



# KEYSER MARSTON ASSOCIATES

**Preliminary Assessment of Fiscal Impacts  
Brisbane Baylands  
Brisbane, California**

*Prepared for:*  
**City of Brisbane**

*Prepared by:*  
**Keyser Marston Associates, Inc.**

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## I. INTRODUCTION

The Brisbane Baylands site encompasses approximately 700-acres in the City of Brisbane<sup>1</sup>. As shown on Map 1, the property flanks the west side of San Francisco Bay and is bounded to the east by U.S. Highway 101, on the west and south by Bayshore Boulevard, and on the north by the City and County of San Francisco. Although the site is now largely undeveloped, there are a number of businesses operating on the property including two lumber yards, a rock and concrete crushing operation, a soil processing facility, and an industrial park. The site was formerly used as a landfill and railroad yard, which contaminated portions of the site and has resulted in the need for environmental remediation.

Universal Paragon Corporation (UPC), the primary property owner, is seeking entitlements from the City of Brisbane and other governing agencies to redevelop the Baylands with 12.2 million square feet of development comprised of residential, institutional, and commercial uses including office, retail, and hotel. Approximately 305 acres would be set aside for open space and a lagoon. Required approvals include but are not limited to: amendments to the City's General Plan and Zoning Code; a Landfill Closure Permit, Post-Closure Maintenance Plan; and Remedial Action, Design and Implementation Plans. UPC prepared a Brisbane Baylands Specific Plan in 2011 outlining its vision for the site and an entertainment-oriented variant. The Final Environmental Impact Report was recently completed and is now going through the public hearing process. The EIR evaluates the potential environmental effects of the Specific Plan proposal and variant, as well as a plan put forth by the community with a variant that involves expansion of existing on-site recycling operations.

The City of Brisbane has policies in place which require new development to “pay for itself” – i.e., that the annual municipal revenue accruing to the City as a result of development more than offset the annual municipal cost of providing public services to the new development and maintaining public infrastructure. In support of this policy, the City has retained Keyser Marston Associates, Inc. (KMA) to undertake a preliminary evaluation of the on-going fiscal impacts of the proposed Baylands development. This fiscal impact analysis provides a preliminary evaluation of the annual recurring revenue and service cost impacts to potentially be generated by each of the four conceptual scenarios included in the EIR:

- Developer Sponsored Plan (DSP)
- Developer Sponsored Plan – Entertainment Variant (DSP-V)
- Community Proposed Plan (CPP)
- Community Proposed Plan – Recology Expansion Variant (CPP-V)

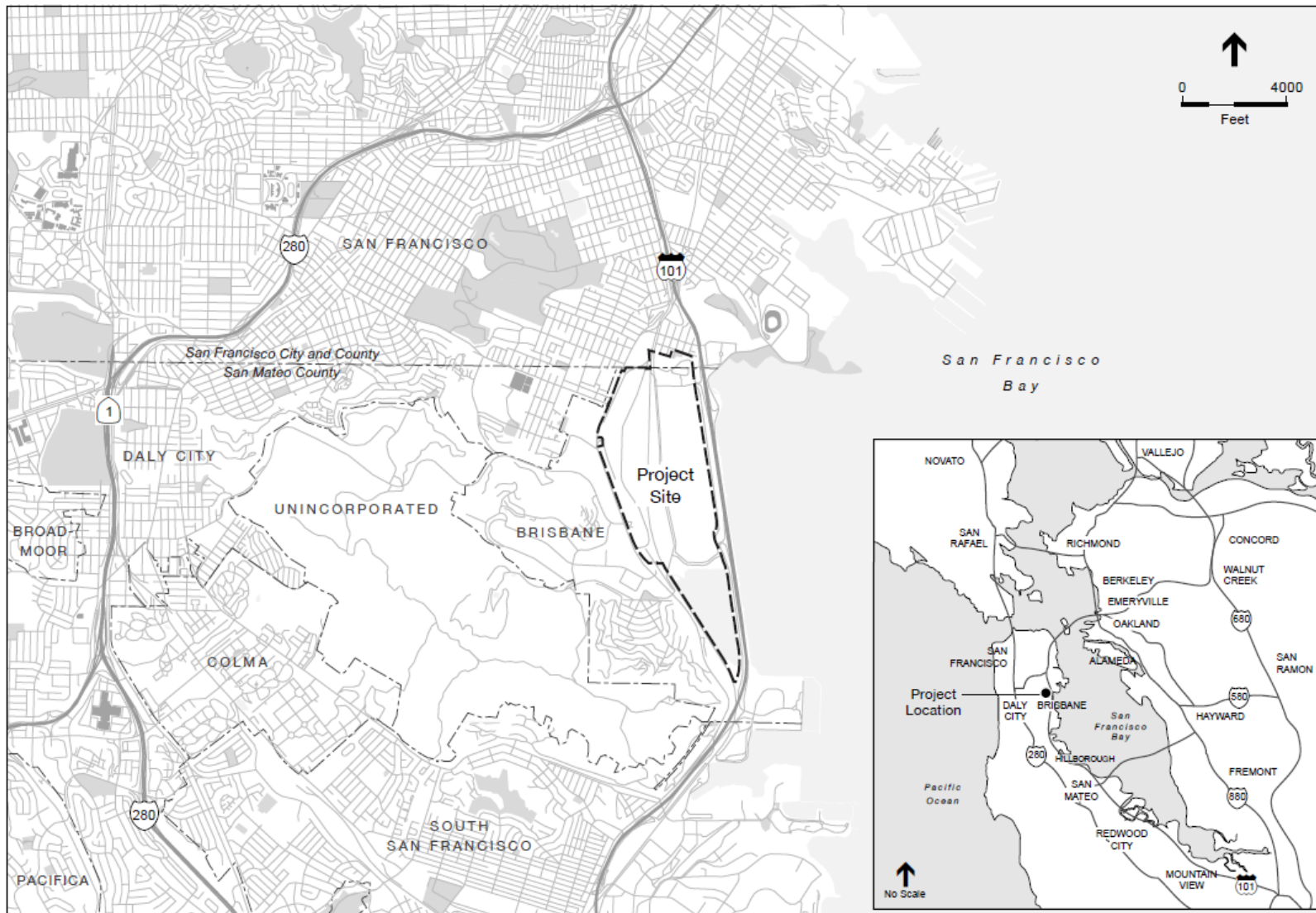
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<sup>1</sup> The Community Proposed Plan and variant evaluated in this fiscal impact analysis include property owned by the Recology recycling business. A portion of the Recology property is located outside of the City of Brisbane, within the City and County of San Francisco.

The EIR scenarios represent a range of general land use concepts for the Baylands. At this point in the planning process, the concepts lack specificity, such as a proposed mix of residential units or a detailed breakdown of uses and tenancies for any of the non residential components. Because of the conceptual nature of the land use program, the assessment of the fiscal impacts to be generated by each scenario is also very preliminary and conceptual. As the project concept is refined it will be appropriate to periodically update the fiscal analysis.

A common practice for specific plans with a single key sponsor is for the entitlements to adopt a financing plan for the delivery of municipal services. The purpose of the Municipal Services Financing Plan (MSFP) is to ensure that the project is adequately served and that the project pays for itself. The plan identifies the array of services to be provided to the project, the entities to provide the services, and the funding obligations of the City, the property owners, and any special service districts. A final fiscal impact analysis is often prepared after an MSFP is adopted to assess the impacts to the City, given the terms of the MSFP. Given the scale and complexity of the Baylands, it is envisioned that an MSFP will be considered to fully address the fiscal impacts of the final development project. Typical components of an MSFP are provided in Section IV.

**Map 1: Brisbane Baylands Location**



Brisbane Baylands . 206069

## **A. Summary of Approach and Methodology**

This preliminary fiscal analysis evaluates the recurring city revenue and service cost impacts of each of the four conceptual development scenarios upon build-out. The impacts of each land use component are also evaluated to provide decision-makers with a general understanding of the disparate impacts of the different land use components, which may be useful in crafting a preferred land use plan, structuring phasing requirements and a plan for delivering and funding municipal services. Because the project will be built in phases, the impacts during the early years of the project may be significantly different than the estimated impacts upon full build-out. Once a preferred plan is selected, the program is refined and more information is available regarding project phasing, we would recommend that the fiscal analysis be updated with a cash flow analysis that reflects the phasing plan, current project information and the City's current budget.

Impacts on the City's General, Gas Tax, and Measure A funds are included in the analysis as citywide services are provided by these funds. Revenues and costs to be generated by each scenario have been estimated using a combination of the "marginal" and "average" approaches. The marginal approach has been used to estimate leading sources of tax revenue, including property taxes, sales taxes, and transient occupancy taxes, and the cost of maintaining the new streets to serve the redeveloped Baylands. The average approach has been used to estimate the remaining revenue sources as well as all service costs, except for the cost of maintaining new streets. Project-specific public works costs exclude long-term maintenance of Tunnel and Geneva Avenue overhead structures, as well as certain other costs that the public works department is not able to estimate at this time. KMA collaborated with City staff to discuss the approach for determining revenue and cost factors and to assemble available data.

Data sources include the June 2013 Brisbane Baylands Draft EIR, the City Community Development and Public Works departments, the City of Brisbane FY 2013-2014 One Year Operating Budget, the City of Brisbane Municipal Code, State Department of Finance, San Mateo County Controller, U.S. Census Bureau, and industry sources, among others. The analysis contained in this report are based on data available in 2013, with the exception that residential assessed values reflect residential market conditions in 2016. As the planning process proceeds, we recommend that the analysis be updated so that all components of the analysis reflect project refinements, current market, and City budget conditions.

## II. DEVELOPMENT CONCEPT PLANS

This fiscal impact analysis evaluates the impacts of the four alternative concept plans evaluated by the Brisbane Baylands EIR. The four scenarios are summarized as follows:

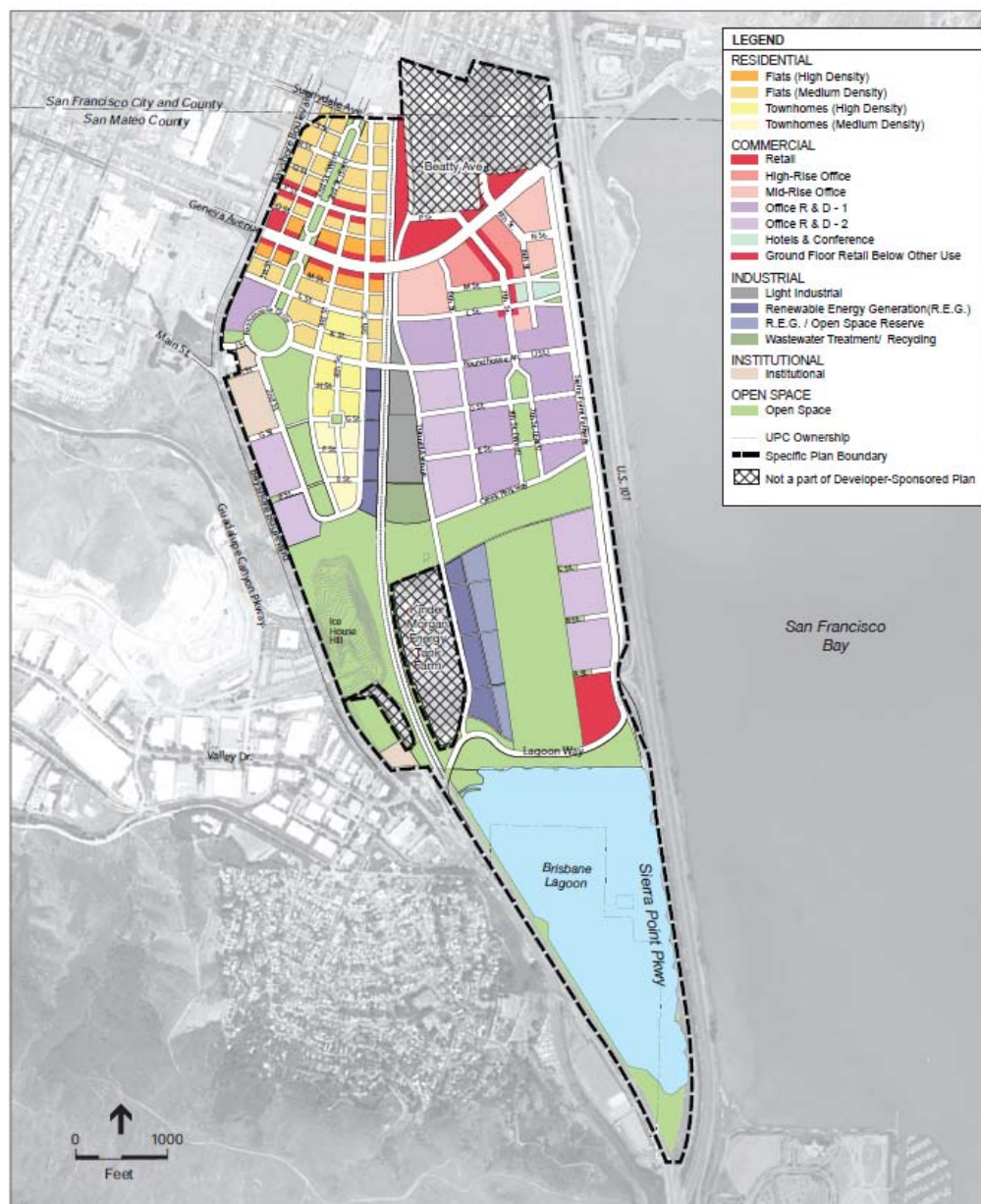
### *Proposed Development Program*

| <b><i>Proposed Development Program</i></b> | <b><i>Scenario 1<br/>Developer<br/>Plan</i></b> | <b><i>Scenario 1a<br/>Entertainment<br/>Variant</i></b> | <b><i>Scenario 2<br/>Community<br/>Proposed</i></b> | <b><i>Scenario 2a<br/>Recology<br/>Variant</i></b> |
|--------------------------------------------|-------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------|----------------------------------------------------|
| <b>Residential Units</b>                   | <b>4,434</b>                                    | <b>4,434</b>                                            | <b>0</b>                                            | <b>0</b>                                           |
| <b>Non-Residential SF</b>                  |                                                 |                                                         |                                                     |                                                    |
| Commercial/Office/R&D                      | 5,979,500                                       | 4,851,500                                               | 5,209,200                                           | 4,874,400                                          |
| Retail                                     | 566,300                                         | 283,400                                                 | 0                                                   | 0                                                  |
| Institutional                              | 110,800                                         | 110,800                                                 | 0                                                   | 0                                                  |
| New Industrial                             | 0                                               | 0                                                       | 66,600                                              | 66,600                                             |
| Resource Recovery (Net New)                | 0                                               | 0                                                       | 0                                                   | 751,000                                            |
| Hotel                                      | 261,100                                         | 586,800                                                 | 1,392,300                                           | 1,046,100                                          |
| Rooms                                      | 369                                             | 719                                                     | 1,990                                               | 1,500                                              |
| Entertainment/Civic/Cultural               | <u>28,200</u>                                   | <u>1,066,500</u>                                        | <u>1,074,500</u>                                    | <u>1,074,500</u>                                   |
|                                            | <b>6,946,269</b>                                | <b>6,899,719</b>                                        | <b>7,744,590</b>                                    | <b>7,814,100</b>                                   |
| <b>Park and Open Space Acres</b>           | <b>170</b>                                      | <b>170</b>                                              | <b>330</b>                                          | <b>330</b>                                         |
| <b>Project Site Acres</b>                  | <b>684</b>                                      | <b>684</b>                                              | <b>733</b>                                          | <b>733</b>                                         |

Under all four scenarios, the existing lumberyards will be relocated within Baylands but the existing rock crushing and soil operations will be eliminated.

## A. Scenario 1 / Developer Sponsored Plan (DSP)

Scenario 1, the Developer Sponsored Plan, represents UPC's base proposal and includes a mix of low- and medium-density residential flats and townhomes, office and research and development space, retail, hotel, and institutional uses. The Plan includes 4,434 residential units, 6.95 million square feet of non-residential space, and 170 acres of parks and open spaces. The residential and supporting retail components are planned to be built in the northwest portion of the site, west of the railroad tracks. Commercial, office, and industrial uses will be concentrated east of the railroad tracks, north of the Lagoon. Both areas will be served by a network of parks, with greater areas of open space at the southern end of the Baylands close to the Brisbane Lagoon.

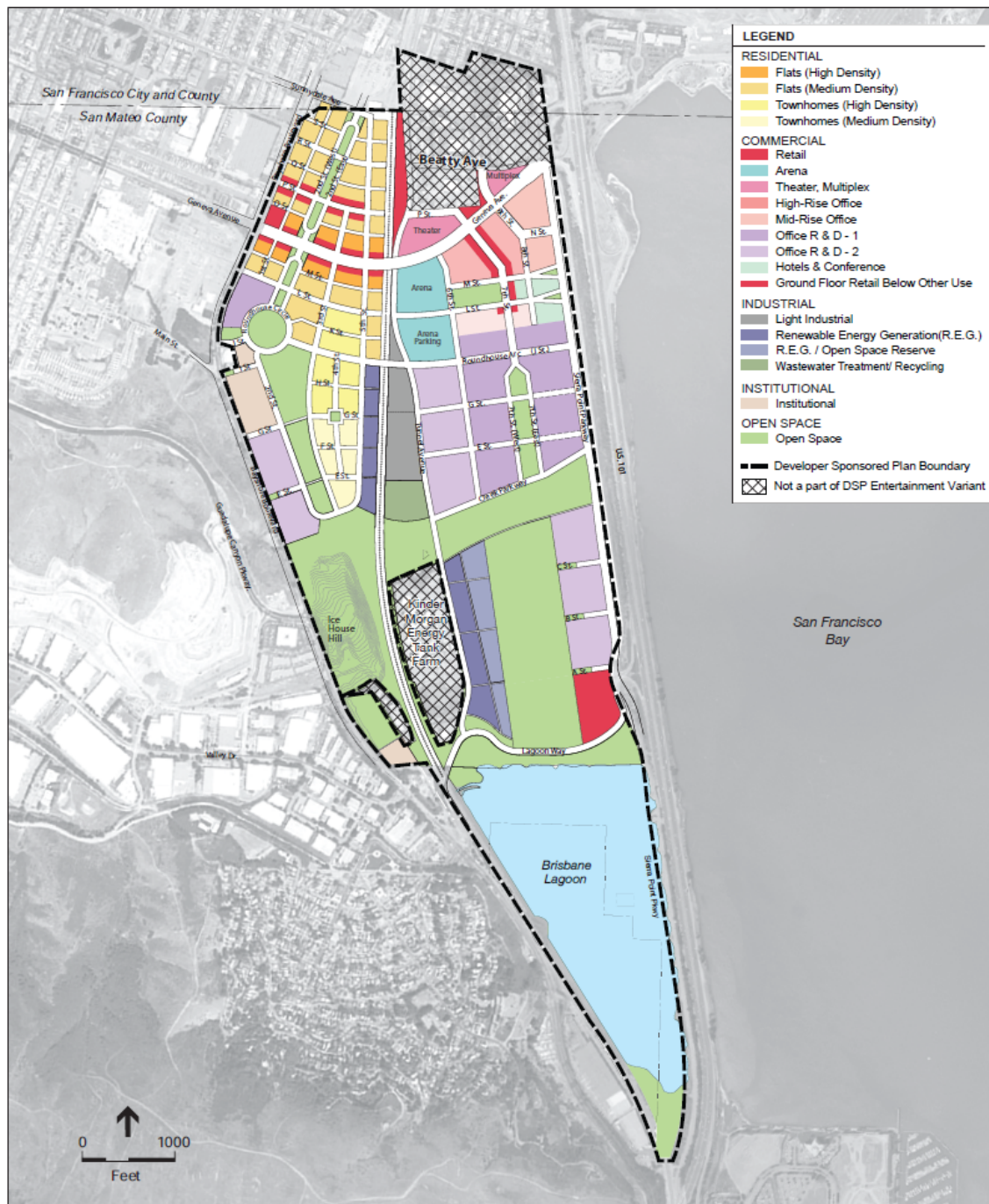


Source: UPC 2011 (DEIR)



## B. Scenario 1a / Developer Sponsored Plan – Entertainment Variant (DSP-V)

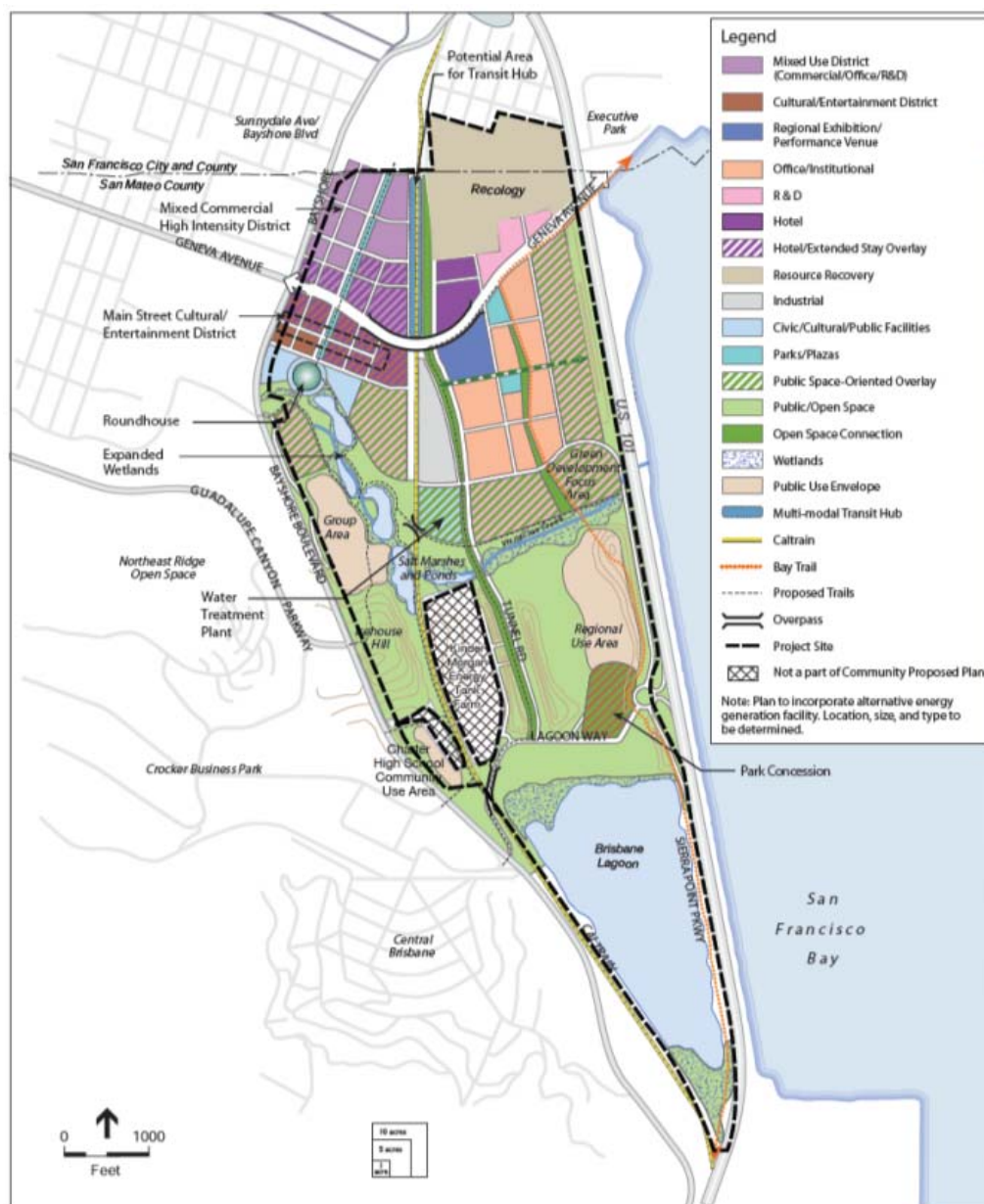
The Entertainment Variant of the Developer Sponsored Plan consists of 4,434 residential units, 6.90 million square feet of non-residential space, and 170 acres of parks and open spaces. In this scenario, one million square feet of the non-residential space is an entertainment cluster including a sports arena, theater/concert venue and a multiplex cinema. The Plan also includes 350 more hotel rooms than the base plan.



Source: UPC 2011 (DEIR)

## C. Scenario 2 / Community Proposed Plan (CPP)

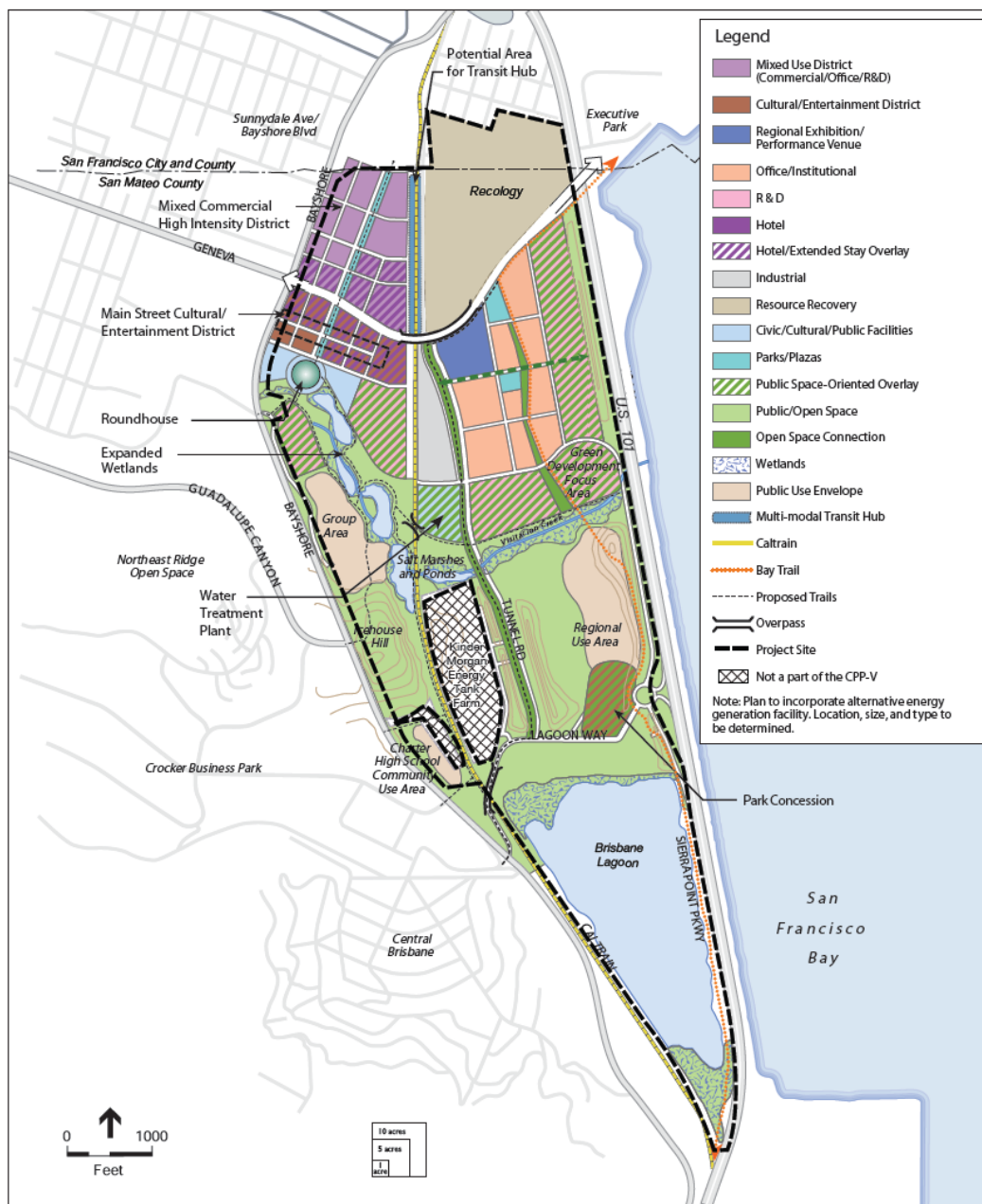
The Community Proposed Plan was prepared based on a collaborative process of community groups and individuals within the City. The Plan consists of approximately 5.3 million square feet of commercial/office/R&D space, 2,000 hotel rooms and 1.1 million square feet of cultural/entertainment/civic uses. Gross building area totals 7.7 million square feet. The Community Plan does not include any residential development. Development is clustered in the northern section of the Baylands and traversed by open spaces that connect to open space overlay zones and dedicated public / open space areas in the southern portion of the property. This scenario proposes 330 acres of parks and open space.



Source: UPC 2011 (DEIR)

## D. Scenario 2a / Community Proposed Plan – Recology Variant (CPP-V)

The Recology Variant differs from the base Community Proposed Plan in that it envisions expansion of Recology's recycling facilities in the northernmost part of the Baylands from 44 acres to 66 acres, and the construction of 750,000 square feet of new facilities. The expansion would allow the company to update its waste management facilities and extend them to be able to handle increased recycling requirements for the City and County of San Francisco. The expansion of Recology's would be offset by reductions in research and development and hotel space. Development in this scenario totals 7.81 million square feet.



Source: UPC 2011 (DEIR)



### III. ANNUAL FISCAL IMPACTS ON THE CITY OF BRISBANE

#### A. Net Annual General, Gas Tax, and Measure A Fund Impact Upon Build-out

The four conceptual development scenarios are estimated to generate an annual net fiscal surplus to the City of Brisbane ranging from a \$1.1 million to \$8.7 million. This wide range reflects a number of factors, which will be reduced over time as the project concept is refined. Some of the key factors are as follows:

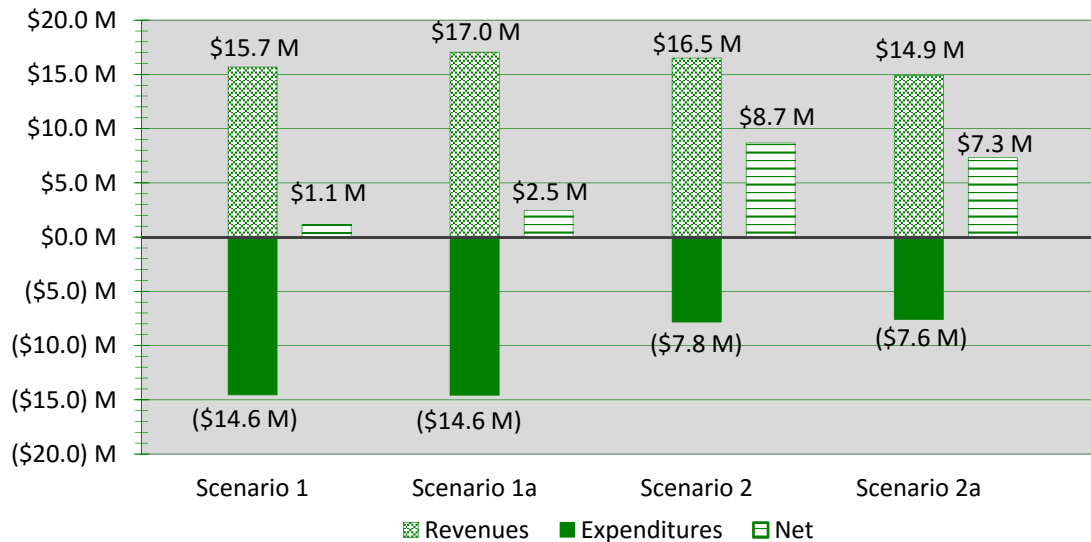
- The conceptual nature of the land use program and lack of specificity regarding tenant mix and end-users;
- The analytical assumption that there is market support for the entire development program regardless of scale or land use, and that each scenario will reach build-out in a similar time frame
- The preliminary assumption that the City will fund all maintenance and service costs rather than private property owners bearing a portion of the costs; and

The importance of the factors can be illustrated by considering the impact of the hotel component on the overall fiscal findings. While a market analysis has not been undertaken to determine the number of hotel rooms that would be supported by the marketplace, each Scenario includes hotel rooms, ranging from 369 under Scenario #1 to 1,990 under Scenario #2. If successful, the hotel component will generate a tremendous amount of tax revenue to the City. Conversely, if the hotel component is not fully developed, less revenue will be generated, which will have a material impact on the overall fiscal feasibility of each scenario. If the hotel component is eliminated from each scenario, three of the four scenarios are anticipated to generate an annual fiscal deficit to the City ranging from \$637,000 to \$937,000 per year.

***Given the current conceptual nature of the development scenarios, the findings of this analysis should be viewed as providing an order of magnitude indicator of fiscal impacts rather than conclusions about the project's ultimate impacts to the City of Brisbane.*** The preliminary findings do, however, highlight issues to be addressed as the planning process proceeds.

#### ***Preliminary Estimate of Annual General, Gas Tax, and Measure A Fund Impact Upon Build-out***

| <b><i>Annual General, Gas Tax, and Measure A Fund Impact Upon Buildout</i></b> | <b><i>Scenario 1 Developer Plan</i></b> | <b><i>Scenario 1a Entertainment Variant</i></b> | <b><i>Scenario 2 Community Proposed</i></b> | <b><i>Scenario 2a Recology Variant</i></b> |
|--------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------|---------------------------------------------|--------------------------------------------|
| General, Gas Tax, Meas A Revenues                                              | \$15,673,000                            | \$17,043,000                                    | \$16,503,000                                | \$14,923,000                               |
| General Fund Expenditures                                                      | \$14,550,000                            | \$14,580,000                                    | \$7,840,000                                 | \$7,600,000                                |
| <b>Annual Net Impact With Hotels</b>                                           | <b>\$1,123,000</b>                      | <b>\$2,463,000</b>                              | <b>\$8,663,000</b>                          | <b>\$7,323,000</b>                         |
| <b>Annual Net Impact Without Hotels</b>                                        | <b>(\$637,000)</b>                      | <b>(\$937,000)</b>                              | <b>(\$777,000)</b>                          | <b>\$203,000</b>                           |



The Developer Sponsored Plan (DSP) is estimated to generate a \$1.1 million annual fiscal surplus to the City of Brisbane, upon build-out. This projection should be viewed as an indication of the project's impacts at this preliminary planning stage and a starting point for addressing service costs and refining the land use program. Mechanisms that are often appropriate for projects with large residential components include privatizing internal streets, establishing assessment/ community facility districts for maintaining public streets, and establishing community facility districts for funding other municipal services. If a portion of services are privately funded, the DSP could generate an annual fiscal surplus even without the hotel component.

The Entertainment Variant (DSP-V) is estimated to generate an annual surplus of \$2.5 million upon buildout. The surplus reflects the assumption that the market will support the development of 719 hotel rooms and a one million square foot entertainment complex, including an arena. Without the hotel rooms and the entertainment variant would generate an estimated deficit of \$937,000 per year. This deficit could be addressed through the privatization of a portion of city service costs.

The Community Proposed Plan (CPP) and Recology Expansion Variant (CPP-V) are estimated to generate an annual fiscal surplus to the City, ranging from \$7.3 million under the Recology Variant to \$8.6 million under the Community Proposed Plan. The estimated large surpluses are attributable to the transient occupancy tax revenues to be generated by the 1,500 to 1,900 hotel rooms programmed in those scenarios. Without the hotel components, the CPP would generate an estimated annual deficit of \$777,000 and the CPP-V would generate a slightly positive fiscal impact of \$203,000 per year.

While this preliminary analysis addresses impacts upon full build-out, it should be noted that the initial years of development will create interim fiscal issues that will need to be addressed. For example, it is estimated that the removal of the soil processing business and other enterprises

from the property will result in a loss of \$1.05 million of City tax revenue. Another near-term issue is that the former redevelopment agency has a \$9 million debt obligation and a portion of the future property tax revenue to be generated by the project must be used to repay the debt. Approximately one third of gross tax increment will be used to repay this debt. On a cumulative basis, it is estimated that \$1.6 million of the City's share of property taxes will be diverted to repay this existing obligation and not available for funding city services. Potential structures for mitigating this loss include relocating the soil processing facility to other areas on the site that are not slated for near-term development and/or requiring a financial contribution from the project's developer. Another solution is maximizing tax revenues to be generated during the construction process, including use tax revenues from the purchase of construction materials and periodic increases in property tax revenues.

## **B. Impacts by Land Use Component and Implications on Fiscal Feasibility**

As highlighted in the following chart, the hotel, office, retail, and industrial and entertainment components of each scenario are estimated to annually generate a net fiscal surplus to the City. Hotels are estimated to generate the largest surplus, approximating \$4,700 per room per year, due to the large amount of transient occupancy tax revenue generated by hotels. The critical impact of the hotel component is evidenced by the finding that without the programmed hotel units, three of the four scenarios would generate a fiscal deficit upon buildout. Non-residential uses typically generate fiscal surpluses because they do not require the same level of city services as required by residents. The entertainment/civic/cultural component of Scenarios 2 and 2a are estimated to generate a fiscal deficit due to the assumed tax-exempt status of the civic and cultural uses in those two scenarios. The residential component is estimated to generate an annual deficit of \$2.1 million, which approximates \$475 per unit, per year. As noted in Section IV, financing tools, such as privatizing internal residential streets and privatizing the funding of parks maintenance are commonly adopted for projects with residential components to render these projects financially beneficial to communities.

***Annual General, Gas Tax, and Measure A Fund Impact by Land Use Type***

| <b><i>Annual General, Gas Tax, and Measure A Fund Impact by Land Use Upon Buildout</i></b> | <b><i>Scenario 1 Developer Plan</i></b> | <b><i>Scenario 1a Entertainment Variant</i></b> | <b><i>Scenario 2 Community Proposed</i></b> | <b><i>Scenario 2a Recology Variant</i></b> |
|--------------------------------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------|---------------------------------------------|--------------------------------------------|
| Residential                                                                                | (\$2,140,000)                           | (\$2,130,000)                                   | \$0                                         | \$0                                        |
| Commercial / Office / R&D                                                                  | \$3,090,000                             | \$2,500,000                                     | \$2,660,000                                 | \$2,480,000                                |
| Retail                                                                                     | \$1,310,000                             | \$660,000                                       | \$610,000                                   | \$600,000                                  |
| Institutional                                                                              | (\$60,000)                              | (\$60,000)                                      | \$0                                         | \$0                                        |
| Resource Recovery / Industrial                                                             | \$0                                     | \$0                                             | \$30,000                                    | \$1,250,000                                |
| Hotel                                                                                      | \$1,760,000                             | \$3,400,000                                     | \$9,440,000                                 | \$7,120,000                                |
| Entertainment / Civic / Cultural                                                           | (\$20,000)                              | \$910,000                                       | (\$90,000)                                  | (\$90,000)                                 |
| Revenue Loss from Existing Businesses                                                      | (\$1,047,000)                           | (\$1,047,000)                                   | (\$1,047,000)                               | (\$1,047,000)                              |
| Fixed Expenses                                                                             | (\$1,770,000)                           | (\$1,770,000)                                   | (\$2,940,000)                               | (\$2,990,000)                              |

## **C. Recurring Annual General, Gas Tax, and Measure A Fund Revenues**

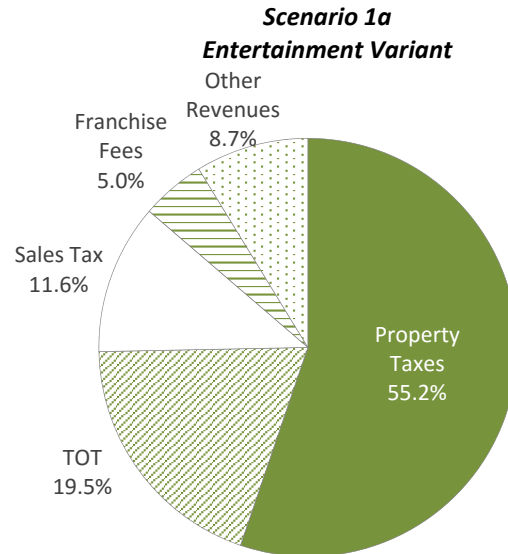
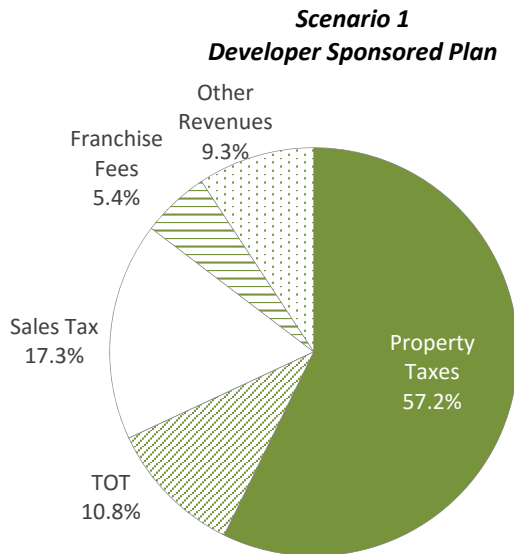
### ***1. Developer Sponsored Plan and Entertainment Variant Revenues***

Upon build-out, the Developer Sponsored Plan and Entertainment Variant are estimated to annually generate \$16.7 million to \$18.1 million, respectively, of total revenues to the City of Brisbane. The most significant source of City revenue is property taxes, estimated at \$9.6 million to \$10.0 million annually<sup>2</sup>, which represents over 55% of total revenues. The second largest source of City revenue expected to be generated by the DSP is sales and use tax revenue, accounting for 17.3% of total revenues. Sales tax is estimated to account for \$1.6 million of the total and use tax revenue from business to business sales is estimated to generate \$1.3 million. For the DSP-V scenario, transient occupancy tax is the second largest source of revenue, accounting for \$3.5 million or 20%. Remaining revenue sources are anticipated to generate approximately \$2.5 million of annual revenue and are comprised of franchise fees, business license tax, fines and forfeitures, property transfer tax, gas tax, and Measure A tax.

Brisbane is currently collecting approximately \$810,000 of revenue from the existing rock crushing and soils processing businesses and advertising billboard on the site. These uses will not be integrated into the new development, resulting in a potential loss of \$810,000 of tax revenue to the City of Brisbane once the Baylands project is under construction unless the operations are temporarily moved to another location on the development site and lost revenue is replaced by future development or a mitigation. Additionally, the City will forego an annual payment of approximately \$237,000 from Tuntex once the property's assessed value exceeds a threshold. The loss of these revenues will be significant to the City unless mitigation measures are adopted. As noted previously, possible mitigation measures include temporarily relocating these uses to other locations on the property that are not slated for near term development, and maximizing tax revenues generated by the construction of the project, including use tax revenues from the purchase of materials and annual increases in property tax revenues.

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<sup>2</sup> Includes reimbursement of any ERAF diversion, or "excess ERAF." The amount of property tax revenue to be retained by the General Fund, particularly in the project's early years, will be impacted by the requirement to repay debt owed by the former Redevelopment Agency to the City and Housing Successor. On a cumulative basis, it is estimated that \$1.6 million of the City's share of property taxes from the project will be diverted to repay the prior obligations of the former redevelopment agency.



| <b>Annual General, Gas Tax and Measure A Fund Revenues Upon Buildout</b> | <b>Scenario 1<br/>Developer Plan</b> | <b>Scenario 1a<br/>Entertainment Variant</b> |
|--------------------------------------------------------------------------|--------------------------------------|----------------------------------------------|
| Property Tax                                                             | \$9,570,000                          | \$9,990,000                                  |
| Transient Occupancy Tax                                                  | \$1,810,000                          | \$3,520,000                                  |
| Sales and Use Tax                                                        | \$2,890,000                          | \$2,100,000                                  |
| Franchise Fees                                                           | \$900,000                            | \$900,000                                    |
| Business License Tax                                                     | \$840,000                            | \$860,000                                    |
| Fines and Forfeitures                                                    | \$220,000                            | \$220,000                                    |
| Property Transfer Tax                                                    | \$230,000                            | \$240,000                                    |
| Total General Fund Revenues                                              | \$16,460,000                         | \$17,830,000                                 |
| Gas Tax                                                                  | \$260,000                            | \$260,000                                    |
| Measure A                                                                | \$0                                  | \$0                                          |
| <b>Total Annual Revenues</b>                                             | <b>\$16,720,000</b>                  | <b>\$18,090,000</b>                          |

## 2. Community Proposed Plan and Recology Expansion Variant Revenues

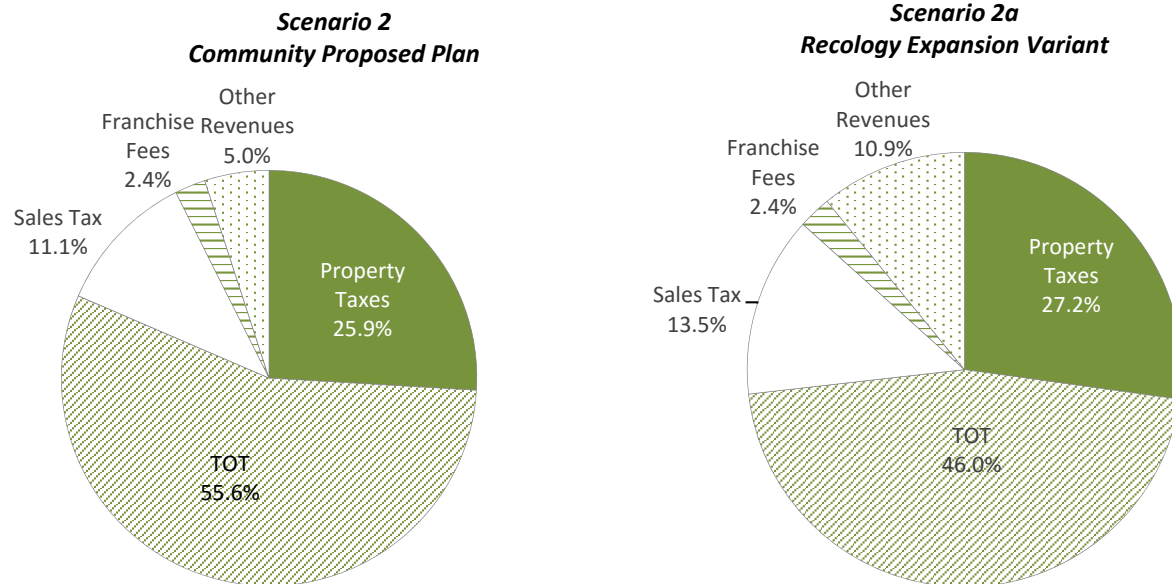
The Community Plans are anticipated to generate annual revenues upon build-out of \$17.6 million under Scenario 2 and \$16.0 million in Scenario 2a. Transient occupancy taxes are the single largest revenue source for these scenarios, and are expected to range from \$7.4 to \$9.8 million annually (46% to 56% of total revenues). Property taxes are the second largest source of annual revenue, accounting for 26% to 27% of annual revenue<sup>3</sup>. Remaining revenue sources include

<sup>3</sup> The amount of property tax revenue to be retained by the General Fund, particularly in the project's early years, will be impacted by the requirement to repay debt owed by the former Redevelopment Agency to the City and Housing Successor. On a cumulative basis, it is estimated that \$1.6 million of the City's share of property taxes from the project will be diverted to repay the prior obligations of the former redevelopment agency.



sales and use taxes, franchise fees, and business license taxes. In the Recology Expansion Variant, business license tax revenues are estimated at \$1.6 million, which is significantly more than the other scenarios due to the revenues that would be generated by an expansion to Recology.

Soil processing and recycling, billboard fee revenue, and the Tuntex payment totaling \$1.05 million would also be lost in the community plan scenarios.



| <b>Annual General, Gas Tax and Measure A Fund Revenues Upon Buildout</b> | <b>Scenario 2 Community Proposed</b> | <b>Scenario 2a Recology Variant</b> |
|--------------------------------------------------------------------------|--------------------------------------|-------------------------------------|
| Property Tax                                                             | \$4,550,000                          | \$4,340,000                         |
| Transient Occupancy Tax                                                  | \$9,750,000                          | \$7,350,000                         |
| Sales and Use Tax                                                        | \$1,950,000                          | \$2,150,000                         |
| Franchise Fees                                                           | \$420,000                            | \$390,000                           |
| Business License Tax                                                     | \$710,000                            | \$1,570,000                         |
| Fines and Forfeitures                                                    | \$100,000                            | \$100,000                           |
| Property Transfer Tax                                                    | \$70,000                             | \$70,000                            |
| Total General Fund Revenues                                              | \$17,550,000                         | \$15,970,000                        |
| Gas Tax                                                                  | \$0                                  | \$0                                 |
| Measure A                                                                | \$0                                  | \$0                                 |
| <b>Total Annual Revenues</b>                                             | <b>\$17,550,000</b>                  | <b>\$15,970,000</b>                 |

## **D. Net Annual General, Gas Tax, and Measure A Fund Expenditures upon Build-out**

### ***1. Developer Sponsored Plan and Entertainment Variant Expenditures***

The annual cost to Brisbane to provide services to the Baylands at buildout is anticipated to approximate \$14.6 million in the developer sponsored plans. The single largest annual expenditure is expected to be for fire and emergency medical services, at \$4.2 million or over 29% of total expenses. The second largest anticipated expenditure is for services provided by the public works department to mitigate additional wear and tear on existing City infrastructure and facilities, and to maintain new public roads required to serve the project. Public works expenditures are estimated to annually total \$3.0 million (20% of total expenses). Police service costs are estimated to total \$2.4 million and parks and recreation costs are estimated to total \$2.1 million. Remaining services are estimated to total \$2.9 million. These include general government administration, operational costs of a new library, community development expenses, and non-departmental / central services.

It has been assumed that 100% of the streets, open spaces and parks will be publicly owned and maintained by the City of Brisbane. Maintenance cost estimates for the following improvements have not been included in the analysis: PG&E street light maintenance costs, equipment, and the long-term maintenance of Tunnel and Geneva Avenue overhead structures. Cost estimates for these improvements have not yet been prepared.

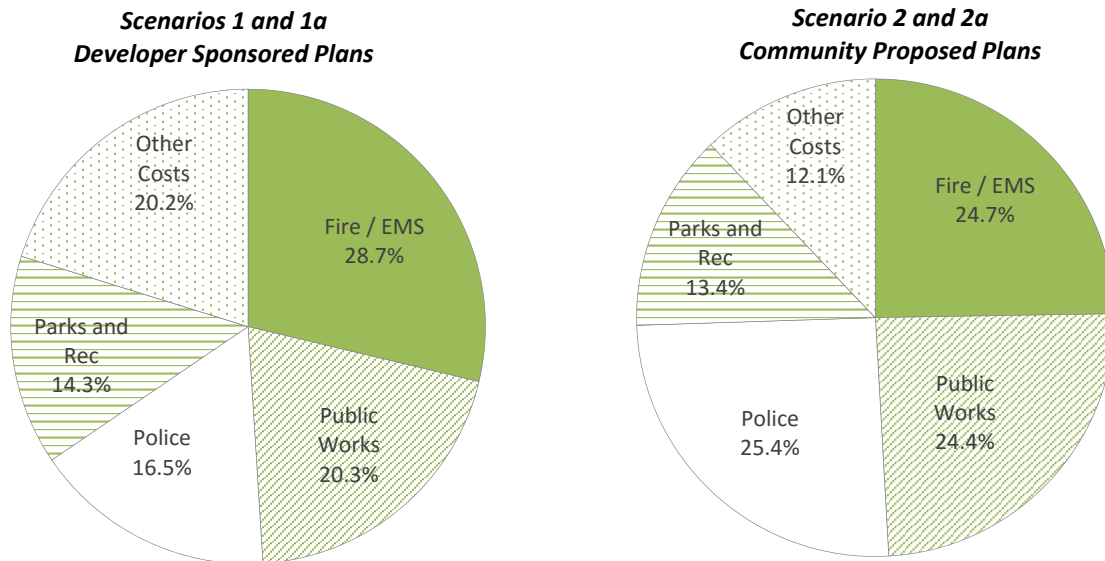
As detailed in Section IV, financing tools are commonly adopted to reduce the city service costs associated by residential and office developments, including privatizing streets, adopting assessment or community facility districts for maintaining public infrastructure, and adopting community facility districts for providing other municipal services. The adoption of these tools would enhance the fiscal benefit of the DSP to the City of Brisbane.

### ***2. Community Proposed Plan and Recology Expansion Variant Expenditures***

The annual cost of providing city services to the Baylands is estimated at \$7.8 million for the Community Proposed Plan and \$7.6 million for the Recology Expansion Variant. Costs are nearly \$7 million less than in the developer plans because there are no residents in the Community Plans.

Based on the EIR's assessment of police staffing needed to serve the Baylands, police services are estimated to be the leading expense category at \$2.0 million per year or close to 25% of total expenses. Fire / EMS and public works costs are each anticipated to total \$1.9 million, and parks and recreation costs are estimated to total \$1.1 million. The remaining service costs are comprised of general government administration, community development, and non-departmental / central services. As with the analysis of the Developer's plan, the analysis of the Community's plan reflects the assumption that 100% of the streets, open spaces, and parks will

be publicly owned and maintained by the City of Brisbane. The cost estimates for the public works department exclude PG&E street light maintenance costs, equipment costs, and the long-term maintenance of Tunnel and Geneva Avenue overhead structures. Cost estimates for these improvements have not yet been prepared.



| Annual General Fund Expenditures         | Scenario 1<br>Developer<br>Plan | Scenario 1a<br>Entertainment<br>Variant | Scenario 2<br>Community<br>Proposed | Scenario 2a<br>Recology<br>Variant |
|------------------------------------------|---------------------------------|-----------------------------------------|-------------------------------------|------------------------------------|
| Fire/EMS                                 | \$4,180,000                     | \$4,190,000                             | \$1,940,000                         | \$1,820,000                        |
| Public Works                             | \$2,950,000                     | \$2,960,000                             | \$1,910,000                         | \$1,850,000                        |
| Police                                   | \$2,400,000                     | \$2,400,000                             | \$1,990,000                         | \$1,990,000                        |
| Parks and Recreation                     | \$2,080,000                     | \$2,080,000                             | \$1,050,000                         | \$1,050,000                        |
| General Government                       | \$1,330,000                     | \$1,340,000                             | \$620,000                           | \$580,000                          |
| New Library                              | \$920,000                       | \$920,000                               | \$0                                 | \$0                                |
| Community Development                    | \$380,000                       | \$380,000                               | \$180,000                           | \$170,000                          |
| Non-Departmental/Central Services        | \$310,000                       | \$310,000                               | \$150,000                           | \$140,000                          |
| <b>Total Annual General Fund Expend.</b> | <b>\$14,550,000</b>             | <b>\$14,580,000</b>                     | <b>\$7,840,000</b>                  | <b>\$7,600,000</b>                 |

#### IV. MECHANISMS TO ENHANCE FISCAL BENEFITS

This fiscal impact analysis provides a preliminary indication of the potential fiscal impacts to the City of Brisbane to be generated by each conceptual development scenario. As noted in the report, the analysis reflects a number of assumptions and factors, which will likely change as the project is refined. Given this consideration, the findings of this analysis should be viewed as providing a starting point for exploring a range of potential mechanisms to implement that will ensure that public infrastructure is adequately maintained, that future residents receive quality municipal services, and that the project generates a net fiscal surplus to the City of Brisbane.

Mechanisms that are commonly adopted to enhance fiscal impacts include the following:

1. **Capture construction use tax revenue.** Large developments generate a tremendous amount of use tax revenue from the purchase of construction materials. A Development Agreement can include provisions that ensure that Brisbane will be identified as the point of sale for the purchase of materials, which will enable Brisbane to directly collect the use tax revenue generated by the project's construction. The collection of use tax revenue can be a very effective measure for off-setting the interim loss of revenue during a project's early years.
2. **Privatize funding of a portion of municipal services.** A development agreement (DA) can require that certain municipal service costs be funded privately. For example, an Assessment District or a Community Facility District (CFD) could be established for maintaining public roads, public entryways, landscaped areas, trails, and parks. Some communities also fund a portion of public safety services by establishing a Community Facilities District. A CFD is a special tax, secured by a lien on private property.
3. **Privatize roads.** In many communities, the system of internal streets that serve residential neighborhoods or business campuses are privately owned and maintained. This reduces the cost of providing municipal services, which improves the fiscal balance of the project.
4. **Maximize capture of use tax and sales tax revenues.** Each of the proposed concepts includes over 4.8 million square feet of space for commercial, office, and R&D tenants. There is a wide variation in the amount of use tax revenue generated by these types of businesses, but a development agreement can be structured to maximize the allocation of these revenues to the City of Brisbane.
5. **Land use metering.** A development agreement can require that land use components be metered based on their fiscal impacts to ensure that the project is fiscally positive. For example, the office components and the hotel components are anticipated to generate fiscal surpluses while residential uses are anticipated to generate fiscal deficits. The project could be required to develop office and hotel uses prior to or in conjunction with residential uses to ensure that the project generates a fiscal surplus. Often the

metering is expressed as tying residential building permits to start and completion dates for non-residential components.

6. **Relocation requirements.** A development agreement can require that existing tax-generating uses, such as the soils processing business be relocated to undeveloped portions of the site to maintain tax revenue from these businesses for as long as possible. This is an effective tool for addressing fiscal issues that will occur during the construction of the project.
7. **Developer payments.** A development agreement can require the project's developer to provide cash payments to the City to off-set the loss of tax revenue from closing businesses until the new development generates sufficient tax revenue to fund municipal services and off-set the losses.
8. **Fiscal Analysis prior to each development phase.** One of the major challenges of evaluating the fiscal impacts of a large multi-phase project early in the planning process is that market conditions will likely change dramatically between the time that the project receives entitlements and construction starts on the all phases subsequent to the first phase. To address this issue, a development agreement can require a fiscal analysis be undertaken prior to starting each increment of development and that the construction of each increment be conditioned upon the fiscal analysis' determination that the project's cumulative fiscal impact will be positive upon the completion of the subject increment. This approach also enables each fiscal analysis to take into account the actual impacts of the prior phase and to reflect changes in legislation and other conditions that will impact the analysis. For example, if in the future, the City resumes receiving an allocation of property taxes in-lieu of motor vehicle license fees, then the future fiscal analysis could reflect this change.
9. **Consider new taxes.** Adopting new taxes is another tool to explore. For example, some cities have adopted admission taxes on entertainment venues that have the capacity to generate very large sums of revenue. Another example is a construction tax on new construction.

## V. METHODOLOGY AND ASSUMPTIONS

The fiscal impact analysis provides a preliminary estimate of the annual recurring fiscal revenues and expenses that each of the four June 2013 Brisbane Baylands DEIR concept plan scenarios would generate to the City of Brisbane upon build-out. The analysis evaluates impacts on the General Fund, Gas Tax Fund and Measure A Fund. The General Fund is the major source of discretionary spending for key City services including fire, public works, police, and parks and recreation. Gas Tax and Measure A Fund revenues have also been included, since they are used to offset certain City service costs.

This preliminary analysis measures the annual impacts upon buildout of the project. At this stage of the planning process, it is premature to prepare an annual cash flow projection of fiscal impacts, due to the following limitations: the land use program is only at a conceptual level; the timing for development and the specific development program will be driven by market conditions, with construction anticipated to extend over a 20+-year period; and phasing plans have not been developed for all four concepts.

In addition to evaluating the impacts of each of the four concepts, we have also evaluated the impacts of each land use component. This will provide decision-makers with a general understanding of the disparate impacts of the different land use components, which may be useful in crafting a preferred land use plan, structuring phasing requirements or business terms of a Development Agreement.

The major revenue and cost elements evaluated include property, transient occupancy, sales and use taxes, and fire, public works, police, and parks and recreation costs. It is assumed that 100% of the cost of maintaining new street, park, and library infrastructure serving the Baylands will be borne by the City. It is likely that a portion of infrastructure maintenance costs will ultimately be borne by private property owners. The cost to maintain PG&E electrical for street lights, equipment, and the overhead structures on Tunnel and Geneva Avenues have not yet been prepared and, therefore, not included in the analysis.

***The analysis reflects the assumption that each of the four scenarios is financially feasible, reaches full build-out and that the land use components generate gross receipts consistent with the levels generated by newly constructed developments.*** Given that this project will total between 8.1 to 12.2 million square feet and will likely take decades to reach build-out, the assumption of full-build out is a critical driver of the findings of this analysis. This analysis assumes, for example that all 1,990 hotel rooms in Scenario 2 will be fully built and successful.

The fiscal impact analysis is in 2014 dollars and is based on both marginal estimating sources, such as assessed values and hotel room rate information, and average revenue and cost

factors derived from the City's FY 2013-2014 One Year Operating Budget. The analysis excludes fee-for-service revenues, such as building permit revenues.

The analysis of the fiscal impacts is presented in attached supporting tables 1 through 7. City of Brisbane budget information is summarized in Appendices A-1 and A-2.

### **Key Assumptions and Method of Analysis**

The key assumptions of the analysis and methodologies used to calculate the revenue and cost impacts are as follows:

- ***Development Program*** – The development program for each of the concept plan scenarios is specified in the Brisbane Baylands DEIR. The developer plans propose 4,434 residential units and approximately 6.9 million commercial, retail, hotel, and entertainment square feet. The community plans propose about 7.8 million square feet of similar categories of non-residential space. (Table 2). If the land use components change or are not fully realized, then the fiscal impacts of the project could be dramatically different than the estimates contained in this preliminary evaluation. For example, if the hotel component of each scenario is not fully developed, it is estimated that three of the four scenarios would generate an annual net deficit to the City. The analysis assumes that each of these programs is financially feasible and that they achieve full build-out.
- ***Project Demographics*** – The data source for population and employment estimates is the Baylands DEIR. Hotel guests, visitors, and retail shoppers have been estimated by KMA based on industry standards and existing entertainment projects similar to those proposed for the Baylands. (Tables 3a and 3b).
- ***Existing City of Brisbane Demographics*** – The State Department of Finance estimates the City of Brisbane's 2014 population at 4,431. U.S. Census 2008-2012 5-Year Estimates put the 2012 employment base in Brisbane at 6,472 jobs. (Table 5).
- ***Resident Equivalents*** – The estimates of franchise fee and fine and forfeiture revenues, and of most service costs, use a modified per capita measure known as "resident equivalents." This approach combines residents and employees to form a single service population. The resident equivalents approach weights an employee as 0.33 of a resident, such that three employees are viewed as having the same impact as one resident. (Tables 3a and 5).
- ***Assessed Property Values*** – Residential values of \$643,000 per apartment/condominium and \$1,007,000 per townhome unit have been estimated based on 2015/2016 sales data. KMA reviewed the sales prices of new homes being sold at the former Hunters Point

Shipyard<sup>4</sup> as well as existing homes in Brisbane and surrounding communities in north San Mateo County. Commercial, retail, industrial, theater, multiplex, and cultural land use values are derived from Marshall and Swift Valuation Service construction cost information and typical land values in the area. Estimates indicate total values of \$375, \$275, \$160, \$400, \$270, and \$275 per square foot of building area, respectively, for these land use types. The HVS Hotel Development Cost Survey 2013/14 provides hotel values of \$230,000 per room, and the arena's value of \$800 per square foot is based on planning estimates for a San Francisco arena. It has been assumed that institutional and civic space will be exempt from the payment of property taxes. (Table 4).

- **Property Taxes** – Per the San Mateo County Controller's Office, the City of Brisbane receives 17.77% of the 1% property tax levy collected in the two principal tax rate areas in the Brisbane Baylands. This percentage reflects Brisbane's property tax share before a distribution to the Education Revenue Augmentation Fund (ERAF). After the ERAF distribution, the City's share of the property tax is 14.83%. The County of San Mateo is currently in a situation in which historically more ERAF has been collected than required and the County is not making new deposits into the ERAF fund. This analysis reflects the assumption that the County will continue to be in an excess ERAF situation. Property taxes to the City are calculated using the 17.77%, pre ERAF factor. Consistent with this ERAF assumption, it is also assumed that the City will not receive any motor vehicle in-lieu fee revenue (MVLFF) resulting from the Baylands development.

The amount of property tax revenue to be retained by the General Fund, particularly in the project's early years, will be impacted by the requirement to repay debt owed by the former Redevelopment Agency to the City and Housing Successor. Approximately \$9 million is owed to the City and Housing Successor for which repayment is restricted under AB 1484 based upon the amount of residual available for taxing agencies. Approximately \$9 million or one third of the first \$27 million in gross property tax generated would be used for this obligation. However, given that gross tax increment will range from \$25 to \$45 million per year upon stabilization, it is expected that the \$9 million in funds owed to the City and Housing Successor will have been fully paid well in advance of stabilization of the project and therefore no deduction is reflected in this stabilized analysis. On a cumulative basis, it is estimated that \$1.6 million of the City's share of property taxes (\$9 M X 17.77%) from the project will be diverted to repay the prior obligations of the former redevelopment agency. This redistribution is not reflected in the analysis as the analysis presents the annual impacts upon buildout of the project. By the time the project is fully built-out, the debt owed to the Housing Successor Agency and the City will be fully repaid.

Property tax revenues are estimated on Tables 6a, 6b, and 6c.

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<sup>4</sup> The Shipyard is the only area with new development in close proximity to the Baylands.



- **Property Transfer Taxes** – The City receives \$0.55 for every \$1,000 of assessed value of properties upon sale. Residential properties are assumed to turnover every 10 years and commercial properties every 20 years. (Tables 6a and 6b).
  
- **Property Tax In-Lieu of Motor Vehicle License Fees** – Property tax in-lieu of vehicle license fees (in-lieu MVLF) is typically a significant revenue source for cities. In recent KMA fiscal studies for residential projects, in-lieu MVLF has been estimated to contribute up to 15% of total estimated revenues. However, according to Brisbane City staff, there are currently insufficient funds to fully meet in-lieu MVLF obligations to cities in San Mateo County and therefore no revenue from this source is anticipated. This is consistent with the assumption that any ERAF distributions generated by the project will be reimbursed to the City (Tables 6a and 6b).
  
- **Sales and Use Taxes** – Sales tax revenues are generated from project retail, hotel food and beverage, and entertainment venue sales. Retail at the Brisbane Baylands is estimated to generate \$400 per square foot per year based on International Council of Shopping Centers data and experience in other retail projects. KMA has assumed that 90% of these sales are net new after transfers from existing businesses in Brisbane, or \$360 per square foot. It has also been assumed that 80% of the net new sales are taxable, resulting in \$288 of taxable sales per square foot for retail land uses. In the Baylands DEIR's community proposed plans, retail is included in entertainment space and square feet are not specified, so it has been assumed that the area will be 283,400 square feet, as in the developer plan's entertainment variant. Per PKF's 2014 Trends in the Hotel Industry, hotel visitors spend \$16,466 annually per room in full service hotels. KMA has conservatively assumed that 30% of hotel rooms in any given scenario will be full service. Assumptions for taxable entertainment spending are that attendees will spend \$15 each at an arena, \$8 each in theaters, and \$4 each in multiplexes. The analysis assumes that Brisbane spending by new residents and employees will take place entirely at retail businesses in the Baylands. No net positive impact is anticipated at existing City stores. It is likely that a portion of the commercial, office, R&D, and industrial businesses will generate use (business to business) tax revenue. However, there is wide variation in the amount generated by individual businesses and it will be important to refine these estimates as more information becomes available regarding the specific types of tenants. For purposes of this analysis, use (business to business) tax revenues have been estimated based on the average amounts generated by businesses in San Mateo County. The City's portion of sales and use tax is 0.95% of taxable sales. (Tables 6a, 6b and 6d).
  
- **Prop 172 and Measure A Sales Taxes** – These sales taxes are distributed to cities and counties according to State- and transit project-based distribution formulas. For purposes of this analysis, they are estimated using the City of Brisbane's FY 2013-2014 budget amounts as a share of total County-wide taxable spending reported by the State Board of Equalization. (Tables 6a and 6b).

- **Franchise Fees and Fines and Forfeitures** – These revenue sources are estimated based on an extrapolation of the current per resident equivalent amount generated by the City's residents and employment base. (Tables 6a and 6b).
- **Transient Occupancy Tax** – Brisbane charges a 12% tax on hotel room revenues as described in Chapter 3.24 of the City's Municipal Code. Annual room revenues have been estimated based on rates of \$150 per room and 75% occupancy, per PKF's 2014 Trends in the Hotel Industry. (Tables 6a and 6b).
- **Business License Tax** – Brisbane's Municipal Code imposes a business license tax that is the greater of a gross-receipts based formula and an employee-based formula for most business types. The gross receipts calculation ranges from \$0.13 to \$2.00 per \$1,000 of gross receipts depending on the level of gross receipts. Given the undefined nature of businesses in the concept plans, this analysis conservatively assumes the lowest business license tax rate of \$0.13 per \$1,000. In the analysis, for commercial, industrial, and entertainment uses, gross receipts are estimated from average gross receipts per employee reported in the U.S. Economic Census. Retail receipts are derived from sales per square foot of \$360, which includes a 10% adjustment for transfers from existing businesses as described under Sales and Use Taxes, above. Hotel food and beverage, arena, and theater sales are based on the taxable spending calculations in this analysis. Hotel room revenues use PKF's 2014 Trends information as in the transient occupancy tax calculations.

The employee-based calculation uses the highest business license rate, of \$9.45 per employee, for purposes of determining whether gross receipts or employee-based fees will apply. With the assumptions and estimates outlined above, the gross receipts formula renders the highest business license tax, and is applied to calculate commercial, industrial, retail, hotel, and entertainment uses in the analysis. Different from the other anticipated Baylands land uses, movie theaters in Brisbane pay a business license tax of \$0.25 per attendee. In the community plan's Recology expansion scenario, a \$900,000 increase in business license tax is triggered per City policy. Institutional and civic uses are assumed exempt from business license taxes.

The City of Brisbane also levies a business license tax for the purpose of funding capital improvement projects on businesses earning over \$10 million in gross receipts. Based on the calculations described above, total gross receipts in every concept plan scenario are estimated at less than \$10 million, so the capital improvement business tax is not anticipated to apply.

Business license taxes are estimated in Tables 6a, 6b, 6e, and 6f.

**Revenue Loss** – The City currently collects \$810,000 of fees from soil processing and recycling and billboard businesses. Additionally, Brisbane currently receives an annual

payment pursuant to a 1992 agreement with Tuntex to replace property taxes lost when the company appealed its assessed value. The current annual payment approximates \$237,000. The agreement terminates when the assessed value of the property exceeds the inflation-adjusted pre-appeal assessment value. It is estimated that the assessed value of the Baylands will exceed this escalated pre-appeal assessed value significantly in each of the four concept plan scenarios. In total, the City will lose approximately \$1.05 million of revenue per year as a result of existing businesses and contractually agreements being eliminated. These will be lost when these businesses are replaced in all four concept plans. The potential loss could be mitigated by temporarily relocating these businesses to other locations on the site until new revenues are in place to off-set the loss of revenue from eliminated businesses and considering use and property tax revenues to be generated during the construction period. (Tables 6a and 6b).

- **Gas Tax Fund** – Gas Tax revenues are anticipated to be proportionate to budgeted FY 2013-2014 revenues and the City's current population. (Tables 6a and 6b).
- **General Government, Community Development, Fire, Non-Departmental, and General Fund Transfers Out** – These City costs are estimated based on Brisbane's FY 2013-2014 One Year Operating Budget expenditures per resident equivalent. An adjustment factor is applied to account for the portion of the City's budget that increases with additional population or employment. The remaining expenditures are assumed to be fixed costs of operation that will not increase as a result of variations in development.

Due to their significant impacts, fire costs are often provided by the department or calculated based on call data for similar developments. Since specific estimates are not initially available, these costs have been estimated using the resident equivalent method. Incorporating more specific cost estimates could significantly alter the analysis results. Average service costs are estimated in Tables 7a and 7b.

- **Library** – The Baylands DEIR states that a library facility is required to serve the new residents in the Developer Plans. Current library services in Brisbane are provided by a San Mateo County Library branch and City costs related to the branch are relatively low. In order to estimate the cost to operate a new library, KMA reviewed per resident costs for library services in Daly City and Redwood City. The analysis uses an average of the costs in these two cities, or \$55 per resident. (Tables 7a and 7b).
- **Police** – The Baylands DEIR estimates that eleven additional police officers and one civilian staff person would be required to serve the Developer Plan scenarios, and nine police officers and one civilian to staff the Community Plans. The cost of this police staff is estimated using average salaries and benefits, as well as average costs of services, supplies, insurance, and equipment per police staff member from Brisbane's 2013-2014 budget. Salary and benefits cost \$163,000 per police officer and \$94,000 per civilian staff.

The additional administrative and equipment costs are \$43,000 per police employee. (Tables 7a, 7b, and 7c).

- **Public Works** – Public works cost estimates have two components. The first is the wear and tear on existing City infrastructure and facilities that will be caused by the residents and employees in the Baylands and is calculated using the average cost method described above, at \$117 per resident equivalent. In addition, the Public Works Department anticipates the cost to maintain new street infrastructure needed to serve the Baylands in any one of the four concept plan scenarios to be \$880,000 plus the cost of a team leader. KMA has assumed the cost of a team leader to be \$120,000 based on salary information in Brisbane's 2013-2014 One Year Operating Budget. The Department of Public Work's estimate does not include PG&E electrical costs for street lights, equipment maintenance and long-term maintenance of Tunnel and Geneva Avenue overhead structures. No private maintenance of Baylands infrastructure is assumed in the analysis. Projects similar to the Baylands, with large residential and business park components, often privately fund the on-going maintenance of public infrastructure either through privatizing internal streets or establishing assessment districts. (Tables 7a and 7b).
- **Parks and Recreation** – Similar to public works costs, parks and recreation expenditures are composed of two parts: 1) the cost to provide recreational programs to residents; and 2) park maintenance costs. Recreational costs are estimated based on Brisbane's 2013-2014 Budget at \$133 per resident, with an assumption that 75% of costs are variable. Parks maintenance costs are derived from the 2013-2014 Budget and the total existing park acres in Brisbane per the Baylands DEIR. Maintenance is expected to cost the City \$7,000 per park acre. It has been assumed that costs to maintain non-programmed open space areas will be about a third as much as park maintenance costs, or \$2,500 per acre. The acres of parks and open spaces in the different concept plan scenarios are estimated from descriptions in the DEIR. (Tables 7a, 7b, and 7d).
- **Inflation of Revenue and Expenses** – The analysis is a static analysis upon build-out of the proposed concept plan scenarios. Revenues and expenses are presented in 2014 dollars.
- **Continuity of Legal and Institutional Constraints** – The cost and revenue experience of the City of Brisbane is based on the FY 2013-2014 One Year Operating Budget. The projections assume that revenue sources will remain constant.
- **Rounding of Decimal Places** – In some cases the calculated summations presented in the analytical tables do not precisely match the summations presented in the body of the report. These differences are due to the rounding of decimal places.

## **VI. LIMITING CONDITIONS**

1. The analysis contained in this document is based, in part, on data provided by the June 2013 Brisbane Baylands Draft EIR, the City of Brisbane, and other secondary sources such as state and County government agencies, industry associations, and other third parties. While KMA believes that these sources are reliable, we cannot guarantee their accuracy.
2. The findings for the concept plan scenarios are based on the conceptual development plans as specified in the Baylands DEIR. As the plans are conceptual in nature, they lack the degree of specificity needed for a precise evaluation of fiscal impacts. Given the current conceptual nature of the development alternatives, the findings of this analysis should be viewed as providing an order of magnitude indicator of fiscal impacts.
3. The analysis is based on the assumption that each of the development concepts is supported by the marketplace, is financially feasible, and will achieve full build-out.
4. The assumed assessed values reflect home sales in 2016 in Brisbane and neighboring communities, and commercial land and construction costs based on the local market and Marshall and Swift Valuation Service. If the real estate market changes, or the nature of development varies from what has been assumed here, the findings of this report may not be valid.
5. Revenue and cost estimates contained in this report are generally based on project-specific and fiscal data available in 2013/14. KMA updated the residential price assumptions in 2016, but none of the other assumptions have been updated. As a result, some of the assumptions may be materially dated.
6. Public works cost estimates exclude electrical costs for street lights, equipment maintenance and long-term maintenance of Tunnel and Geneva Avenue overhead structures.
7. The findings are based on economic rather than political considerations. Therefore, they should not be construed as a representation that government approvals for development can be secured.
8. It is assumed that all applicable laws and governmental regulations in place as of the date of this document will remain unchanged. In the event that this assumption does not hold true in the future, i.e., if the rates of property tax, or the formula for property tax in-lieu of motor vehicle license fees, etc., are changed, the analysis will need to be revised.
9. No abstracting, excerpting, or summarization of this report may be made without first obtaining prior written consent from KMA. This report is not to be used in conjunction with any public or private offering of securities or other similar purpose where it may be relied upon to any degree by any person other than the client or used for any other purpose other than that for which it is prepared without first obtaining prior written consent from KMA.

**Table 1**  
**Annual Revenue and Expenditure Summary at Buildout**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Revenue or Expenditure Category                               | Scenario 1<br>Developer Plan |               | Scenario 1a<br>Entertainment Variant |               | Scenario 2<br>Community Proposed |               | Scenario 2a<br>Recology Variant |               |
|---------------------------------------------------------------|------------------------------|---------------|--------------------------------------|---------------|----------------------------------|---------------|---------------------------------|---------------|
|                                                               | Amount                       | %             | Amount                               | %             | Amount                           | %             | Amount                          | %             |
| <b>General Fund Revenues <sup>1</sup></b>                     |                              |               |                                      |               |                                  |               |                                 |               |
| Property Taxes                                                |                              |               |                                      |               |                                  |               |                                 |               |
| City Share                                                    | \$9,570,000                  | 57.2%         | \$9,990,000                          | 55.2%         | \$4,550,000                      | 25.9%         | \$4,340,000                     | 27.2%         |
| ERAF Shift <sup>2</sup>                                       | \$0                          | 0.0%          | \$0                                  | 0.0%          | \$0                              | 0.0%          | \$0                             | 0.0%          |
|                                                               | \$9,570,000                  | 57.2%         | \$9,990,000                          | 55.2%         | \$4,550,000                      | 25.9%         | \$4,340,000                     | 27.2%         |
| Transient Occupancy Tax                                       | \$1,810,000                  | 10.8%         | \$3,520,000                          | 19.5%         | \$9,750,000                      | 55.6%         | \$7,350,000                     | 46.0%         |
| Sales and Use Tax                                             | \$2,890,000                  | 17.3%         | \$2,100,000                          | 11.6%         | \$1,950,000                      | 11.1%         | \$2,150,000                     | 13.5%         |
| Franchise Fees                                                | \$900,000                    | 5.4%          | \$900,000                            | 5.0%          | \$420,000                        | 2.4%          | \$390,000                       | 2.4%          |
| Business License Tax                                          | \$840,000                    | 5.0%          | \$860,000                            | 4.8%          | \$710,000                        | 4.0%          | \$1,570,000                     | 9.8%          |
| Fines and Forfeitures                                         | \$220,000                    | 1.3%          | \$220,000                            | 1.2%          | \$100,000                        | 0.6%          | \$100,000                       | 0.6%          |
| Property Transfer Tax                                         | \$230,000                    | 1.4%          | \$240,000                            | 1.3%          | \$70,000                         | 0.4%          | \$70,000                        | 0.4%          |
| Total General Fund Revenues                                   | \$16,460,000                 | 98.4%         | \$17,830,000                         | 98.6%         | \$17,550,000                     | 100.0%        | \$15,970,000                    | 100.0%        |
| <b>Other Fund Revenue <sup>1</sup></b>                        |                              |               |                                      |               |                                  |               |                                 |               |
| Gas Tax                                                       | \$260,000                    | 1.6%          | \$260,000                            | 1.4%          | \$0                              | 0.0%          | \$0                             | 0.0%          |
| Measure A                                                     | \$0                          | 0.0%          | \$0                                  | 0.0%          | \$0                              | 0.0%          | \$0                             | 0.0%          |
| Total Other Funds                                             | \$260,000                    | 1.6%          | \$260,000                            | 1.4%          | \$0                              | 0.0%          | \$0                             | 0.0%          |
| <b>Total Revenue - General and Other Funds</b>                | <b>\$16,720,000</b>          | <b>100.0%</b> | <b>\$18,090,000</b>                  | <b>100.0%</b> | <b>\$17,550,000</b>              | <b>100.0%</b> | <b>\$15,970,000</b>             | <b>100.0%</b> |
| <b>Loss - Soil Proc./ Recycling, Billboard, Tuntex Rebate</b> | <b>(\$1,047,000)</b>         | <b>(6.3%)</b> | <b>(\$1,047,000)</b>                 | <b>(5.8%)</b> | <b>(\$1,047,000)</b>             | <b>(6.0%)</b> | <b>(\$1,047,000)</b>            | <b>(6.6%)</b> |
| <b>General Fund Net of Revenue Losses</b>                     | <b>\$15,673,000</b>          |               | <b>\$17,043,000</b>                  |               | <b>\$16,503,000</b>              |               | <b>\$14,923,000</b>             |               |

**Table 1**  
**Annual Revenue and Expenditure Summary at Buildout**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Revenue or Expenditure Category               | Scenario 1<br>Developer Plan |               | Scenario 1a<br>Entertainment Variant |               | Scenario 2<br>Community Proposed |               | Scenario 2a<br>Recology Variant |               |
|-----------------------------------------------|------------------------------|---------------|--------------------------------------|---------------|----------------------------------|---------------|---------------------------------|---------------|
|                                               | Amount                       | %             | Amount                               | %             | Amount                           | %             | Amount                          | %             |
| <b>General Fund Expenditures</b> <sup>3</sup> |                              |               |                                      |               |                                  |               |                                 |               |
| Fire / EMS                                    | \$4,180,000                  | 28.7%         | \$4,190,000                          | 28.7%         | \$1,940,000                      | 24.7%         | \$1,820,000                     | 23.9%         |
| Public Works <sup>4</sup>                     | \$2,950,000                  | 20.3%         | \$2,960,000                          | 20.3%         | \$1,910,000                      | 24.4%         | \$1,850,000                     | 24.3%         |
| Police                                        | \$2,400,000                  | 16.5%         | \$2,400,000                          | 16.5%         | \$1,990,000                      | 25.4%         | \$1,990,000                     | 26.2%         |
| Parks and Recreation                          | \$2,080,000                  | 14.3%         | \$2,080,000                          | 14.3%         | \$1,050,000                      | 13.4%         | \$1,050,000                     | 13.8%         |
| General Government                            | \$1,330,000                  | 9.1%          | \$1,340,000                          | 9.2%          | \$620,000                        | 7.9%          | \$580,000                       | 7.6%          |
| New Library                                   | \$920,000                    | 6.3%          | \$920,000                            | 6.3%          | \$0                              | 0.0%          | \$0                             | 0.0%          |
| Community Development                         | \$380,000                    | 2.6%          | \$380,000                            | 2.6%          | \$180,000                        | 2.3%          | \$170,000                       | 2.2%          |
| Non-Departmental / Central Services           | \$310,000                    | 2.1%          | \$310,000                            | 2.1%          | \$150,000                        | 1.9%          | \$140,000                       | 1.8%          |
|                                               | <b>\$14,550,000</b>          | <b>100.0%</b> | <b>\$14,580,000</b>                  | <b>100.0%</b> | <b>\$7,840,000</b>               | <b>100.0%</b> | <b>\$7,600,000</b>              | <b>100.0%</b> |
| <b>Net Impacts - General / Other Funds</b>    | <b>\$1,123,000</b>           |               | <b>\$2,463,000</b>                   |               | <b>\$8,663,000</b>               |               | <b>\$7,323,000</b>              |               |
| <b>Without Hotel Component</b>                | <b>(\$637,000)</b>           |               | <b>(\$937,000)</b>                   |               | <b>(\$777,000)</b>               |               | <b>\$203,000</b>                |               |

<sup>1</sup> See Tables 6a to 6e.

<sup>2</sup> The vast majority of the ERAF distribution is currently returned to the City of Brisbane as excess ERAF. In conjunction with the excess ERAF condition, the City does not receive any property tax in-lieu of motor vehicle fees.

<sup>3</sup> See Tables 7a to 7d.

<sup>4</sup> Excludes PG&E electrical costs for street lights, equipment maintenance, and long-term maintenance of Tunnel and Geneva Avenue overhead structures.

**Table 1A**  
**Annual Revenue and Expenditures By Land Use**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

|                                       | <b>Scenario 1<br/>Developer<br/>Plan</b> | <b>Scenario 1a<br/>Entertnmt<br/>Variant</b> | <b>Scenario 2<br/>Community<br/>Proposed</b> | <b>Scenario 2a<br/>Recology<br/>Variant</b> |
|---------------------------------------|------------------------------------------|----------------------------------------------|----------------------------------------------|---------------------------------------------|
| <b>Residential</b>                    |                                          |                                              |                                              |                                             |
| Revenue                               | \$6,340,000                              | \$6,350,000                                  | \$0                                          | \$0                                         |
| Expense                               | <u>\$8,480,000</u>                       | <u>\$8,480,000</u>                           | <u>\$0</u>                                   | <u>\$0</u>                                  |
| Net Revenue / (Expense)               | (\$2,140,000)                            | (\$2,130,000)                                | \$0                                          | \$0                                         |
| <b>Commercial/Office/R&amp;D</b>      |                                          |                                              |                                              |                                             |
| Revenue                               | \$6,440,000                              | \$5,240,000                                  | \$5,270,000                                  | \$4,940,000                                 |
| Expense                               | <u>\$3,350,000</u>                       | <u>\$2,740,000</u>                           | <u>\$2,610,000</u>                           | <u>\$2,460,000</u>                          |
| Net Revenue / (Expense)               | \$3,090,000                              | \$2,500,000                                  | \$2,660,000                                  | \$2,480,000                                 |
| <b>Retail <sup>1</sup></b>            |                                          |                                              |                                              |                                             |
| Revenue                               | \$1,920,000                              | \$960,000                                    | \$810,000                                    | \$800,000                                   |
| Expense                               | <u>\$610,000</u>                         | <u>\$300,000</u>                             | <u>\$200,000</u>                             | <u>\$200,000</u>                            |
| Net Revenue / (Expense)               | \$1,310,000                              | \$660,000                                    | \$610,000                                    | \$600,000                                   |
| <b>Institutional</b>                  |                                          |                                              |                                              |                                             |
| Revenue                               | \$10,000                                 | \$10,000                                     | \$0                                          | \$0                                         |
| Expense                               | <u>\$70,000</u>                          | <u>\$70,000</u>                              | <u>\$0</u>                                   | <u>\$0</u>                                  |
| Net Revenue / (Expense)               | (\$60,000)                               | (\$60,000)                                   | \$0                                          | \$0                                         |
| <b>Resource Recovery / Industrial</b> |                                          |                                              |                                              |                                             |
| Revenue                               | \$0                                      | \$0                                          | \$50,000                                     | \$1,460,000                                 |
| Expense                               | <u>\$0</u>                               | <u>\$0</u>                                   | <u>\$20,000</u>                              | <u>\$210,000</u>                            |
| Net Revenue / (Expense)               | \$0                                      | \$0                                          | \$30,000                                     | \$1,250,000                                 |
| <b>Hotel</b>                          |                                          |                                              |                                              |                                             |
| Revenue                               | \$2,010,000                              | \$3,900,000                                  | \$10,780,000                                 | \$8,130,000                                 |
| Expense                               | <u>\$250,000</u>                         | <u>\$500,000</u>                             | <u>\$1,340,000</u>                           | <u>\$1,010,000</u>                          |
| Net Revenue / (Expense)               | \$1,760,000                              | \$3,400,000                                  | \$9,440,000                                  | \$7,120,000                                 |
| <b>Entertainment /Civic /Cultural</b> |                                          |                                              |                                              |                                             |
| Revenue                               | \$0                                      | \$1,630,000                                  | \$640,000                                    | \$640,000                                   |
| Expense                               | <u>\$20,000</u>                          | <u>\$720,000</u>                             | <u>\$730,000</u>                             | <u>\$730,000</u>                            |
| Net Revenue / (Expense)               | (\$20,000)                               | \$910,000                                    | (\$90,000)                                   | (\$90,000)                                  |



**Table 1A**  
**Annual Revenue and Expenditures By Land Use**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

|                                    | <b>Scenario 1<br/>Developer<br/>Plan</b> | <b>Scenario 1a<br/>Entertnmt<br/>Variant</b> | <b>Scenario 2<br/>Community<br/>Proposed</b> | <b>Scenario 2a<br/>Recology<br/>Variant</b> |
|------------------------------------|------------------------------------------|----------------------------------------------|----------------------------------------------|---------------------------------------------|
| <b>Fixed Revenue Loss</b>          | \$1,047,000                              | \$1,047,000                                  | \$1,047,000                                  | \$1,047,000                                 |
| <b>Fixed Expenditures</b>          |                                          |                                              |                                              |                                             |
| New Public Works Maintenance Costs | \$1,000,000                              | \$1,000,000                                  | \$1,000,000                                  | \$1,000,000                                 |
| Fixed Police Costs                 | \$0                                      | \$0                                          | \$890,000                                    | \$940,000                                   |
| New Park Maintenance Costs         | <u>\$770,000</u>                         | <u>\$770,000</u>                             | <u>\$1,050,000</u>                           | <u>\$1,050,000</u>                          |
|                                    | \$1,770,000                              | \$1,770,000                                  | \$2,940,000                                  | \$2,990,000                                 |
| <b>Total All Uses</b>              |                                          |                                              |                                              |                                             |
| Revenue                            | \$15,670,000                             | \$17,040,000                                 | \$16,500,000                                 | \$14,920,000                                |
| Expense                            | <u>\$14,550,000</u>                      | <u>\$14,580,000</u>                          | <u>\$7,840,000</u>                           | <u>\$7,600,000</u>                          |
| Net Revenue / (Expense)            | <b>\$1,120,000</b>                       | <b>\$2,460,000</b>                           | <b>\$8,660,000</b>                           | <b>\$7,320,000</b>                          |

<sup>1</sup> Retail revenues and expenses in Scenarios 2 and 2a reflect sales tax and shoppers attributable to the retail square footage included in the 1.1 million square foot Entertainment / Civic / Cultural land use.

<sup>2</sup> Fixed revenues and expenditures are items inherent to the Baylands project as a whole, and not attributable to any one individual land use.

**Table 2**  
**Development Program**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

Source: Brisbane Baylands Draft Environmental Impact Report, June 2013. Table 3-2C.

|                                          | Scenario 1<br>Developer<br>Plan | Scenario 1a<br>Entertainment<br>Variant | Scenario 2<br>Community<br>Proposed | Scenario 2a<br>Recology<br>Variant |
|------------------------------------------|---------------------------------|-----------------------------------------|-------------------------------------|------------------------------------|
| <b>Residential Units</b>                 |                                 |                                         |                                     |                                    |
| Flats <sup>1</sup>                       | 3,950                           | 3,950                                   | 0                                   | 0                                  |
| Townhomes <sup>2</sup>                   | 484                             | 484                                     | 0                                   | 0                                  |
|                                          | <b>4,434</b>                    | <b>4,434</b>                            | <b>0</b>                            | <b>0</b>                           |
| <b>Non-Residential Sq. Ft.</b>           |                                 |                                         |                                     |                                    |
| Commercial/Office/R&D                    |                                 |                                         |                                     |                                    |
| Mixed Commercial                         | 0                               | 0                                       | 2,209,500                           | 2,209,500                          |
| Research & Development                   | 3,328,300                       | 2,599,200                               | 2,007,000                           | 1,672,200                          |
| Office                                   | 2,651,200                       | 2,252,300                               | 0                                   | 0                                  |
| Office/Institutional                     | <u>0</u>                        | <u>0</u>                                | <u>992,700</u>                      | <u>992,700</u>                     |
|                                          | 5,979,500                       | 4,851,500                               | 5,209,200                           | 4,874,400                          |
| Retail                                   | 566,300                         | 283,400                                 | 0                                   | 0                                  |
| Institutional                            | 110,800                         | 110,800                                 | 0                                   | 0                                  |
| Industrial                               |                                 |                                         |                                     |                                    |
| New Industrial                           | 0                               | 0                                       | 66,600                              | 66,600                             |
| Resource Recovery (Net New) <sup>3</sup> | <u>0</u>                        | <u>0</u>                                | <u>0</u>                            | <u>751,000</u>                     |
|                                          | 0                               | 0                                       | 66,600                              | 817,600                            |
|                                          |                                 | <u>rooms</u>                            |                                     | <u>rooms</u>                       |
| Hotel                                    | 261,100                         | 369                                     | 586,800                             | 719                                |
|                                          |                                 |                                         | 1,392,300                           | 1,990                              |
|                                          |                                 |                                         | 1,046,100                           | 1,500                              |
| Entertainment/Civic/Cultural             |                                 |                                         |                                     |                                    |
|                                          |                                 | <u>seats</u>                            |                                     |                                    |
| Arena                                    | 0                               | 630,100                                 | 18,500                              | 0                                  |
| Thtr/Exhbn/Performnc <sup>4</sup>        | 0                               | 337,200                                 | 5,500                               | 274,500                            |
| Multiplex                                | 0                               | 71,000                                  | 0                                   | 4,500                              |
| Cultural/Entertainment                   | 0                               | 0                                       | 611,300                             | 0                                  |
| Civic/Cultural                           | <u>28,200</u>                   | <u>28,200</u>                           | <u>188,700</u>                      | <u>611,300</u>                     |
|                                          | 28,200                          | 1,066,500                               | 1,074,500                           | 1,074,500                          |
|                                          | <b>6,945,900</b>                | <b>6,899,000</b>                        | <b>7,742,600</b>                    | <b>7,812,600</b>                   |
| <b>Project Site Land Area (Acres)</b>    | <b>684</b>                      | <b>684</b>                              | <b>733</b>                          | <b>733</b>                         |
| <b>Existing Uses to Remain</b>           |                                 |                                         |                                     |                                    |
| Lumber Yard (to be relocated)            | 142,500                         | 142,500                                 | 142,500                             | 142,500                            |
| Resource Recovery                        | not a part of plan area         |                                         | 260,000                             | 260,000                            |

<sup>1</sup> Multi-family residential, such as stacked flats, multi-family apartments, townhomes, duplexes. Densities from 45-95 du/acre.

<sup>2</sup> In addition to the multi-family residential uses allowed in the flats designation, single-family attached units would be permitted, and single-family detached units as a conditional use. Densities range from 20-35 du/acre.

<sup>3</sup> Reflects net new square footage only. Analysis includes entire building area although the site is partially in San Francisco.

<sup>4</sup> Theater seats in Community Proposed Plans estimated based on seat to square foot ration in Developer Plan.

**Table 3A**  
**Project Population, Employment, and Resident Equivalents**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

Source: Brisbane Baylands Draft Environmental Impact Report, June 2013 - Table 4.K-12; KMA estimates.

|                                            |               | <b>Scenario 1</b> | <b>Scenario 1a</b> | <b>Scenario 2</b> | <b>Scenario 2a</b> |
|--------------------------------------------|---------------|-------------------|--------------------|-------------------|--------------------|
|                                            |               | <b>Developer</b>  | <b>Entertainmt</b> | <b>Commnty</b>    | <b>Recology</b>    |
|                                            |               | <b>Plan</b>       | <b>Variant</b>     | <b>Proposed</b>   | <b>Variant</b>     |
| <b>Population</b>                          |               |                   |                    |                   |                    |
| Flats                                      | 2.23 /HH      | 8,809             | 8,809              | 0                 | 0                  |
| Townhomes                                  | 2.23 /HH      | 1,079             | 1,079              | 0                 | 0                  |
|                                            |               | <b>9,888</b>      | <b>9,888</b>       | <b>0</b>          | <b>0</b>           |
| <b>Employment</b>                          |               |                   |                    |                   |                    |
| Commercial/Office/R&D                      |               |                   |                    |                   |                    |
| Mixed Commercial                           | 447 SF/empl   | 0                 | 0                  | 4,943             | 4,943              |
| Research & Development                     | 450 SF/empl   | 7,396             | 5,776              | 4,460             | 3,716              |
| Office                                     | 310 SF/empl   | 8,552             | 7,265              | 0                 | 0                  |
| Office/Institutional                       | 333.5 SF/empl | <u>0</u>          | <u>0</u>           | <u>2,977</u>      | <u>2,977</u>       |
|                                            |               | 15,948            | 13,041             | 12,380            | 11,636             |
| Retail                                     | 580 SF/empl   | 976               | 489                | 0                 | 0                  |
| Institutional                              | 357 SF/empl   | 310               | 310                | 0                 | 0                  |
| Industrial                                 |               |                   |                    |                   |                    |
| Industrial                                 | 810 SF/empl   | 0                 | 0                  | 82                | 82                 |
| Resource Recovery                          | 810 SF/empl   | <u>0</u>          | <u>0</u>           | <u>0</u>          | <u>927</u>         |
|                                            |               | 0                 | 0                  | 82                | 1,009              |
| Hotel                                      | 1,152 SF/empl | 227               | 509                | 1,209             | 908                |
| Entertainment/Civic/Cultural               |               |                   |                    |                   |                    |
| Arena                                      | 1,000 SF/empl | 0                 | 630                | 0                 | 0                  |
| Theater/Exhibition/Performance             | 1,000 SF/empl | 0                 | 337                | 275               | 275                |
| Multiplex                                  | 1,000 SF/empl | 0                 | 71                 | 0                 | 0                  |
| Cultural/Entertainment                     | 357 SF/empl   | 0                 | 0                  | 1,712             | 1,712              |
| Civic/Cultural                             | 357 SF/empl   | <u>79</u>         | <u>79</u>          | <u>529</u>        | <u>529</u>         |
|                                            |               | 79                | 1,117              | 2,516             | 2,516              |
|                                            |               | <b>17,540</b>     | <b>15,466</b>      | <b>16,187</b>     | <b>16,069</b>      |
| <b>Hotel Guest Population</b> <sup>1</sup> |               | 318               | 620                | 1,716             | 1,294              |
| <b>Visitors / Attendees</b> <sup>1</sup>   |               | 0                 | 6,082              | 2,493             | 2,493              |
| <b>Retail Shoppers</b> <sup>1</sup>        |               | 5,100             | 2,500              | 2,500             | 2,500              |

**Table 3A**  
**Project Population, Employment, and Resident Equivalents**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

Source: Brisbane Baylands Draft Environmental Impact Report, June 2013 - Table 4.K-12; KMA estimates.

|                                          |                         | <b>Scenario 1</b> | <b>Scenario 1a</b> | <b>Scenario 2</b> | <b>Scenario 2a</b> |
|------------------------------------------|-------------------------|-------------------|--------------------|-------------------|--------------------|
|                                          |                         | <b>Developer</b>  | <b>Entertainmt</b> | <b>Commnty</b>    | <b>Recology</b>    |
|                                          |                         | <b>Plan</b>       | <b>Variant</b>     | <b>Proposed</b>   | <b>Variant</b>     |
| <b>Resident Equivalents <sup>2</sup></b> |                         |                   |                    |                   |                    |
| Population                               | <i>1.00 /res equiv</i>  | 9,888             | 9,888              | 0                 | 0                  |
| Employment                               |                         |                   |                    |                   |                    |
| Commercial/Office/R&D                    | <i>0.33 /res equiv</i>  | 5,316             | 4,347              | 4,127             | 3,879              |
| Institutional                            | <i>0.33 /res equiv</i>  | 103               | 103                | 0                 | 0                  |
| Retail                                   | <i>0.33 /res equiv</i>  | 325               | 163                | 0                 | 0                  |
| Industrial                               | <i>0.33 /res equiv</i>  | 0                 | 0                  | 27                | 336                |
| Hotel                                    | <i>0.33 /res equiv</i>  | 76                | 170                | 403               | 303                |
| Entertainment/Civic/Cultural             | <i>0.33 /res equiv</i>  | 26                | 372                | 839               | 839                |
|                                          |                         | 5,847             | 5,155              | 5,396             | 5,356              |
| Hotel Guest Population                   | <i>1.00 /res equiv</i>  | 318               | 620                | 1,716             | 1,294              |
| Entertmt/Cultural Visitors               | <i>0.125 /res equiv</i> | 0                 | 760                | 312               | 312                |
| Retail Shoppers                          | <i>0.125 /res equiv</i> | 638               | 313                | 313               | 313                |
| <b>Total Resident Equivalents</b>        |                         | <b>16,690</b>     | <b>16,736</b>      | <b>7,736</b>      | <b>7,274</b>       |

<sup>1</sup> Table 3b.

<sup>2</sup> Resident equivalent factor assumes an employee is in Brisbane for one third of a day; shoppers and entertainment visitors for 3 hours on average.

**Table 3B**  
**Visitors, Attendee, and Shopper Population**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Visitor Category                            |                                                                          | Scenario 1<br>Developer<br>Plan | Scenario 1a<br>Entertnmt<br>Variant | Scenario 2<br>Community<br>Proposed | Scenario 2a<br>Recology<br>Variant |
|---------------------------------------------|--------------------------------------------------------------------------|---------------------------------|-------------------------------------|-------------------------------------|------------------------------------|
|                                             | <i>hotel rooms</i> <sup>1</sup>                                          | 369                             | 719                                 | 1,990                               | 1,500                              |
|                                             | <i>arena seats</i> <sup>1</sup>                                          | 0                               | 18,500                              | 0                                   | 0                                  |
|                                             | <i>theater seats</i> <sup>1</sup>                                        | 0                               | 5,500                               | 4,500                               | 4,500                              |
|                                             | <i>screens</i> <sup>2</sup>                                              | 0                               | 16                                  | 0                                   | 0                                  |
| <b>Hotel Guest Population</b>               | <i>1.15 /room</i> <sup>3</sup><br><i>75% occupancy</i> <sup>4</sup>      | 318                             | 620                                 | 1,716                               | 1,294                              |
| <b>Visitors / Attendees</b>                 |                                                                          |                                 |                                     |                                     |                                    |
| Arena                                       | <i>50% of capacity</i> <sup>3</sup><br><i>120 events/yr</i> <sup>5</sup> | 0                               | 1,110,000                           | 0                                   | 0                                  |
| Theater/Exhibtn/Perfrmnce                   | <i>75% of capacity</i> <sup>3</sup><br><i>120 events/yr</i> <sup>6</sup> | 0                               | 500,000                             | 410,000                             | 410,000                            |
| Multiplex                                   | <i>38,000 per screen</i> <sup>7</sup>                                    | 0                               | 610,000                             | 0                                   | 0                                  |
| Cultural/Entertainment                      | <i>assumption based on<br/>theater / exhibition</i>                      | 0                               | 0                                   | 500,000                             | 500,000                            |
| Civic/Cultural <sup>8</sup>                 |                                                                          | 0                               | 0                                   | 0                                   | 0                                  |
| <b>Total Annual Visitors</b>                |                                                                          | <b>0</b>                        | <b>2,220,000</b>                    | <b>910,000</b>                      | <b>910,000</b>                     |
| <b>Average Daily Visitors</b>               |                                                                          | <b>0</b>                        | <b>6,082</b>                        | <b>2,493</b>                        | <b>2,493</b>                       |
| <b>Retail Shoppers<sup>9</sup></b>          |                                                                          |                                 |                                     |                                     |                                    |
| Annual Retail sales (net new) <sup>10</sup> |                                                                          | \$204,000,000                   | \$102,000,000                       | \$102,000,000                       | \$102,000,000                      |
| Annual Shopping Trips                       | <i>\$165 sales per trip</i> <sup>3</sup>                                 | 1,236,364                       | 618,182                             | 618,182                             | 618,182                            |
| Annual Persons                              | <i>1.5 persons / trip</i> <sup>3</sup>                                   | 1,854,545                       | 927,273                             | 927,273                             | 927,273                            |
| <b>Average Daily Shoppers</b>               | <i>365 days/yr</i>                                                       | <b>5,100</b>                    | <b>2,500</b>                        | <b>2,500</b>                        | <b>2,500</b>                       |

<sup>1</sup> Table 2.

<sup>2</sup> Based on 16 screens for 67,000 square foot AMC Showplace planned at Orchard Valley in Manteca; 3 to 20 screen multiplex per Draft Brisbane Baylands Specific Plan, February 2011, p. 304.

<sup>3</sup> KMA assumption.

<sup>4</sup> Based on typical underwriting criteria and PKF Trends in the Hotel Industry Northern California December 2013. 12 month results for hotels in the vicinity of SFO.

<sup>5</sup> Without a professional sports franchise as a tenant. Conservatively estimated based on 7 sports (in season), 6 non-sports dates a month average at Oracle Arena.

<sup>6</sup> Based on schedule of events for Comerica Theater in Phoenix which is approximately the same size.

<sup>7</sup> Based on U.S. average derived from National Association of Theater Owners 2012 data, website.

<sup>8</sup> Assumes visitors are primarily residents / employees already in Brisbane.

<sup>9</sup> Majority of shoppers at Baylands retail assumed to be from outside the City of Brisbane.

<sup>10</sup> Table 6e.

**Table 4**  
**Assessed Value**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

\$ Thousands

| Assessed Value                                      |                                           | Scenario 1<br>Developer<br>Plan | Scenario 1a<br>Entertainment<br>Variant | Scenario 2<br>Community<br>Proposed | Scenario 2a<br>Recology<br>Variant |
|-----------------------------------------------------|-------------------------------------------|---------------------------------|-----------------------------------------|-------------------------------------|------------------------------------|
| <b>New Residential</b>                              | <u>per unit</u> <sup>1</sup>              |                                 |                                         |                                     |                                    |
| Condos/Apartments                                   | \$643,000                                 | \$2,540,000                     | \$2,540,000                             | \$0                                 | \$0                                |
| Townhomes                                           | \$1,007,000                               | \$487,000                       | \$487,000                               | \$0                                 | \$0                                |
|                                                     |                                           | <b>\$3,027,000</b>              | <b>\$3,027,000</b>                      | <b>\$0</b>                          | <b>\$0</b>                         |
| <b>New Non-Residential</b>                          | <u>per sq. ft.</u> <sup>2</sup>           |                                 |                                         |                                     |                                    |
| Commercial/Office/R&D                               |                                           |                                 |                                         |                                     |                                    |
| Mixed Commercial                                    | \$375                                     | \$0                             | \$0                                     | \$829,000                           | \$829,000                          |
| Research & Development                              | \$375                                     | \$1,248,000                     | \$975,000                               | \$753,000                           | \$627,000                          |
| Office                                              | \$375                                     | \$994,000                       | \$845,000                               | \$0                                 | \$0                                |
| Office/Institutional                                | \$375                                     | \$0                             | \$0                                     | \$372,000                           | \$372,000                          |
|                                                     |                                           | \$2,242,000                     | \$1,820,000                             | \$1,954,000                         | \$1,828,000                        |
| Retail                                              | \$275                                     | \$156,000                       | \$78,000                                | \$0                                 | \$0                                |
| Institutional                                       | assume exempt                             | \$0                             | \$0                                     | \$0                                 | \$0                                |
| Industrial                                          |                                           |                                 |                                         |                                     |                                    |
| New Industrial                                      | \$160                                     | \$0                             | \$0                                     | \$11,000                            | \$11,000                           |
| Resource Recovery                                   | \$160                                     | \$0                             | \$0                                     | \$0                                 | \$120,000                          |
|                                                     |                                           | \$0                             | \$0                                     | \$11,000                            | \$131,000                          |
| Entertainment/Cultural                              |                                           |                                 |                                         |                                     |                                    |
| Arena                                               | \$800                                     | \$0                             | \$504,000                               | \$0                                 | \$0                                |
| Theater/Exhibition/Performanc                       | \$400                                     | \$0                             | \$135,000                               | \$110,000                           | \$110,000                          |
| Multiplex                                           | \$270                                     | \$0                             | \$19,000                                | \$0                                 | \$0                                |
| Cultural/Entertainment                              | \$275                                     | \$0                             | \$0                                     | \$168,000                           | \$168,000                          |
| Civic/Cultural                                      | assume exempt                             | \$0                             | \$0                                     | \$0                                 | \$0                                |
|                                                     |                                           | \$0                             | \$658,000                               | \$278,000                           | \$278,000                          |
| Hotel                                               | <u>per room</u> <sup>3</sup><br>\$230,000 | \$85,000                        | \$165,000                               | \$458,000                           | \$345,000                          |
|                                                     |                                           | <b>\$2,483,000</b>              | <b>\$2,721,000</b>                      | <b>\$2,701,000</b>                  | <b>\$2,582,000</b>                 |
| <b>Total New Project Assessed Value (\$000)</b>     |                                           | <b>\$5,510,000</b>              | <b>\$5,748,000</b>                      | <b>\$2,701,000</b>                  | <b>\$2,582,000</b>                 |
| <b>Existing Assessed Value <sup>4</sup> (\$000)</b> |                                           | <b>\$126,000</b>                | <b>\$126,000</b>                        | <b>\$140,000</b>                    | <b>\$140,000</b>                   |
| <b>Net New Assessed Value (\$000)</b>               |                                           | <b>\$5,384,000</b>              | <b>\$5,622,000</b>                      | <b>\$2,561,000</b>                  | <b>\$2,442,000</b>                 |

<sup>1</sup> Assumes average condo/apt. size of 950 livable square feet, condo price of \$775 per sf, apartment value of \$550,000 per du. Assume 50% condos and 50% apts. Assumes townhome size of 1,660 square feet and average price of \$610 per sf. Per square foot prices based on recent new home sales at Hunters Point Shipyard, sales prices of existing homes in Brisbane, and assessed values of apartment projects recently constructed in San Mateo County.

<sup>2</sup> Marshall and Swift Valuation Service and assessed values for recently constructed buildings in San Mateo County.

<sup>3</sup> HVS Hotel Development Cost Survey 2013/14. Blend of extended stay, mid-scale, full service; costs adjusted for location.

<sup>4</sup> Realquest Property Records, 2013 tax year.

**Table 5**  
**Existing City of Brisbane Population, Employment, and Resident Equivalents**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

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| <b>Demographic Measure</b>                    | <b>Brisbane</b> |
|-----------------------------------------------|-----------------|
| Population <sup>1</sup>                       | 4,431           |
| Employment <sup>2</sup>                       | 6,472           |
| Resident Equivalents <i>0.33 per employee</i> | 6,588           |

<sup>1</sup> State of California, Department of Finance, E-1 Population Estimates for Cities, Counties and the State with Annual Percent Change — January 1, 2013 and 2014. Sacramento, California, May 2014.

<sup>2</sup> US Census, American Community Survey, 2008-2012 5-Year Estimates. B08406: Sex of Workers by Means of Transportation to Work for Workplace Geography.

Table 6A  
Revenue Assumptions  
Fiscal Impact Analysis  
Brisbane Baylands Specific Plan  
Brisbane, CA

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**General Fund**

|                                     |                                                                                                                                                                                                                   |
|-------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Property Taxes</b>               | 17.77% City share of 1% property tax <sup>1</sup><br><u>0.00%</u> ERAF shift <sup>1</sup><br>17.77% City share of 1% property tax net of ERAF shift                                                               |
| <b>Property Transfer Tax</b>        | \$0.55 per \$1,000 City transfer tax rate <sup>2</sup><br>10% estimated residential annual turnover <sup>3</sup><br>5% estimated commercial annual turnover <sup>3</sup>                                          |
| <b>Property Tax In-Lieu of MVLF</b> | none projected due to County-wide shortfall of prop tax in-lieu funds <sup>4</sup>                                                                                                                                |
| <b>Sales and Use Taxes</b>          | 0.95% City share of taxable sales <sup>5</sup>                                                                                                                                                                    |
| I. On-Site Retail Sales             | \$400 sales per SF <sup>3, 6</sup><br>90% net new (after transfers of existing sales) <sup>3, 7</sup><br>\$360 net new sales PSF<br><u>80%</u> percent taxable <sup>3</sup><br>\$288 net new taxable sales per SF |
| II. Hotel Food and Beverage Sales   | \$16,466 hotel visitor food and beverage per room <sup>8</sup><br><u>30%</u> full service with in-hotel dining <sup>3</sup><br>\$4,900 sales per room                                                             |
| III. In-Venue Spending              | \$14 arena sales per attendee <sup>3</sup><br>\$8 theater sales per attendee <sup>3</sup><br>\$4 multiplex sales per attendee <sup>3</sup>                                                                        |
| IV. Use Tax                         | \$8,750 per office/commercial/R&D employee <sup>20</sup><br>\$31,770 per industrial employee <sup>21</sup>                                                                                                        |
| <b>Prop. 172 Sales Tax</b>          | \$30,085 citywide revenues in FY 2013/14 <sup>9</sup><br><u>\$13,907</u> million County-wide taxable sales <sup>10</sup><br>\$2.16 per \$1 million in County-wide taxable sales                                   |
| <b>Franchise Fees</b>               | \$354,710 citywide revenues in FY 2013/14 <sup>9</sup><br><u>6,588</u> resident equivalents <sup>11</sup><br>\$53.84 per resident equivalent                                                                      |



**Table 6A**  
**Revenue Assumptions**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

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**Transient Occupancy Tax**

\$150 average room rate <sup>12</sup>  
365 nights per year  
75% stabilized occupancy <sup>12</sup>  
\$41,000 avg annual revenue per room (room revenue only)

12% City of Brisbane tax rate <sup>13</sup>  
\$4,900 per room per year

**Business License Tax <sup>14</sup>**

I. Most Business Categories      Greater of gross-receipts or employee-based formula:

Gross Receipts      \$0.13 per \$1,000 of gross receipts <sup>15</sup>  
\$390,000 per commercial / office / R&D / industrial employee <sup>16</sup>  
\$200,000 per entertainment / cultural employee <sup>17</sup>

Employees      \$189 for businesses with 20 employees <sup>18</sup>  
\$9.45 per employee

II. Theaters / Entertainment      \$0.25 per attendee

III. Recycling Operations      potential Recology expansion triggers \$900k increase from existing \$2.1 M to \$3 M annually

IV. Capital Improvements      imposed at \$10 million of gross receipts; based on Table 6E does not apply

**Fines and Forfeitures**

\$87,690 citywide revenues in FY 2013/14 <sup>9</sup>  
6,588 resident equivalents <sup>11</sup>  
\$13.31 per resident equivalent

**Revenue Loss <sup>19</sup>**

\$750,000 soil processing and recycling fees  
\$60,000 billboard revenue  
\$236,675 Tuntex rebate

**Table 6A**  
**Revenue Assumptions**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

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**Other Funds**

|                       |                                                                                                                                                                                                |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Gas Tax Fund</b>   | <p>\$118,300 citywide revenues in FY 2013/14<sup>9</sup></p> <p><u>4,431</u> residents<sup>11</sup></p> <p>\$26.70 per resident</p>                                                            |
| <b>Measure A Fund</b> | <p>\$150,000 citywide revenues in FY 2013/14<sup>9</sup></p> <p><u>\$13,907</u> million County-wide taxable sales<sup>10</sup></p> <p>\$10.79 per \$1 million in County-wide taxable sales</p> |

<sup>1</sup> Average property tax share for the two principal Tax Rate Areas TRA 018002 and TRA 018006. Share of property taxes for the TRAs and ERAF shift per San Mateo County Controller. The ERAF shift is 16.55%, however the majority of the ERAF shift is ultimately returned to Brisbane as excess ERAF. See also notes on Table 6c.

<sup>2</sup> City of Brisbane Municipal Code, Chapter 3.16.020.

<sup>3</sup> KMA assumption.

<sup>4</sup> Per City staff, there are currently insufficient funds to fully fund the property tax in-lieu of VLF obligations to cities in San Mateo County and therefore no incremental revenue as a result of the project is anticipated.

<sup>5</sup> City of Brisbane Municipal Code, Chapter 3.20.030.

<sup>6</sup> Based on ULI/ICSC's Dollars and Cents of Shopping Centers/The Score, 2008 average for regional centers in the West; ICSC May 2014 monthly report's Sales Productivity for Non-Anchor Tenants in U.S. West Malls.

<sup>7</sup> Assumes that while new Baylands residents will generate some retail spending in existing Brisbane businesses, there will be a net transfer from the existing businesses to the new Baylands retail.

<sup>8</sup> Per PKF 2014 Trends in the Hotel Industry, Summary Operating Statement by Geographic Divisions, Mountain and Pacific Division for Full Service hotels. In-hotel spending for limited service hotels assumed to be minor.

<sup>9</sup> Appendix A-1.

<sup>10</sup> California State Board of Equalization, Taxable Sales in California During 2012.

<sup>11</sup> Table 5.

<sup>12</sup> PKF Trends in the Hotel Industry Northern California December 2013. 12 month results for hotels in the vicinity of SFO.

<sup>13</sup> City of Brisbane Municipal Code, Chapter 3.24.030.

<sup>14</sup> City of Brisbane Municipal Code, Chapter 5.20.

<sup>15</sup> Conservatively estimated based on the lowest tax rate per \$1,000 of gross receipts, per Municipal Code Chapter 5.20.010. Excludes calculations for businesses with over \$10 million in gross receipts, for which the City calculates the business license due based on a per gross receipts rate and a credit for sales taxes paid. See Table 6f.

<sup>16</sup> Average gross receipts per employee derived from the economic census (blend of software, data, finance and insurance, professional, scientific, and technical industries). Escalated to 2014 assuming 2% annual growth.

<sup>17</sup> Average gross receipts per employee derived from the economic census (for performing arts, spectator sports, and related). Escalated to 2014 assuming 2% annual growth.

<sup>18</sup> The employee-based estimate uses the highest business license rate per employee, for purposes of determining whether gross receipts or employee-based fees will apply. Larger firms pay less per employee than smaller firms.

<sup>19</sup> Existing revenues that will be lost when businesses are replaced by the project. Amounts per City staff, July 2014.

<sup>20</sup> Based on average non-retail taxable sales per employee in San Mateo County in 2013 of \$15,100 adjusted for rates for industries typically housed by office/commercial/R&D space.

<sup>21</sup> Based on average non-retail taxable sales per employee in San Mateo County in 2013 of \$15,100 adjusted for rates for industries typically housed by industrial space.

**Table 6B**  
**Estimated Annual Revenue at Buildout**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Revenue Source                                         |                                              | Scenario 1<br>Developer<br>Plan | Scenario 1a<br>Entertnmt<br>Variant | Scenario 2<br>Comm.<br>Proposed | Scenario 2a<br>Recology<br>Variant |
|--------------------------------------------------------|----------------------------------------------|---------------------------------|-------------------------------------|---------------------------------|------------------------------------|
| <b><u>Program/Demographic Measure</u></b>              |                                              |                                 |                                     |                                 |                                    |
| Residential Assessed Value (\$1,000s) <sup>1</sup>     |                                              | \$3,027,000                     | \$3,027,000                         | \$0                             | \$0                                |
| Non-Residential Assessed Value (\$1,000s) <sup>1</sup> |                                              | <u>\$2,357,000</u>              | <u>\$2,595,000</u>                  | <u>\$2,561,000</u>              | <u>\$2,442,000</u>                 |
| Total Assessed Value (\$1,000s) <sup>1</sup>           |                                              | \$5,384,000                     | \$5,622,000                         | \$2,561,000                     | \$2,442,000                        |
| Hotel Rooms <sup>2</sup>                               |                                              | 369                             | 719                                 | 1,990                           | 1,500                              |
| Residents <sup>3</sup>                                 |                                              | 9,888                           | 9,888                               | 0                               | 0                                  |
| Resident Equivalents <sup>3</sup>                      |                                              | 16,690                          | 16,736                              | 7,736                           | 7,274                              |
|                                                        |                                              |                                 |                                     |                                 |                                    |
| <b><u>General Fund</u></b>                             | <b><u>Estimating Factor</u> <sup>4</sup></b> |                                 |                                     |                                 |                                    |
| Property Tax <sup>5</sup>                              |                                              |                                 |                                     |                                 |                                    |
| City share                                             |                                              | \$9,567,000                     | \$9,989,000                         | \$4,550,000                     | \$4,339,000                        |
| ERAF shift                                             |                                              | <u>\$0</u>                      | <u>\$0</u>                          | <u>\$0</u>                      | <u>\$0</u>                         |
| City share net of ERAF                                 |                                              | \$9,567,000                     | \$9,989,000                         | \$4,550,000                     | \$4,339,000                        |
| Prop Tax In-Lieu of MVLF <sup>6</sup>                  |                                              | \$0                             | \$0                                 | \$0                             | \$0                                |
| Property Transfer Tax                                  |                                              |                                 |                                     |                                 |                                    |
| Residential                                            | \$0.55 /\$1,000 AV    10% turnover           | \$166,000                       | \$166,000                           | \$0                             | \$0                                |
| Non-Residential                                        | \$0.55 /\$1,000 AV    5% turnover            | <u>\$65,000</u>                 | <u>\$71,000</u>                     | <u>\$70,000</u>                 | <u>\$67,000</u>                    |
|                                                        |                                              | \$231,000                       | \$237,000                           | \$70,000                        | \$67,000                           |
| Local Sales and Use Tax <sup>7</sup>                   |                                              | \$2,892,000                     | \$2,102,000                         | \$1,953,000                     | \$2,148,000                        |
| Franchise Fees                                         | \$53.84 /res equiv                           | \$899,000                       | \$901,000                           | \$416,000                       | \$392,000                          |
| Transient Occupancy Tax                                | \$4,900 /room/year                           | \$1,808,000                     | \$3,523,000                         | \$9,751,000                     | \$7,350,000                        |
| Business License Tax <sup>8</sup>                      |                                              | \$837,000                       | \$859,000                           | \$709,000                       | \$1,568,000                        |
| Fines and Forfeitures                                  | \$13.31 /res equiv                           | \$222,000                       | \$223,000                           | \$103,000                       | \$97,000                           |
| Soil Processing and Recycling <sup>4</sup>             |                                              | \$750,000                       | \$750,000                           | \$750,000                       | \$750,000                          |
| Billboard <sup>4</sup>                                 |                                              | \$60,000                        | \$60,000                            | \$60,000                        | \$60,000                           |
| <b>Total General Fund Revenue</b>                      |                                              | <b>\$17,266,000</b>             | <b>\$18,644,000</b>                 | <b>\$18,362,000</b>             | <b>\$16,771,000</b>                |
|                                                        |                                              |                                 |                                     |                                 |                                    |
| <b>Revenue Loss</b>                                    |                                              |                                 |                                     |                                 |                                    |
| Soil Processing and Recycling <sup>4</sup>             |                                              | (\$750,000)                     | (\$750,000)                         | (\$750,000)                     | (\$750,000)                        |
| Tuntex Payment <sup>4</sup>                            |                                              | (\$236,675)                     | (\$236,675)                         | (\$236,675)                     | (\$236,675)                        |
| Billboard <sup>4</sup>                                 |                                              | (\$60,000)                      | (\$60,000)                          | (\$60,000)                      | (\$60,000)                         |
| <b>Total Revenue Loss</b>                              |                                              | <b>(\$1,046,675)</b>            | <b>(\$1,046,675)</b>                | <b>(\$1,046,675)</b>            | <b>(\$1,046,675)</b>               |
|                                                        |                                              |                                 |                                     |                                 |                                    |
| <b>General Fund Revenue Net of Loss</b>                |                                              | <b>\$16,219,325</b>             | <b>\$17,597,325</b>                 | <b>\$17,315,325</b>             | <b>\$15,724,325</b>                |

**Table 6B**  
**Estimated Annual Revenue at Buildout**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Revenue Source                                                | Scenario 1<br>Developer<br>Plan | Scenario 1a<br>Entertnmt<br>Variant | Scenario 2<br>Comm.<br>Proposed | Scenario 2a<br>Recology<br>Variant |
|---------------------------------------------------------------|---------------------------------|-------------------------------------|---------------------------------|------------------------------------|
| <b><u>Program/Demographic Measure</u></b>                     |                                 |                                     |                                 |                                    |
| <i>Residential Assessed Value (\$1,000s)</i> <sup>1</sup>     | \$3,027,000                     | \$3,027,000                         | \$0                             | \$0                                |
| <i>Non-Residential Assessed Value (\$1,000s)</i> <sup>1</sup> | <u>\$2,357,000</u>              | <u>\$2,595,000</u>                  | <u>\$2,561,000</u>              | <u>\$2,442,000</u>                 |
| <i>Total Assessed Value (\$1,000s)</i> <sup>1</sup>           | \$5,384,000                     | \$5,622,000                         | \$2,561,000                     | \$2,442,000                        |
| <i>Hotel Rooms</i> <sup>2</sup>                               | 369                             | 719                                 | 1,990                           | 1,500                              |
| <i>Residents</i> <sup>3</sup>                                 | 9,888                           | 9,888                               | 0                               | 0                                  |
| <i>Resident Equivalents</i> <sup>3</sup>                      | 16,690                          | 16,736                              | 7,736                           | 7,274                              |
| <b><u>Other Funds</u></b>                                     |                                 |                                     |                                 |                                    |
| Gas Tax <i>\$26.70 per res</i>                                | \$264,000                       | \$264,000                           | \$0                             | \$0                                |
| Measure A <sup>7</sup>                                        | \$2,000                         | \$1,000                             | \$1,000                         | \$1,000                            |
| <b>Total Other Fund Revenue</b>                               | <b>\$266,000</b>                | <b>\$265,000</b>                    | <b>\$1,000</b>                  | <b>\$1,000</b>                     |
| <b>General and Other Fund Revenue</b>                         | <b>\$16,485,325</b>             | <b>\$17,862,325</b>                 | <b>\$17,316,325</b>             | <b>\$15,725,325</b>                |

<sup>1</sup> Table 4.

<sup>2</sup> Table 2.

<sup>3</sup> Table 3a.

<sup>4</sup> Table 6a.

<sup>5</sup> Table 6c. The majority of the ERAF shift amount is ultimately returned to Brisbane as excess ERAF.

<sup>6</sup> Per City staff, there are currently insufficient funds to fully fund the property tax in-lieu of MVLf obligations to cities in San Mateo County and therefore no incremental revenue as a result of the project is anticipated.

<sup>7</sup> Table 6d.

<sup>8</sup> Table 6e.

**Table 6C**  
**Estimated Annual Property Tax Revenue at Buildout**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Property Tax                                       | Estimating Factor <sup>1</sup> | Scenario 1 Developer Plan | Scenario 1a Entertnmt Variant | Scenario 2 Comm. Proposed | Scenario 2a Recology Variant |
|----------------------------------------------------|--------------------------------|---------------------------|-------------------------------|---------------------------|------------------------------|
| Incremental Assessed Value (\$1,000s) <sup>2</sup> |                                | \$5,384,000               | \$5,622,000                   | \$2,561,000               | \$2,442,000                  |
| Gross 1% Property Tax                              | 1% of AV                       | \$53,840,000              | \$56,220,000                  | \$25,610,000              | \$24,420,000                 |
| City Share of Property Tax <sup>3</sup>            | 17.77% base                    | \$9,567,000               | \$9,989,000                   | \$4,550,000               | \$4,339,000                  |
|                                                    | 0.00% ERAF                     | \$0                       | \$0                           | \$0                       | \$0                          |
|                                                    | 17.77% net                     | \$9,567,000               | \$9,989,000                   | \$4,550,000               | \$4,339,000                  |
| Tuntex Payment to City <sup>4</sup>                |                                | \$0                       | \$0                           | \$0                       | \$0                          |
| <b>Net Increase in Property Tax</b>                |                                | <b>\$9,567,000</b>        | <b>\$9,989,000</b>            | <b>\$4,550,000</b>        | <b>\$4,339,000</b>           |

<sup>1</sup> Table 6a.

<sup>2</sup> Table 4.

<sup>3</sup> The project is in a former redevelopment area and property tax estimates are subject to the flow of funds under AB x1 26 including payment of prior redevelopment obligations as a first priority. The analysis assumes, based upon a review of Brisbane's ROPS, that existing RPTTF revenues are sufficient to fund the enforceable obligations. The combined distribution of pass throughs and residual funds will generally conform to the City's regular share of property taxes.

It is noted that approximately \$9 million is due to the City / Housing Successor for which repayment is restricted under AB 1484 based upon the amount of residual available for taxing agencies. Approximately \$9 million, or one third of the first \$27 million in gross property tax generated would be used for this obligation. However, given the magnitude of gross revenues of between \$25 and \$45 million per year upon stabilization, it is expected that the \$9 million in funds due to the City and Housing Successor will have been fully paid well in advance of stabilization of the project and therefore no deduction is reflected above. On a cumulative basis it is estimated that \$1.6 million of the City's share of property taxes (\$9 M X 17.77%) from the project will be diverted to repay the prior obligations of the former redevelopment agency. The ERAF distribution is 16.55%; however most of the ERAF is ultimately returned to Brisbane as excess ERAF. Therefore, the effective tax rate is 17.77%.

<sup>4</sup> Per a 1992 agreement between Tuntex and the City of Brisbane, in consideration of the City not protesting a property assessment appeal made by Tuntex, Tuntex makes an annual payment to the City to replace lost property taxes. The agreement terminates when the assessed value of the property exceeds the inflation-adjusted pre-appeal assessment value. This escalated pre-appeal assessed value is estimated at \$160.3 million (\$97.7 million adjusted at two percent per year from 1989 to 2014). Given the anticipated project assessed values of \$2.5 to \$4.5 billion (Table 4), it is assumed that at buildout the payment will no longer be made. The FY 13/14 payment was \$236,675.

**Table 6D**  
**Estimated Annual Sales and Use Tax**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Revenue Source                                                  | Estimating Factor <sup>1</sup> | Scenario 1<br>Developer<br>Plan | Scenario 1a<br>Entertainmt<br>Variant | Scenario 2<br>Community<br>Proposed | Scenario 2a<br>Recology<br>Variant |
|-----------------------------------------------------------------|--------------------------------|---------------------------------|---------------------------------------|-------------------------------------|------------------------------------|
| <b><u>Program/Demographic Measure</u></b>                       |                                |                                 |                                       |                                     |                                    |
| Retail SF <sup>2,3</sup>                                        |                                | 566,300                         | 283,400                               | 283,400                             | 283,400                            |
| Hotel Rooms <sup>2</sup>                                        |                                | 369                             | 719                                   | 1,990                               | 1,500                              |
| Commercial/Office/R&D Employees                                 |                                | 15,948                          | 13,041                                | 12,380                              | 11,636                             |
| Industrial Employees                                            |                                | 0                               | 0                                     | 82                                  | 1,009                              |
| Entertainment Visitors <sup>4</sup>                             |                                |                                 |                                       |                                     |                                    |
| Arena                                                           |                                | 0                               | 1,110,000                             | 0                                   | 0                                  |
| Theater/Exhibition/Performance                                  |                                | 0                               | 500,000                               | 410,000                             | 410,000                            |
| Multiplex                                                       |                                | 0                               | 610,000                               | 0                                   | 0                                  |
| Cultural/Entertainment                                          |                                | 0                               | 0                                     | 500,000                             | 500,000                            |
| <b>Taxable Sales</b>                                            |                                |                                 |                                       |                                     |                                    |
| On-Site Retail                                                  | \$288 per sf                   | \$163,094,000                   | \$81,619,000                          | \$81,619,000                        | \$81,619,000                       |
| Business to Business                                            |                                |                                 |                                       |                                     |                                    |
| Commercial/Office/R&D                                           | \$8,750 per employee           | \$139,545,000                   | \$114,108,750                         | \$108,325,000                       | \$101,815,000                      |
| Industrial                                                      | \$31,770 per employee          | \$0                             | \$0                                   | \$2,605,140                         | \$32,055,930                       |
| Hotel Visitor Spending                                          | \$4,900 per room               | \$1,808,000                     | \$3,523,000                           | \$9,751,000                         | \$7,350,000                        |
| Entertainment In-Venue Spending                                 |                                |                                 |                                       |                                     |                                    |
| Arena                                                           | \$14 per attendee              | \$0                             | \$15,540,000                          | \$0                                 | \$0                                |
| Theater/Exhibition/Performance                                  | \$8 per attendee               | \$0                             | \$4,000,000                           | \$3,280,000                         | \$3,280,000                        |
| Multiplex                                                       | \$4 per attendee               | \$0                             | \$2,440,000                           | \$0                                 | \$0                                |
| Cultural/Entertainment                                          |                                | \$0                             | \$0                                   | included in retail estimate         |                                    |
| Total Entertainment In-Venue Spending                           |                                | \$0                             | \$21,980,000                          | \$3,280,000                         | \$3,280,000                        |
| Total Taxable Sales                                             |                                | \$304,447,000                   | \$221,230,750                         | \$205,580,140                       | \$226,119,930                      |
| Local Sales and Use Tax                                         | 0.95% of taxable sales         | \$2,892,000                     | \$2,102,000                           | \$1,953,000                         | \$2,148,000                        |
| Prop. 172 Sales Tax Allocation                                  | \$2.16 /\$1M in sales          | \$0<br>(<\$1,000)               | \$0<br>(<\$1,000)                     | \$0<br>(<\$1,000)                   | \$0<br>(<\$1,000)                  |
| <b>Total General Fund Sales and Use Taxes</b>                   |                                | <b>\$2,892,000</b>              | <b>\$2,102,000</b>                    | <b>\$1,953,000</b>                  | <b>\$2,148,000</b>                 |
| <b>Total General Fund Sales Tax Revenue (Exc. Use Tax Rev.)</b> |                                | <b>\$1,566,000</b>              | <b>\$1,018,000</b>                    | <b>\$899,000</b>                    | <b>\$876,000</b>                   |
| <b>Measure A Fund</b>                                           | \$10.79 /\$1M in sales         | \$2,000                         | \$1,000                               | \$1,000                             | \$1,000                            |

<sup>1</sup> Table 6a.

<sup>2</sup> Table 2.

<sup>3</sup> For the Community Preferred Plans, retail and restaurant uses are a component of the Mixed Commercial and Cultural / Entertainment categories; however, the amount of retail within these land use categories is not specified. For purposes of the fiscal analysis, a similar "retail" component to the Developer Entertainment Variant is assumed.

<sup>4</sup> Table 3b.

**Table 6E**  
**Estimated Annual Business License Tax**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Revenue Source                               | Estimating Factor <sup>1</sup>                               | Scenario 1<br>Developer<br>Plan | Scenario 1a<br>Entertnmt<br>Variant | Scenario 2<br>Community<br>Proposed | Scenario 2<br>Recology<br>Variant |
|----------------------------------------------|--------------------------------------------------------------|---------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|
| <b><u>Program/Demographic Measure</u></b>    |                                                              |                                 |                                     |                                     |                                   |
| <i>Employees <sup>2</sup></i>                |                                                              |                                 |                                     |                                     |                                   |
| Commercial / Office / R&D                    |                                                              | 15,948                          | 13,041                              | 12,380                              | 11,636                            |
| Industrial (non-Resource Recovery)           |                                                              | 0                               | 0                                   | 82                                  | 82                                |
| Arena / Theater / Cultural                   |                                                              | 0                               | 967                                 | 1,987                               | 1,987                             |
| Retail <sup>3</sup>                          |                                                              | 976                             | 489                                 | 489                                 | 489                               |
| Hotel                                        |                                                              | <u>227</u>                      | <u>509</u>                          | <u>1,209</u>                        | <u>908</u>                        |
|                                              |                                                              | 17,151                          | 15,006                              | 16,147                              | 15,102                            |
| Retail SF <sup>3, 4</sup>                    |                                                              | 566,300                         | 283,400                             | 283,400                             | 283,400                           |
| Hotel Rooms <sup>4</sup>                     |                                                              | 369                             | 719                                 | 1,990                               | 1,500                             |
| Multiplex attendees <sup>5</sup>             |                                                              | 0                               | 610,000                             | 0                                   | 0                                 |
| <b>Base Business Categories <sup>6</sup></b> |                                                              |                                 |                                     |                                     |                                   |
| a. Gross Receipts Based Estimate             |                                                              |                                 |                                     |                                     |                                   |
| Gross Receipts (\$1,000s)                    |                                                              |                                 |                                     |                                     |                                   |
| Commercial / Office / R&D                    | \$390,000 receipts /empl                                     | \$6,220,000                     | \$5,086,000                         | \$4,828,000                         | \$4,538,000                       |
| Industrial                                   | \$390,000 receipts /empl                                     | \$0                             | \$0                                 | \$32,000                            | \$32,000                          |
| Entertainment/Cultural                       | \$200,000 receipts /empl                                     | \$0                             | \$193,000                           | \$397,000                           | \$397,000                         |
| On-Site Retail Sales                         | \$360 net new PSF                                            | \$204,000                       | \$102,000                           | \$102,000                           | \$102,000                         |
| Hotel Food and Beverage <sup>7</sup>         |                                                              | \$1,808                         | \$3,523                             | \$9,751                             | \$7,350                           |
| Arena Visitor Spending <sup>7</sup>          |                                                              | \$0                             | \$15,540                            | \$0                                 | \$0                               |
| Theater Visitor Spending <sup>7</sup>        |                                                              | \$0                             | \$4,000                             | \$3,280                             | \$3,280                           |
| Hotel Room Revenue                           | \$41,000 per room                                            | \$15,000                        | \$29,000                            | \$82,000                            | \$62,000                          |
|                                              |                                                              | \$6,440,808                     | \$5,433,063                         | \$5,454,031                         | \$5,141,630                       |
| Business License Fee                         | \$0.13 /\$1,000 gross rcpts                                  | \$837,000                       | \$706,000                           | \$709,000                           | \$668,000                         |
| b. Employee Based Estimate                   | \$9.45 per employee                                          | \$162,000                       | \$142,000                           | \$153,000                           | \$143,000                         |
| c. Tax for Base Business Categories          | > of a. and b. above                                         | \$837,000                       | \$706,000                           | \$709,000                           | \$668,000                         |
| Movie Theaters                               | \$0.25 per attendee                                          | \$0                             | \$153,000                           | \$0                                 | \$0                               |
| Recycling Operations                         | Recology expansion triggers increase from \$2.1M to \$3 M/yr | not included in plan area       |                                     | no increase                         | \$900,000                         |
| <b>Total Business License Tax</b>            |                                                              | <b>\$837,000</b>                | <b>\$859,000</b>                    | <b>\$709,000</b>                    | <b>\$1,568,000</b>                |

<sup>1</sup> Table 6a.

<sup>2</sup> Table 3a.

<sup>3</sup> For the Community Preferred Plans, retail and restaurant uses are a component of the Mixed Commercial and Cultural / Entertainment categories; however, the amount of retail within these land use categories is not specified. For purposes of the fiscal analysis, a similar retail component to the Developer Entertainment Variant is assumed.

<sup>4</sup> Table 2.

<sup>5</sup> Table 3b.

<sup>6</sup> Includes all businesses except institutional and civic uses (which are assumed exempt), movie theater, and recycling operations.

<sup>7</sup> Table 6d.

**Table 6F**  
**Gross Receipts Based Business License Tax Rates**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Gross Receipts <sup>1</sup> |                      | Business License Tax <sup>1</sup> |                        | Average           | Tax on Avg        | Per \$1,000       |
|-----------------------------|----------------------|-----------------------------------|------------------------|-------------------|-------------------|-------------------|
| Over                        | But Not<br>More Than | Base Amount                       | Add'l per<br>\$1,000   | Gross<br>Receipts | Gross<br>Receipts | Gross<br>Receipts |
| \$0                         | \$50,000             | \$50                              | \$0.00                 | \$25,000          | \$50              | \$2.00            |
| \$50,000                    | \$75,000             | \$75                              | \$0.00                 | \$62,500          | \$75              | \$1.20            |
| \$75,000                    | \$100,000            | \$100                             | \$0.00                 | \$87,500          | \$100             | \$1.14            |
| \$100,000                   | \$150,000            | \$125                             | \$0.00                 | \$125,000         | \$125             | \$1.00            |
| \$150,000                   | \$250,000            | \$150                             | \$0.00                 | \$200,000         | \$150             | \$0.75            |
| \$250,000                   | \$350,000            | \$175                             | \$0.00                 | \$300,000         | \$175             | \$0.58            |
| \$350,000                   | \$450,000            | \$200                             | \$0.00                 | \$400,000         | \$200             | \$0.50            |
| \$450,000                   | \$550,000            | \$225                             | \$0.00                 | \$500,000         | \$225             | \$0.45            |
| \$550,000                   | \$700,000            | \$250                             | \$0.00                 | \$625,000         | \$250             | \$0.40            |
| \$700,000                   | \$1,000,000          | \$300                             | \$0.00                 | \$850,000         | \$300             | \$0.35            |
| \$1,000,000                 | \$1,500,000          | \$350                             | \$0.00                 | \$1,250,000       | \$350             | \$0.28            |
| \$1,500,000                 | \$2,000,000          | \$400                             | \$0.00                 | \$1,750,000       | \$400             | \$0.23            |
| \$2,000,000                 | \$3,000,000          | \$500                             | \$0.20                 | \$2,500,000       | \$600             | \$0.24            |
| \$3,000,000                 | \$4,000,000          | \$700                             | \$0.15                 | \$3,500,000       | \$775             | \$0.22            |
| \$4,000,000                 | \$5,000,000          | \$850                             | \$0.10                 | \$4,500,000       | \$900             | \$0.20            |
| \$5,000,000                 | \$10,000,000         | \$1,050                           | \$0.05                 | \$7,500,000       | \$1,175           | \$0.16            |
| \$10,000,000                |                      | \$1,300                           | City will<br>calculate | \$10,000,000      | \$1,300           | \$0.13            |

<sup>1</sup> City of Brisbane Municipal Code, section 5.20.010.



**Table 7A**  
**Expense Assumptions**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

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|                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                        |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>General Government</b><br>(incl. City Council, City Clerk, City Manager,<br>Event Cosponsorship, Open Space, Finance,<br>Human Resources, Legal Services, Library) | \$2,104,996 net expenses in FY 2013/14 <sup>1</sup><br>25% percent variable cost <sup>2</sup><br><u>6,588</u> resident equivalents <sup>3</sup><br>\$79.88 per resident equivalent                                                                                                                     |
| <b>Library</b>                                                                                                                                                        | \$55.00 per resident in Developer Sponsored plans <sup>4</sup>                                                                                                                                                                                                                                         |
| <b>Community Development</b>                                                                                                                                          | \$605,185 net expenses in FY 2013/14 <sup>1</sup><br>25% percent variable cost <sup>2</sup><br><u>6,588</u> resident equivalents <sup>3</sup><br>\$22.96 per resident equivalent                                                                                                                       |
| <b>Police Department</b>                                                                                                                                              | Estimated based on police staffing requirements<br>as indicated in the Admin Draft EIR                                                                                                                                                                                                                 |
| <b>Fire</b><br>(includes EMS)                                                                                                                                         | \$2,200,269 net expenses in FY 2013/14 <sup>1</sup><br>75% percent variable cost <sup>2</sup><br><u>6,588</u> resident equivalents <sup>3</sup><br>\$250.47 per resident equivalent                                                                                                                    |
| <b>Public Works</b>                                                                                                                                                   |                                                                                                                                                                                                                                                                                                        |
| Wear and tear on existing public infrastrxr                                                                                                                           | \$861,609 net General Fund expense in FY 2013/14 <sup>1</sup><br><u>\$165,000</u> Measure A / Gas Tax Fund 13/14 <sup>1</sup><br>\$1,026,609 combined expense FY 13/14<br>75% percent variable cost <sup>2</sup><br><u>6,588</u> resident equivalents <sup>3</sup><br>\$116.87 per resident equivalent |
| New street infrastructure maintenance <sup>5</sup>                                                                                                                    | \$30,306 traffic signals<br>\$21,723 street lights<br>\$64,350 landscaping<br>\$610,628 pavement<br>\$59,275 street sweeping<br>\$10,291 street signs<br>\$87,100 sidewalks / walkways<br><u>\$120,122</u> team leader<br>\$1,003,795                                                                  |
| New water, sewer, storm drain maintenance                                                                                                                             | Assumed covered by fees. <sup>6</sup>                                                                                                                                                                                                                                                                  |

**Table 7A**  
**Expense Assumptions**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**  


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**Parks and Recreation**

|                                             |              |                                                            |
|---------------------------------------------|--------------|------------------------------------------------------------|
| Recreation Programs                         | \$783,453    | net expenses in FY 2013/14 <sup>1</sup>                    |
|                                             | 75%          | percent variable cost <sup>2</sup>                         |
|                                             | <u>4,431</u> | residents <sup>3</sup>                                     |
|                                             | \$132.61     | per resident                                               |
| Parks, Open Space, and Facility Maintenance | \$405,928    | net expenses in FY 2013/14 <sup>1</sup>                    |
|                                             | <u>56.64</u> | existing acreage reported in DEIR <sup>7</sup>             |
|                                             | \$7,000      | maintenance expense per acre of park                       |
|                                             | \$2,500      | per acre allowance for open space maintenance <sup>8</sup> |

**Non-Departmental / Central Services**

(City O&M expenses not allocable to any one department)

|              |                                         |
|--------------|-----------------------------------------|
| \$493,439    | net expenses in FY 2013/14 <sup>1</sup> |
| 25%          | percent variable cost <sup>2</sup>      |
| <u>6,588</u> | resident equivalents <sup>3</sup>       |
| \$18.72      | per resident equivalent                 |

<sup>1</sup> Appendix 2.

<sup>2</sup> Certain service costs are fixed; as an example there will always only be one City Council. Other costs are variable and increase with growth in population and employment. The percentage of variable costs is based on the experiences of other cities.

<sup>3</sup> Table 5.

<sup>4</sup> New library facility required in the Developer Sponsored plans per the Brisbane Baylands Draft Environmental Impact Report, June 2013, Chapter 4.L Public Services. Cost per resident based on the average of costs in Daly City and Redwood City. Current Brisbane library services are provided by a San Mateo County Library system branch and FY 13/14 General Fund Library costs are \$29,800.

<sup>5</sup> City Director of Public Works / City Engineer, February 2014. Team leader salary and benefits based on cost per FY 13/14 Budget. Costs exclude PG&E electrical costs for street lights, equipment maintenance and long-term maintenance of Tunnel and Geneva Avenue overhead structures.

<sup>6</sup> Existing water, sewer, and storm drain maintenance costs are currently funded by user charges via the City's Utility Enterprise Fund. The City Public Works / Engineering Department anticipates that costs in the Baylands will differ from existing City costs and that new districts and rates will need to be determined for the project. It has been assumed that rates will be set at levels that will adequately cover costs. No additional General Fund costs for new water, sewer, and storm drain maintenance are included.

<sup>7</sup> Brisbane Baylands Draft Environmental Impact Report, June 2013. Table 4.M-1.

<sup>8</sup> Assumption based on average park maintenance cost per acre.

**Table 7B**  
**Estimated Annual General Fund Expenditures at Buildout**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| <b>Expenditure</b>                                 | <b><i>Estimating Factor</i><br/><sup>1</sup></b> | <b>Scenario 1<br/>Developer<br/>Plan</b> | <b>Scenario 1a<br/>Entertnmt<br/>Variant</b> | <b>Scenario 2<br/>Comm.<br/>Proposed</b> | <b>Scenario 2a<br/>Recology<br/>Variant</b> |
|----------------------------------------------------|--------------------------------------------------|------------------------------------------|----------------------------------------------|------------------------------------------|---------------------------------------------|
| <b><u>Demographic Measure</u></b>                  | <i>resident equivalents</i> <sup>2</sup>         | 16,690                                   | 16,736                                       | 7,736                                    | 7,274                                       |
| General Government                                 | \$79.88 /res eq                                  | \$1,333,000                              | \$1,337,000                                  | \$618,000                                | \$581,000                                   |
| New Library                                        | \$55.00 /res                                     | \$918,000                                | \$920,000                                    | \$0                                      | \$0                                         |
| Community Development                              | \$22.96 /res eq                                  | \$383,000                                | \$384,000                                    | \$178,000                                | \$167,000                                   |
| Police Department                                  | Table 7C                                         | \$2,403,000                              | \$2,403,000                                  | \$1,991,000                              | \$1,991,000                                 |
| Fire Suppression                                   | \$250.47 /res eq                                 | \$4,180,000                              | \$4,192,000                                  | \$1,938,000                              | \$1,822,000                                 |
| Department of Public Works                         |                                                  |                                          |                                              |                                          |                                             |
| Wear and Tear on Existing <sup>3</sup>             | \$116.87 /res eq                                 | \$1,951,000                              | \$1,956,000                                  | \$904,000                                | \$850,000                                   |
| New Maintenance                                    |                                                  | <u>\$1,004,000</u>                       | <u>\$1,004,000</u>                           | <u>\$1,004,000</u>                       | <u>\$1,004,000</u>                          |
|                                                    |                                                  | \$2,955,000                              | \$2,960,000                                  | \$1,908,000                              | \$1,854,000                                 |
| Parks and Recreation                               | Table 7D                                         | \$2,079,000                              | \$2,079,000                                  | \$1,046,000                              | \$1,046,000                                 |
| Non-Departmental/Central Svcs                      | \$18.72 /res eq                                  | \$313,000                                | \$313,000                                    | \$145,000                                | \$136,000                                   |
| <b>Total General Fund Expenditure <sup>3</sup></b> |                                                  | <b>\$14,564,000</b>                      | <b>\$14,588,000</b>                          | <b>\$7,824,000</b>                       | <b>\$7,597,000</b>                          |

<sup>1</sup> Table 7A.

<sup>2</sup> Table 3A.

<sup>3</sup> Includes Measure A and Gas Tax Fund pavement maintenance expenses.

**Table 7C**  
**Police Expenses**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

|                                                            |                               | <b>Scenario 1<br/>Developer<br/>Plan</b> | <b>Scenario 1a<br/>Entertnmt<br/>Variant</b> | <b>Scenario 2<br/>Community<br/>Proposed</b> | <b>Scenario 2a<br/>Recology<br/>Variant</b> |
|------------------------------------------------------------|-------------------------------|------------------------------------------|----------------------------------------------|----------------------------------------------|---------------------------------------------|
| <b>Police Department Staffing Requirement <sup>1</sup></b> |                               |                                          |                                              |                                              |                                             |
| Additional Officers Required                               |                               | 11                                       | 11                                           | 9                                            | 9                                           |
| Civilian Daytime Staff                                     |                               | 1                                        | 1                                            | 1                                            | 1                                           |
|                                                            |                               | 12                                       | 12                                           | 10                                           | 10                                          |
| <b>Estimated Salaries and Benefits</b>                     | <u>per empl. <sup>2</sup></u> |                                          |                                              |                                              |                                             |
| Police Officers                                            | \$163,000                     | \$1,793,000                              | \$1,793,000                                  | \$1,467,000                                  | \$1,467,000                                 |
| Civilian Daytime Staff                                     | \$94,000                      | \$94,000                                 | \$94,000                                     | \$94,000                                     | \$94,000                                    |
|                                                            |                               | \$1,887,000                              | \$1,887,000                                  | \$1,561,000                                  | \$1,561,000                                 |
| <b>Services, Supplies and Insurance</b>                    | \$43,000                      | \$516,000                                | \$516,000                                    | \$430,000                                    | \$430,000                                   |
| <b>Total Estimated Police Expense</b>                      |                               | <b>\$2,403,000</b>                       | <b>\$2,403,000</b>                           | <b>\$1,991,000</b>                           | <b>\$1,991,000</b>                          |

<sup>1</sup> Brisbane Baylands Draft Environmental Impact Report, June 2013. Chapter 4.L Public Services. Each scenario includes one school resource officer.

<sup>2</sup> Expense per department employee based on FY 2013-14 Budget:

|                                                    |                           |
|----------------------------------------------------|---------------------------|
| Existing Patrol Salary and Benefits FY 13-14       | \$1,790,321               |
| Existing Officers                                  | <u>11</u>                 |
| Salary and benefits per officer                    | \$163,000                 |
| Existing Office Specialist Salary and Benefits     | \$94,000                  |
| Administration and Personnel                       | assumed non-variable cost |
| Existing Services, Supplies, Insurance and Equipmt | \$642,366                 |
| Total number of staff                              | <u>15</u>                 |
| Average expense per staff member                   | \$43,000                  |

**Table 7D**  
**Park and Recreation Expenses**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| Estimated Expenditure              | Estimating Factor <sup>1</sup> | Scenario 1<br>Developer<br>Plan | Scenario 1a<br>Entertnmt<br>Variant | Scenario 2<br>Community<br>Proposed | Scenario 2a<br>Recology<br>Variant |
|------------------------------------|--------------------------------|---------------------------------|-------------------------------------|-------------------------------------|------------------------------------|
| <b><u>Demographic Measure</u></b>  | <i>residents</i> <sup>2</sup>  | 9,888                           | 9,888                               | 0                                   | 0                                  |
| <b>Recreation Programs</b>         | \$132.61 /resident             | \$1,311,000                     | \$1,311,000                         | \$0                                 | \$0                                |
| <b>New Public Park Maintenance</b> |                                |                                 |                                     |                                     |                                    |
| Park Acres <sup>3, 4</sup>         |                                | 78.0                            | 78.0                                | 49.0                                | 49.0                               |
| Maintenance Expense                | \$7,000 /acre                  | \$546,000                       | \$546,000                           | \$343,000                           | \$343,000                          |
| Open Space Acres <sup>3</sup>      |                                | 88.6                            | 88.6                                | 281.0                               | 281.0                              |
| Maintenance Expense                | \$2,500 /acre                  | \$222,000                       | \$222,000                           | \$703,000                           | \$703,000                          |
| Subtotal New Park Maintenance      |                                | \$768,000                       | \$768,000                           | \$1,046,000                         | \$1,046,000                        |
| <b>Total Park and Rec Expense</b>  |                                | <b>\$2,079,000</b>              | <b>\$2,079,000</b>                  | <b>\$1,046,000</b>                  | <b>\$1,046,000</b>                 |

<sup>1</sup> Table 7A.

<sup>2</sup> Table 3A.

<sup>3</sup> Brisbane Baylands Draft Environmental Impact Report, June 2013 - Chapter 4.M Recreational Resources for the Developer Sponsored plans. Baylands June 2013 DEIR and Baylands Public Space Master Plan, May 2009 - IV Public Space Plan for the Community Proposed plans.

<sup>4</sup> Park acreage is inclusive of the following parks in the Developer Sponsored plans: The Promenade, Roundhouse Green, The Quad, South Visitacion Park, Lagoon Park, and the Charter High School shared use facility.

**Appendix 1**  
**Summary of General Fund, Gas Tax Fund, and Measure A Fund Revenues**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

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| <b>Revenue Category</b>                | <b>2013/14<br/>Revenue <sup>1</sup></b> | <b>Basis of KMA Estimate</b>               |
|----------------------------------------|-----------------------------------------|--------------------------------------------|
| <b><u>Included in the Analysis</u></b> |                                         |                                            |
| <b>Property Tax</b>                    |                                         |                                            |
| Current Secured                        | \$1,860,310                             |                                            |
| Current Unsecured                      | \$10,000                                |                                            |
| Supplemental Tax                       | \$75,457                                |                                            |
| Property Tax from RDA Area             | \$100,000                               |                                            |
| ERAF Reimbursement                     | \$160,000                               |                                            |
| Home Owners Property Tax Rebate        | \$17,000                                |                                            |
|                                        | <u>\$2,222,767</u>                      | estimated project assessed values          |
| <b>Property Transfer Tax</b>           | \$25,501                                | assessed values, estimated turnover        |
| <b>Property Tax in Lieu of MVLFF</b>   | \$225,000                               | no increase due to County-wide shortfall   |
| <b>Sales Tax</b>                       |                                         |                                            |
| Sales Tax                              | \$1,800,000                             |                                            |
| Sales Tax as Property Tax              | \$180,000                               |                                            |
| Sales Tax - Safety                     | \$30,085                                |                                            |
|                                        | <u>\$2,010,085</u>                      | estimated taxable sales                    |
| <b>Franchise Fees</b>                  |                                         |                                            |
| Franchise Fees - P G & E               | \$120,384                               |                                            |
| Franchise Fees - Scavenger             | \$37,874                                |                                            |
| Franchise Fees - Cable TV              | \$69,739                                |                                            |
| Franchise Fees - Marina                | \$126,713                               |                                            |
|                                        | <u>\$354,710</u>                        | resident equivalents                       |
| <b>Transient Occupancy Tax</b>         | \$1,632,000                             | estimated room rents; 12% TOT              |
| <b>Business License Tax</b>            |                                         |                                            |
| Business License Tax                   | \$342,000                               | rates from Municipal Code                  |
| Recology Business License              | \$2,100,000                             | expansion triggers increase to \$3,000,000 |
|                                        | <u>\$2,442,000</u>                      |                                            |
| <b>Fines and Forfeitures</b>           |                                         |                                            |
| Business License Penalty               | \$3,000                                 |                                            |
| Vehicle Code Fines                     | \$40,000                                |                                            |
| City Code Violations                   | \$40,000                                |                                            |
| Abandoned Vehicle Abatement            | \$4,690                                 |                                            |
|                                        | <u>\$87,690</u>                         | resident equivalents                       |
| <b>Truck Haul Impact Fees</b>          | \$244,800                               | business to relocate; show as revenue loss |
| <b>Total Revenue Included</b>          | <b>\$9,244,553</b>                      |                                            |
| <b><u>Charges for Services</u></b>     |                                         |                                            |
| <b>General Government</b>              |                                         |                                            |
| Sale of Copies                         | \$593                                   |                                            |
| P G & E Collection Fees                | \$365                                   |                                            |
| Processing Fees                        | \$4,000                                 |                                            |
| Admn. Charge to B.P.F.A.               | \$31,000                                |                                            |
| Admn. Charge to NER                    | \$5,000                                 |                                            |
|                                        | <u>\$40,958</u>                         |                                            |

**Appendix 1**  
**Summary of General Fund, Gas Tax Fund, and Measure A Fund Revenues**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

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| Revenue Category                  | 2013/14<br>Revenue <sup>1</sup> | Basis of KMA Estimate |
|-----------------------------------|---------------------------------|-----------------------|
| <b>Community Development</b>      |                                 |                       |
| Building Permits                  | \$87,864                        |                       |
| Home Occup/Misc Permits           | \$2,500                         |                       |
| Use Permits                       | \$5,900                         |                       |
| Variances                         | \$3,000                         |                       |
| Sign Permits                      | \$980                           |                       |
| Zoning Fees                       | \$500                           |                       |
| E.I.R. Fees                       | \$300                           |                       |
| Strong Motion Fees (SMIP)         | \$500                           |                       |
| Design Review Fees                | \$3,000                         |                       |
| Certificate Of Compliance Fees    | \$500                           |                       |
| Tentative Parcel Map Review       | \$500                           |                       |
| Appeal Fees                       | \$500                           |                       |
| Plan Check Fees                   | \$115,000                       |                       |
| Planning Dept.Services            | \$12,721                        |                       |
|                                   | <hr/>                           |                       |
|                                   | \$233,765                       |                       |
| <b>Public Works Department</b>    |                                 |                       |
| Grading Permits                   | \$95,684                        |                       |
| Encroachment Permits              | \$3,000                         |                       |
| Wide Load Permits                 | \$1,585                         |                       |
| Rents & Concessions               | \$85,000                        |                       |
| Special Engineering Service       | \$33,407                        |                       |
| Developer's Reimbursement         | \$174,000                       |                       |
|                                   | <hr/>                           |                       |
|                                   | \$392,676                       |                       |
| <b>Fire Department</b>            |                                 |                       |
| Fire Department Services          | \$80,000                        |                       |
| Fire Paramedic Reimbursement      | \$32,820                        |                       |
|                                   | <hr/>                           |                       |
|                                   | \$112,820                       |                       |
| <b>Police Department Services</b> |                                 |                       |
|                                   | \$2,473                         |                       |
| <b>Parks and Recreation</b>       |                                 |                       |
| Adult Sports                      | \$5,000                         |                       |
| After School Program Fees         | \$66,000                        |                       |
| Pre-School (Teen Time) Fees       | \$39,000                        |                       |
| Teen Programs                     | \$1,600                         |                       |
| Youth Sports                      | \$8,000                         |                       |
| Youth Class                       | \$27,000                        |                       |
| Day Camp                          | \$68,000                        |                       |
| Adult Lap Swim Fees               | \$90,000                        |                       |
| Recreational Swim Fees            | \$29,000                        |                       |
| Swim Lesson Fees                  | \$40,000                        |                       |
| Special Swim Class Fees           | \$37,000                        |                       |
| Special Event Fees                | \$10,000                        |                       |
| Facilities Rental Fees            | \$113,000                       |                       |
|                                   | <hr/>                           |                       |
|                                   | \$533,600                       |                       |
| <b>Total Charges for Services</b> | <b>\$1,316,292</b>              |                       |

**Appendix 1**  
**Summary of General Fund, Gas Tax Fund, and Measure A Fund Revenues**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

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| <b>Revenue Category</b>                                | <b>2013/14<br/>Revenue <sup>1</sup></b> | <b>Basis of KMA Estimate</b>                        |
|--------------------------------------------------------|-----------------------------------------|-----------------------------------------------------|
| <b><u>Excluded from the Analysis</u></b>               |                                         |                                                     |
| <b>Indirect Costs Reimbursement <sup>2</sup></b>       | \$1,088,712                             | reimbursement for non-GF costs                      |
| <b>Prop Tax In-Lieu - Tuntex Agreement</b>             | \$236,675                               | payments end when AV threshold reached              |
| <b>Miscellaneous Revenue</b>                           |                                         |                                                     |
| Investment Earnings                                    | \$30,000                                | independent of development                          |
| Motor Vehicle In-Lieu                                  | \$7,105                                 | resident-based VLF to cities ended by SB 89 in 2011 |
| Other Grant                                            | \$3,000                                 | independent of development                          |
|                                                        | <u>\$40,105</u>                         |                                                     |
| <b>Total Excluded Revenue</b>                          | <b>\$1,365,492</b>                      |                                                     |
| <b>Total General Fund Revenues</b>                     | <b><u>\$11,926,337</u></b>              |                                                     |
| <br><b><u>General Fund Transfers In</u></b>            |                                         |                                                     |
| Sewer Fund Loan                                        | \$29,994                                | independent of development                          |
| Liability Insurance Fund                               | \$650,000                               | independent of development                          |
|                                                        | <u>\$679,994</u>                        |                                                     |
| <br><b><u>Gas Tax Fund</u></b>                         | <br><b>\$118,300</b>                    | <br>population                                      |
| <br><b><u>Measure A Sales Tax - Transportation</u></b> | <br><b>\$150,000</b>                    | <br>Brisbane share of Measure A sales tax funds     |

<sup>1</sup> City of Brisbane One Year Operating Budget Fiscal Years 2013-2014; Summary of Revenue within Fund by Source (Schedule 2).

<sup>2</sup> These are the funds the City receives from the City's Enterprise and Special Revenue Funds for the work that General Fund employees do for these funds. Since these employee expenditures are accounted for separately from General Fund expenditures, the reimbursements are not included for purposes of this analysis. See Appendix A-1a.



**Appendix 1a**  
**Indirect Cost Reimbursement (40901) - Department Costs**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

*Source: City of Brisbane One Year Operating Budget Fiscal Years 2013-2014; indirect costs accounts (54250). Allocation to departments based on FY 12/13 Budget allocations per City staff.*

|                                                                          | <b>FY 12/13</b>               | <b>FY 13/14</b>               |
|--------------------------------------------------------------------------|-------------------------------|-------------------------------|
| <b>Public Works</b>                                                      |                               |                               |
| 4009 Public Works SPLLD - Sierra Point Lighting and Landscaping Fund 210 | \$109,741                     | \$114,443                     |
| 4020 Water - Utility Fund 540                                            | \$316,240                     | \$209,050                     |
| 4026 NPDES - NPDES Fund 220                                              | \$46,521                      | \$72,258                      |
| 4030 Sewer - Utility Fund 540                                            | \$286,613                     | \$245,821                     |
|                                                                          | <u>\$759,115</u>              | <u>\$641,572</u>              |
| <br>4025 Guadalupe Valley Municipal Utility District - Utility Fund 540  | <br>\$241,132                 | <br>\$302,067                 |
| <br><b>Recreation</b>                                                    |                               |                               |
| 5002 Recreation Parks and Facilities Operations - General Fund 100       | \$53,925                      | \$0                           |
| 5003 Recreation Youth Activities - General Fund 100                      | \$92,141                      | \$0                           |
| 5004 Recreation Adult Activities - General Fund 100                      | \$6,089                       | \$0                           |
| 5005 Recreation Senior Citizens Activities - General Fund 100            | \$7,775                       | \$0                           |
| 5006 Recreation Special Events / Communications - General Fund 100       | \$3,308                       | \$0                           |
| 5007 Recreation Teen Activities - General Fund 100                       | \$18,175                      | \$0                           |
| 5008 Recreation Aquatics - General Fund 100                              | \$73,243                      | \$0                           |
|                                                                          | <u>\$254,656</u>              | <u>\$0</u>                    |
| <br>5040 Marina - Marina Fund 550                                        | <br>\$151,238                 | <br>\$145,073                 |
| <br><b>Total Indirect Costs</b>                                          | <br><u><u>\$1,406,141</u></u> | <br><u><u>\$1,088,712</u></u> |
| <br>Indirect Cost Reimbursement                                          | <br>\$1,636,140               | <br>\$1,088,712               |
| <br>Difference                                                           | <br>\$229,999                 | <br>\$0                       |
| <br>Successor Agency to Redevelopment                                    | <br>\$230,000                 | <br>\$0                       |

**Appendix 2**  
**Summary of General Fund Expenditures**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| <b>Department / Expenditure Category</b>                | <b>2013/14<br/>Expenditures <sup>1</sup></b> | <b>Charges for Service <sup>2</sup></b> | <b>Net<br/>Expenditures</b> |
|---------------------------------------------------------|----------------------------------------------|-----------------------------------------|-----------------------------|
| <b>General Government</b>                               |                                              |                                         |                             |
| City Council                                            | \$149,508                                    |                                         |                             |
| City Clerk                                              | \$144,997                                    |                                         |                             |
| City Manager                                            | \$425,660                                    |                                         |                             |
| Event Cosponsorship                                     | \$41,821                                     |                                         |                             |
| Open Space                                              | \$102,518                                    |                                         |                             |
| Finance                                                 | \$773,828                                    |                                         |                             |
| Human Resources                                         | \$287,822                                    |                                         |                             |
| Legal Services-City Attorney                            | \$190,000                                    |                                         |                             |
| Library                                                 | \$29,800                                     |                                         |                             |
|                                                         | <hr/>                                        |                                         |                             |
|                                                         | \$2,145,954                                  | \$40,958                                | \$2,104,996                 |
| <b>Community Development</b>                            | \$838,950                                    | \$233,765                               | \$605,185                   |
| <b>Police Department</b>                                |                                              |                                         |                             |
| Police--Administration & Personnel                      | \$559,496                                    |                                         |                             |
| Police--Communications & Records                        | \$316,103                                    |                                         |                             |
| Police--Police Patrol                                   | \$2,068,113                                  |                                         |                             |
|                                                         | <hr/>                                        |                                         |                             |
|                                                         | \$2,943,712                                  | \$2,473                                 | \$2,941,239                 |
| <b>Fire--Fire Suppression</b>                           | \$2,313,089                                  | \$112,820                               | \$2,200,269                 |
| <b>Department of Public Works (DPW)</b>                 |                                              |                                         |                             |
| Public Works--Admin. & Engineering                      | \$444,773                                    |                                         |                             |
| Public Works--Streets & Storm Drains                    | \$359,407                                    |                                         |                             |
| Public Works--Buildings & Grounds                       | \$249,402                                    |                                         |                             |
| Public Works--Landscape Maintenance                     | \$149,694                                    |                                         |                             |
| Public Works -- Office of Emergency Services            | \$51,009                                     |                                         |                             |
|                                                         | <hr/>                                        |                                         |                             |
|                                                         | \$1,254,285                                  | \$392,676                               | \$861,609                   |
| <b>Parks Maintenance (DPW and Parks and Recreation)</b> |                                              |                                         |                             |
| Public Works--Parks Maintenance                         | \$158,938                                    |                                         |                             |
| Recreation--Parks & Facility Maint.                     | \$246,990                                    |                                         |                             |
|                                                         | <hr/>                                        |                                         |                             |
|                                                         | \$405,928                                    | \$0                                     | \$405,928                   |
| <b>Parks and Recreation</b>                             |                                              |                                         |                             |
| Recreation--Admin & PB&R Comm.                          | \$197,573                                    |                                         |                             |
| Recreation--Preschool, Youth & Teen                     | \$448,016                                    |                                         |                             |
| Recreation--Adult Recreation                            | \$11,086                                     |                                         |                             |
| Recreation--Senior Citizens                             | \$85,447                                     |                                         |                             |
| Recreation--Citizen Communications                      | \$68,035                                     |                                         |                             |
| Recreation--Teen Activities                             | \$134,215                                    |                                         |                             |
| Recreation--Aquatics                                    | \$372,681                                    |                                         |                             |
|                                                         | <hr/>                                        |                                         |                             |
|                                                         | \$1,317,053                                  | \$533,600                               | \$783,453                   |
| <b>Non-Departmental/Central Services</b>                | \$493,439                                    | \$0                                     | \$493,439                   |
| <b>Total General Fund Expenditures</b>                  | <hr/> <hr/>                                  | <hr/> <hr/>                             | <hr/> <hr/>                 |
|                                                         | \$11,712,410                                 | \$1,316,292                             | \$10,396,118                |

**Appendix 2**  
**Summary of General Fund Expenditures**  
**Fiscal Impact Analysis**  
**Brisbane Baylands Specific Plan**  
**Brisbane, CA**

| <b>Department / Expenditure Category</b>                | <b>2013/14<br/>Expenditures <sup>1</sup></b> | <b>Charges for Service <sup>2</sup></b> | <b>Net<br/>Expenditures</b> |
|---------------------------------------------------------|----------------------------------------------|-----------------------------------------|-----------------------------|
| <b>General Fund Transfers Out <sup>3</sup></b>          |                                              |                                         |                             |
| Pension Obligation Bond Fund                            | \$674,934                                    |                                         |                             |
| Retiree Health                                          | \$399,443                                    |                                         |                             |
| Utility for LIRA Offset                                 | \$49,078                                     |                                         |                             |
| NPDES                                                   | \$213,825                                    |                                         |                             |
|                                                         | <b>\$1,337,280</b>                           |                                         | <b>\$1,337,280</b>          |
| <b>General Fund Expenditures and Transfers Out</b>      | <b>\$13,049,690</b>                          | <b>\$1,316,292</b>                      | <b>\$11,733,398</b>         |
| <b>Gas Tax Fund Transfer for Pavement Maintenance</b>   |                                              |                                         | <b>\$75,000</b>             |
| <b>Measure A Fund Transfer for Pavement Maintenance</b> |                                              |                                         | <b>\$90,000</b>             |
|                                                         |                                              |                                         | <b>\$165,000</b>            |

<sup>1</sup> City of Brisbane One Year Operating Budget Fiscal Years 2013-2014; Budget and Expenditures by Fund (Schedule 4).

<sup>2</sup> Appendix A-1.

<sup>3</sup> Ongoing General Fund transfers to other funds that incur City costs. 2013/14 Budget Schedule 5. Excluded from expenditures since they are not related to the Baylands project.