016 prepared by The Concord Group for Tim Lewis communities.

[2] Conservatively assumes that 50% of onsite retail sales estimated above are supported by Project residents' spending. To avoid double-counting, this portion of resident spending is deducted because it is already accounted for in onsite retail sales above.

Sources: The Concord Group; Bureau of Labor Statistics; Minnesota IMPLAN Group; Economic & Planning Systems.

APPENDIX C. GENERAL FUND EXPENDITURES

Table C-1
General Fund Budget Expenditures FY 2016/17 and Estimating Factors
Encinal Terminal Fiscal Impact Analysis; EPS #141083

General Fund Expenditure Item	Estimating Methodology		Persons Served [1]	FY 2016-17 Revised GF Budget	Dept. Revenues	Net City Expenditures	Average City Cost	Percent Variable Costs	Project Cost Multiplier
	Approach	Reference/Basis							
			<i>b</i>	<i>a</i>			$c = a / b$	<i>d</i>	$e = c * d$
General Government [2]	Average Cost	Service Population	90,431	\$5,477,000	(\$478,000)	\$4,999,000	\$55.28	10%	\$5.53
Administrative Services [43]	Average Cost	Service Population	90,431	\$3,886,000	(\$507,000)	\$3,379,000	\$37.37	10%	\$3.74
Central Services	Average Cost	Service Population	90,431	\$2,584,000	(\$865,000)	\$1,719,000	\$19.01	50%	\$9.50
Recreation & Parks:									
Park Maintenance	Average Cost	Resident Population	79,277	\$2,290,000	\$0	\$2,290,000	\$28.89	75%	\$21.66
Hard Ball and Swim Center	Average Cost	Resident Population	79,277	\$145,000	\$0	\$145,000	\$1.83	75%	\$1.37
Community Development	Average Cost	Service Population	90,431	\$198,000	\$0	\$198,000	\$2.19	50%	\$1.09
Public Safety Services:									
Police	Case Study	Table C-3	n/a	\$30,374,000	(\$1,782,000)	\$28,592,000	-	-	-
Fire	Case Study	Table C-4	n/a	\$28,478,000	(\$2,635,000)	\$25,843,000	-	-	-
Public Services (Public Works)	Case Study		n/a	\$1,540,000	(\$78,000)	\$1,462,000	-	-	-
Non-Departmental	Average Cost	Service Population	90,431	\$488,000	\$0	\$488,000	\$5.40	75%	\$4.05
Transfers Out:									
Recreation Fund	Average Cost	Resident Population	79,277	\$1,624,000	\$0	\$1,624,000	-	-	-
Library	Average Cost	Resident Population	79,277	\$2,097,000	\$0	\$2,097,000	\$26.45	50%	\$13.23
Capital Projects/Maintenance	Not estimated	--	n/a	\$465,000	\$0	\$465,000	-	-	-
Vacation Payouts	Not estimated	--	n/a	\$175,000	\$0	\$175,000	-	-	-
Police/Fire Pension	Not estimated	--	n/a	\$1,955,000	\$0	\$1,955,000	-	-	-
Transfer 2013 Refinancing City Hall Bonds	Not estimated	--	n/a	\$1,025,000	\$0	\$1,025,000	-	-	-
Other Transfers	Not estimated	--	n/a	\$476,000	\$0	\$476,000	-	-	-
Total General Fund Expenditures/Transfers Out				\$83,277,000	(\$6,345,000)	\$76,932,000			

[1] See Table A-7 for calculation of service population.

[2] General government includes the following City functions/ departments:

City Council	\$220,000
City Manager	\$2,789,000
City Clerk	\$745,000
City Attorney	\$1,723,000

[3] Administrative services includes the following City functions/ departments:

Finance	\$2,462,000
Human Resources	\$1,424,000

Sources: City of Alameda FY 2016-2017 Revised Budget; Economic & Planning Systems, Inc.

Table C-2
Summary of Annual General Fund Expenditures
Encinal Terminal Fiscal Impact Analysis; EPS #141083

General Fund Expenditure Item	Estimated Expenditures
General Government	\$7,970
Administrative Services	\$5,387
Central Services	\$13,703
Recreation & Parks:	
Park Maintenance	\$30,625
Recreation Facilities (Hard Ball and Swim Center)	\$1,939
Community Development	\$1,578
Public Safety:	
Police	\$315,129
Fire	\$351,511
Public Works	\$55,741
Non-Departmental	\$5,835
Recreation Fund	\$0
Library Services	<u>\$18,696</u>
Total General Fund Expenditures	\$808,115

Source: Economic & Planning Systems, Inc.

Table C-3
Police Department Expenditures Case Study
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Item Description	Assumptions	Buildout
Existing Level of Service (Patrol)		
Existing Police Officers 2016/17	117	
Existing Daytime Service Population	90,431	
Service Level (Police Officers Per 1,000 Service Pop.)	1.3	
Field Operation Costs		
Field Operations Personnel Costs [1]	\$19,258,000	
Police Department Operational Costs	\$2,290,000	
Less Revenues	(<u>\$1,782,000</u>)	
Total Net Operating Costs	\$19,766,000	
Average Operating Expenditure per Officer	\$168,940	
Project Police Costs		
Project Daytime Service Population		1,442
Total New Police Officers Required		1.87
Estimated Police Operating Costs		\$315,129

[1] Includes Patrol, Investigations, and Traffic operations.

Sources: City of Alameda Budget FY 2016-2017; Economic & Planning Systems, Inc.

**Table C-4
Fire Department Expenditures Case Study
Encinal Terminal Fiscal Impact Analysis; EPS #141083**

Item Description	Assumptions	Buildout
Existing Level of Service (Firefighting)		
Existing Firefighting Personnel 2015 [1]	87	
Existing Daytime Service Population	90,431	
Service Level (Fire Firefighting Personnel/1,000 Service Pop.)	1.0	
Field Operations Costs		
Field Operations Personnel Costs [2]	\$22,748,000	
Fire Department Operational Costs	\$1,935,000	
Less Revenues	(\$2,635,000)	
Total Net Operating Costs	\$22,048,000	
Average Operating Expenditure per Officer	\$253,425	
Project Fire Protection Service Costs		
Project Daytime Service Population		1,442
Total New Firefighting Personnel Required		1.39
Estimated Fire Operations Project Costs		\$351,511

[1] Includes Fire Captains, Fire Apparatus Operators, and Firefighters.

[2] Includes Emergency Operations and EMS.

Sources: City of Alameda Budget FY 2016-2017; Economic & Planning Systems, Inc.

**Table C-5
Public Works Street Maintenance Case Study
Encinal Terminal Fiscal Impact Analysis; EPS #141083**

Improved Street	Quantity [1]			
	Linear Ft.	Street Sq. Ft	Sidewalk Sq. Ft.	Improved Area [2]
				<i>Sq. Ft.</i>
Entrance Road	350	6,800	1,175	7,975
Buena Vista Avenue	1,200	26,400	12,000	38,400
Sherman Street	350	4,900	5,500	10,400
Clement Avenue	<u>1,600</u>		<u>29,300</u>	<u>29,300</u>
Total Off-Site Streets	3,500	38,100	47,975	86,075
Project-related Road Maintenance Costs				
Improved Street Area (Sq. Yards)				9,564
Preventive Maintenance Cost per Sq. Yard [3]				\$5.83
Estimated Annual Maintenance Cost				\$55,741

[1] Source: Carlson, Barbee & Gibson, Inc., Engineer's Preliminary Cost Estimate, April 3, 2014.

[2] Includes street and sidewalk areas.

[3] Source: California Statewide Local Streets and Roads Needs Assessment, Final Report, February 2011. Inflated to Q1 2017 dollars
Turner Construction Cost Index.

Sources: City of Alameda Budget FY 2016-2017; Economic & Planning Systems, Inc.

APPENDIX D. CONSTRUCTION SPENDING AND JOBS

Table D-1
Estimated Project Construction Costs
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Land Use	Units	Cost per Unit/ Sq.Ft. [1]	Estimated Cost
Residential			
Condos	106	\$365,875	\$38,782,780
Townhomes	41	\$371,419	\$15,228,173
Other Multifamily	<u>442</u>	\$354,788	\$156,816,362
Total Construction Costs	589		\$210,827,314
Commercial			
Commercial Sq. Ft.	30,000	\$333	\$9,978,417
Est. Project Costs			\$220,805,731

[1] Cost estimates based on typical costs found in the area, by development type, including costs of parking.

Source: Tim Lewis Communities; Economic & Planning Systems, Inc.

Table D-2
Estimated Project Construction Employment
Encinal Terminal Fiscal Impact Analysis; EPS #141083

Type of Job	City	County
Direct Employment	1,048	1,048
Indirect Jobs	422	652
Induced Jobs	<u>282</u>	<u>489</u>
Total Jobs	1,752	2,189

Source: Minnesota IMPLAN Group; Economic & Planning Systems, Inc.

APPENDIX E. DEVELOPMENT IMPACT FEES

**Table E-1
Development Impact Fee Summary
Encinal Terminal Fiscal Impact Analysis; EPS #141083**

Item	Residential amt units	Retail amt per sq. ft.
Fee Rates [1]		
<u>Affordable Housing</u>		
Affordable Housing Unit Fee	-- not applicable	\$2.38 per sq.ft.
Inclusionary Fee	\$19,076 per resid unit	-- not applicable
<u>School Fees [2]</u>		
	\$3.48 per square foot	\$0.56 per square foot
<u>Development Impact fees (new)</u>		
Public Safety	\$1,583 per multifamily unit	\$440 per 1,000 sq. ft.
General Public Facilities	\$1,024 per multifamily unit	\$284 per 1,000 sq. ft.
Transportation	\$1,627 per multifamily unit	\$3,925 per 1,000 sq. ft.
Parks	<u>\$9,706</u> per multifamily unit	<u>\$0</u> per 1,000 sq. ft.
Total	\$13,940 per multifamily unit	\$4,649 per 1,000 sq. ft.
Development Program		
Residential Units	589 units	
Building Square Feet by Use [3]	854,881 square feet	30,000 sq.ft.
Total Fees		
<u>Affordable Housing</u>		
Affordable Housing Unit Fee	-- not applicable	\$71,400
Inclusionary Fee	\$0 units built, no fee	\$0
<u>School Fees</u>		
	\$2,974,987	\$16,800
<u>Development Impact fees (new)</u>		
Pubic Safety	\$932,387	\$13,200
General Public Facilities	\$603,136	\$8,520
Transportation	\$958,303	\$117,750
Parks	<u>\$5,716,834</u>	<u>\$0</u>
Subtotal, Development Impact Fees	\$8,210,660	\$139,470
Total Affordable, Schools, and other Development Impact Fees	\$11,185,647	\$227,670

[1] All fee rates, other than school fees, derived from City of Alameda Master Fee Schedule, dated July 2016

[2] Alameda Unified School District 2016

[3] Total residential square feet estimated by assuming 1,450 sq.ft. per unit, consistent with the average sizes noted in the Site Plan.

Source: City of Alameda, Tim Lewis Communities; Economic & Planning Systems.