



KEYSER MARSTON ASSOCIATES

**Preliminary Assessment of Fiscal Impacts
Hypothetical Development Programs
Brisbane Baylands
Brisbane, California**

Prepared for:
City of Brisbane

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I. INTRODUCTION

At the request of the City of Brisbane, Keyser Marston Associates, Inc. (KMA) has evaluated the fiscal impacts that four hypothetical development alternatives for the Brisbane Baylands would generate to the City of Brisbane. The development programs were provided by City staff and are summarized in the following chart¹:

<i>Proposed Development Program</i>	<i>Alternative 1</i>	<i>Alternative 2</i>	<i>Alternative 3</i>	<i>Alternative 4</i>
Residential Units				
Rental Apartments	900	1,260	1,620	1,980
Ownership Townhomes	<u>100</u>	<u>140</u>	<u>180</u>	<u>220</u>
Total Residential Units	1,000	1,400	1,800	2,200
Non-Residential SF				
Commercial/Office/R&D	1,500,000	3,000,000	4,450,000	5,350,000
Retail	200,000	200,000	250,000	350,000
New Industrial	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>
Total Non-Residential SF	2,000,000	3,500,000	5,000,000	6,000,000

The analysis of the four alternatives uses the same methodology as was previously used to analyze the four conceptual EIR alternatives. The base revenue and cost assumptions have been updated to reflect current market conditions and the City's 2017/18 budget. Please refer to the March 2016 report entitled "Preliminary Assessment of Fiscal Impacts, Brisbane Baylands" for information on the Brisbane Baylands, and the methodology used to assess the project's fiscal impacts.

¹ KMA has not evaluated the financial feasibility of the four alternative development programs. The fiscal analysis is based on the assumption that the programs are well-received by the marketplace and are financially feasible to develop.

A. Summary of Approach and Methodology

This fiscal analysis evaluates the recurring city revenue and service cost impacts of the hypothetical development programs upon build-out. The general impacts of each land use component are also evaluated, which may be useful to decision-makers in crafting a preferred land use plan, structuring phasing requirements and developing a plan for delivering and funding municipal services. Given that the development programs are hypothetical, the findings of this analysis should be viewed as “order of magnitude” indicators of impacts and subject to refinement once a detailed program is established for the Baylands.

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 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 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.

KMA collaborated with City staff to discuss the approach for determining revenue and cost factors and to assemble available data. City staff provided maintenance cost estimates for new streets that would serve the residential and non-residential components of the four alternatives. The number of needed additional police department staff positions has been estimated by extrapolating the service needs identified in the EIR for the Developer Sponsored Plan(DSP) for the Baylands to the four alternative programs. The analysis of City service costs reflects the assumption that all city services to the Baylands, including the maintenance of internal streets, are funded by the City of Brisbane. The analysis does not include any city service costs associated with park and open space, public utilities or any other land use components that may be part of the Baylands.

Data sources include the City of Brisbane staff; June 2013 Brisbane Baylands Draft EIR, the City Community Development and Public Works departments, the City of Brisbane FY 2017-2018 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. 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.

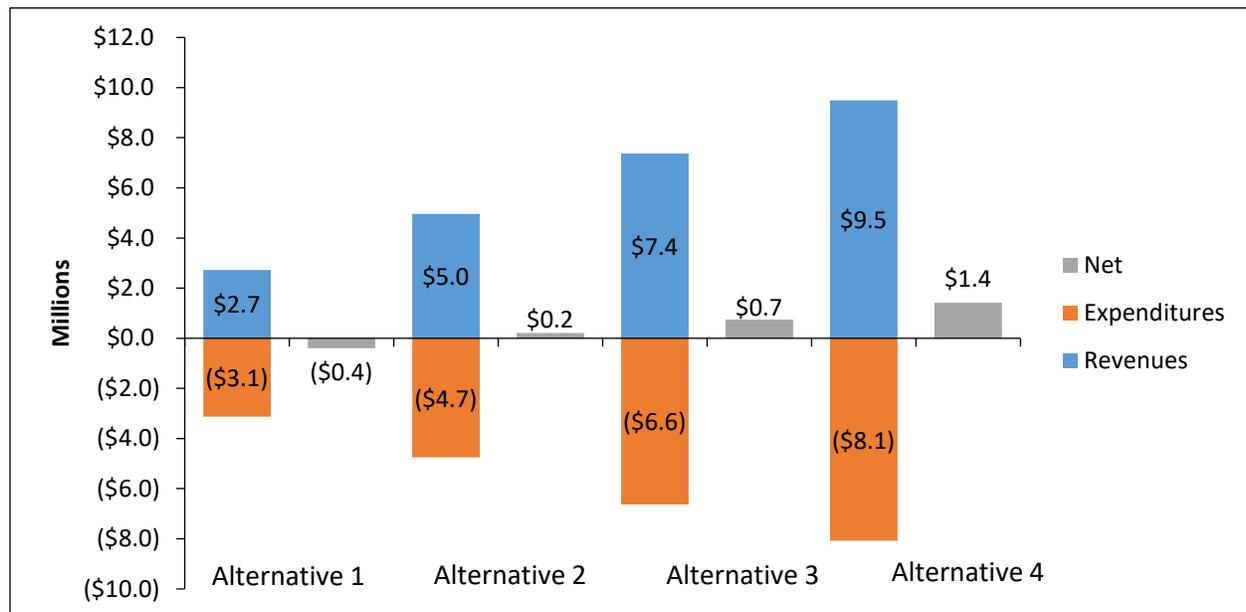
II. ANNUAL FISCAL IMPACTS TO THE CITY OF BRISBANE

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

Alternatives 2, 3 and 4 are estimated to generate an annual net fiscal surplus to the City of approximately \$218,000, \$745,000 and \$1,416,000 respectively. Alternative 1, which has the least amount of development, is estimated to generate an annual net fiscal deficit of approximately \$400,000 to the City of Brisbane. ***Given the hypothetical and very 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

Annual General, Gas Tax, and Measure A Fund Impact Upon Buildout	Alternative 1	Alternative 2	Alternative 3	Alternative 4
General, Gas Tax, Measure A Revenues	\$2,724,000	\$4,964,000	\$7,372,000	\$9,496,000
General Fund Expenditures	\$3,124,000	\$4,746,000	\$6,627,000	\$8,080,000
Annual Net Impact	(\$400,000)	\$218,000	\$745,000	\$1,416,000



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

The following chart presents net annual impacts for each land use component of the hypothetical development programs. As shown, the non-residential land use components are estimated to generate an annual net fiscal surplus to the City. The residential component is

estimated to generate a fiscal deficit because of the impacts of several base assumptions of the analysis, as follows:

- 90% of the residential units are assumed to be rental apartments, which generate less tax revenue per unit than do ownership units.
- Apartments are assumed to have an average household size of 2.23 persons per household², which is high for an assumed unit size of 950 square feet;
- The street maintenance costs associated with the residential component are assumed to be the same regardless of the number of residential units;
- 100% of city service costs to be generated by the residential component is assumed to be funded by the City's General Fund. It is now very common for homeowners within new residential subdivisions to directly pay a portion of city service costs; and
- All of the sales tax revenue to be generated by the retail space has been attributed to the retail component. A portion of the retail sales is due to expenditures by the new residents and could be allocated to the residential component instead of the retail component.

<i>Unadjusted Annual General, Gas Tax, and Measure A Fund Impact by Land Use Upon Buildout</i>	<i>Alternative 1</i>	<i>Alternative 2</i>	<i>Alternative 3</i>	<i>Alternative 4</i>
Residential	(\$755,000)	(\$1,026,000)	(\$1,145,000)	(\$1,358,000)
Commercial / Office / R&D	\$844,000	\$1,732,000	\$2,290,000	\$2,858,000
Retail	\$612,000	\$611,000	\$709,000	\$1,024,000
Resource Recovery / Industrial	\$166,000	\$167,000	\$157,000	\$158,000
Loss of Existing Revenue	(\$1,266,000)	(\$1,266,000)	(\$1,266,000)	(\$1,266,000)
Total Annual Net Impact	(\$400,000)	\$218,000	\$745,000	\$1,416,000

With common planning practices, the residential component can yield a fiscal surplus. Examples of possible effective measures would be to include ownership condominiums in addition to rental apartments, refining the estimate of the number of the number of residents per household, developing a financing plan for funding municipal services that provides for property owners bearing a portion of the cost of municipal services, and refining the project's needs for new streets and public services.

² The assumed household size reflects the average household size estimate contained in the 2013 EIR for the Baylands project.

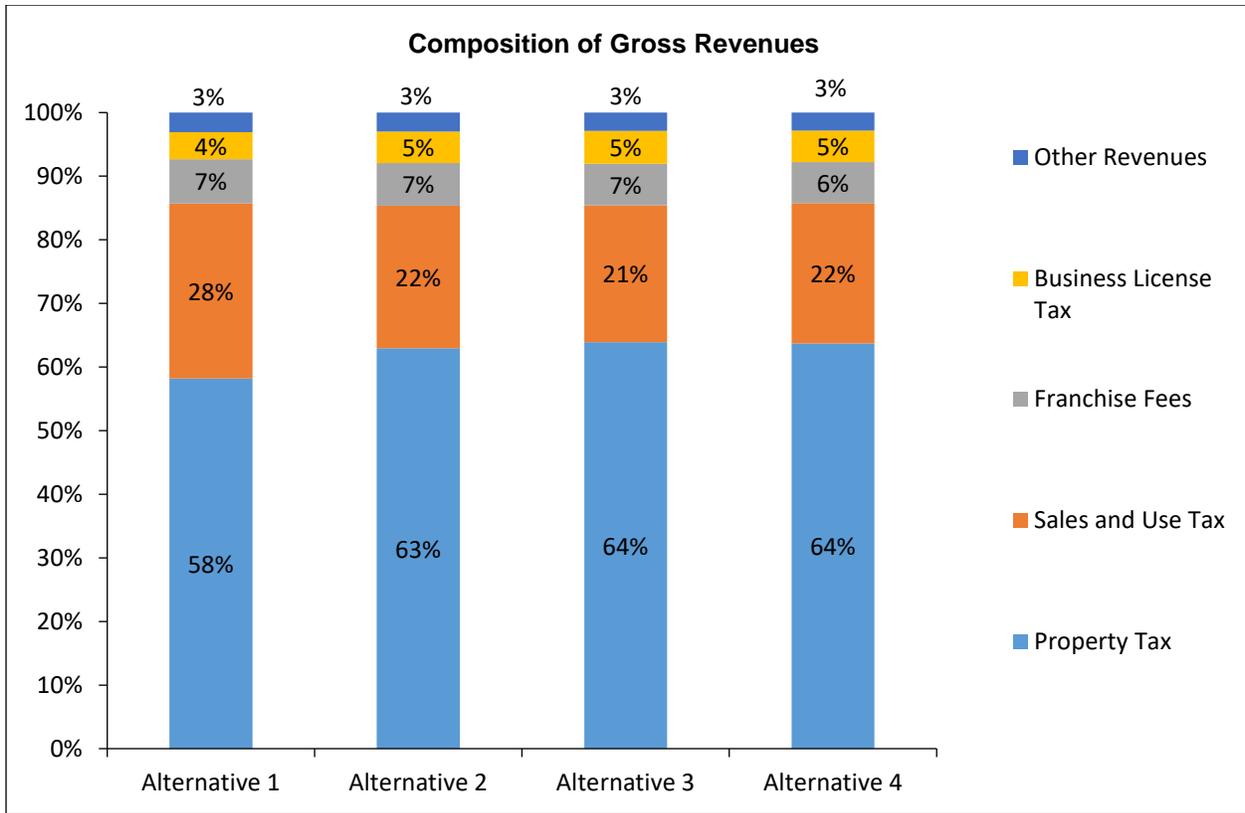
C. Recurring Annual General, Gas Tax, and Measure A Fund Revenues

The Alternative 1 is anticipated to generate approximately \$3.99 million of gross annual tax revenue to the City's General Fund (including Gas Tax and Measure A revenues), upon full buildout. Property tax revenues are anticipated to be the single largest revenue source and are expected to total \$2.3 million annually (58% of total revenues).³ Sales and use taxes are the second largest source of annual revenue, accounting for 28% of annual revenue, followed by franchise fees and Business license tax. Remaining revenue sources include fines and property transfer taxes. Alternatives 2, 3, and 4 are anticipated to generate approximately \$6.23 million, \$8.64 million and \$10.76 million of gross annual tax revenue to the City's General Fund upon buildout. The individual revenue sources along with their respective composition for the four Alternatives are presented in the following two charts.

Existing soil processing and recycling, billboard fee revenue, and the Tuntex payment totaling \$1.27 million would be eliminated under all development scenarios.

<i>Annual General, Gas Tax and Measure A Fund Revenues Upon Buildout</i>	<i>Alternative 1</i>	<i>Alternative 2</i>	<i>Alternative 3</i>	<i>Alternative 4</i>
Property Tax	\$2,322,000	\$3,921,000	\$5,521,000	\$6,853,000
Transient Occupancy Tax	\$0	\$0	\$0	\$0
Sales and Use Tax	\$1,098,000	\$1,396,000	\$1,855,000	\$2,375,000
Franchise Fees	\$277,000	\$420,000	\$569,000	\$695,000
Business License Tax	\$169,000	\$308,000	\$445,000	\$534,000
Fines and Forfeitures	\$32,000	\$48,000	\$65,000	\$80,000
Property Transfer Tax	\$44,000	\$71,000	\$98,000	\$121,000
Total General Fund Revenues	\$3,942,000	\$6,164,000	\$8,553,000	\$10,658,000
Gas Tax	\$47,000	\$65,000	\$84,000	\$103,000
Measure A	\$1,000	\$1,000	\$1,000	\$1,000
Total Annual Revenues	\$3,990,000	\$6,230,000	\$8,638,000	\$10,762,000

³ 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.

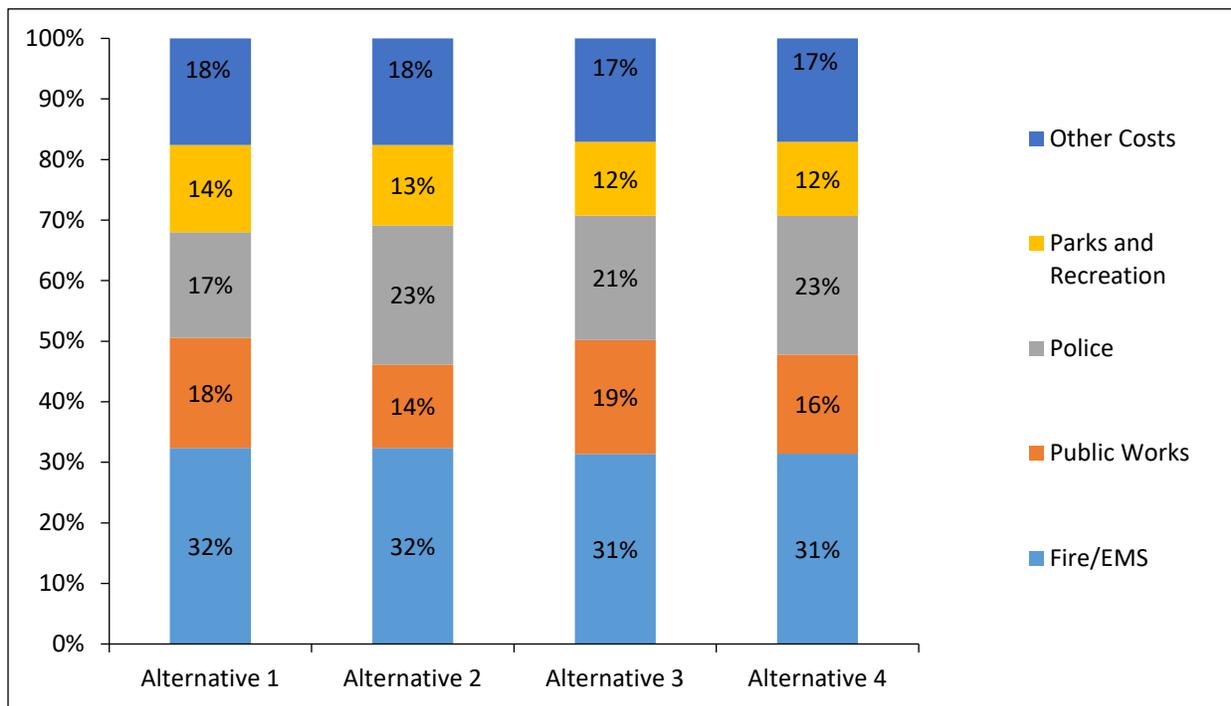


D. Net Annual General, Gas Tax, and Measure A Fund Expenditures upon Build-out

The annual cost of providing city services to the Baylands is estimated at \$3.12 million for Alternative 1. The single largest projected expense is the Fire / EMS department costs, which is estimated to total \$1.0 million per year. The annual cost to the public works department to maintain new streets and mitigate additional wear and tear on existing streets is estimated to total \$569,000. Annual police department costs are estimated to total \$544,000 based on the EIR’s assessment for the Developer Sponsored Plan (DSP), with adjustments to reflect the number of residents and employees projected for Alternative 1. The remaining service costs are comprised of parks and recreation, general government administration, community development, and non-departmental / central services. The analysis 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, other utility expenses, equipment costs, and the long-term maintenance of Tunnel and Geneva Avenue overhead structures. Cost estimates for the parks and recreation department include only recreation program costs and exclude park maintenance costs.

Total annual general fund expenditures upon buildout for Alternatives 2, 3, and 4 are estimated at \$4.75 million, \$6.63 million and \$8.08 million respectively. The individual expenditure sources along with their respective composition for the four Alternatives are presented in the following two charts.

Annual General Fund Expenditures	Alternative 1	Alternative 2	Alternative 3	Alternative 4
Fire/EMS	\$1,011,000	\$1,537,000	\$2,080,000	\$2,540,000
Public Works	\$569,000	\$654,000	\$1,246,000	\$1,320,000
Police	\$544,000	\$1,088,000	\$1,360,000	\$1,849,000
Parks and Recreation	\$450,000	\$631,000	\$811,000	\$991,000
General Government	\$380,000	\$578,000	\$782,000	\$955,000
New Library	\$0	\$0	\$0	\$0
Community Development	\$106,000	\$161,000	\$217,000	\$265,000
Non-Departmental/Central Services	\$64,000	\$97,000	\$131,000	\$160,000
Total Annual General Fund Expend.	\$3,124,000	\$4,746,000	\$6,627,000	\$8,080,000



III. 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 the four Alternatives. As noted in the report, the analysis reflects a number of assumptions and factors, which will likely change once a preferred plan is selected. 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. **Optimize the mix of residential product types.** The four alternatives that have been analyzed in this exercise contain 90% apartment rental units, no ownership flats and very few ownership townhomes. A balanced residential plan with more ownership units would significantly increase the amount of tax revenue to the City of Brisbane
2. **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.
3. **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.
4. **Privatize roads.** In many communities, the system of internal streets that serve business campuses are privately owned and maintained. This reduces the cost of providing municipal services, which improves the fiscal balance of the project.
5. **Maximize capture of use tax and sales tax revenues.** Technology campus businesses can generate significant use tax revenues. A development agreement can be structured to maximize the allocation of these revenues to the City of Brisbane.
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. One example is a construction tax on new construction. Another example is an admission tax on entertainment venues.

IV. METHODOLOGY AND ASSUMPTIONS

The fiscal impact analysis provides a preliminary estimate of the annual recurring fiscal revenues and expenses that the four hypothetical development programs would generate to the City of Brisbane upon build-out. The analysis uses the same methodology and assumptions as were used by KMA to evaluate each of the four June 2013 Brisbane Baylands DEIR concept plan scenarios. 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.

The major revenue and cost elements evaluated include property, 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 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 alternatives 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.

The fiscal impact analysis is in 2018 dollars and is based on both marginal estimating sources, such as assessed values, and average revenue and cost factors derived from the City's FY 2017-2018 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 four hypothetical development programs have been provided by City staff.
- ***Project Demographics*** – The base data source for household sizes and employment densities is the Baylands DEIR. (Tables 3a and 3b).

- **Existing City of Brisbane Demographics** – The State Department of Finance estimates the City of Brisbane’s 2017 population at 4,722. As per ESRI, total employment in the City of Brisbane is estimated at 8,762. (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** – Commercial (tech campus), retail and industrial land use values are derived from the values of other recently completed developments and Marshall and Swift Valuation Service. Estimates indicate total values of \$425, \$425 and \$200 per square foot of building area, respectively, for these land use types. Residential values of \$600,000 per apartment unit and \$1,180,000 per townhome unit have been estimated based on 2017/2018 sales data. KMA reviewed the sales prices of new homes being sold at the former Hunters Point Shipyard⁴ as well as existing homes in Brisbane and surrounding communities in north San Mateo County. (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. 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

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

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.

- **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 13 years and non residential properties every 5 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 \$500 per square foot per year based on data provided by California Retail Analytics (2014) prepared by HDL companies. KMA has assumed that 90% of these sales are net new after transfers from existing businesses in Brisbane and that 80% of the net new sales are taxable, resulting in \$360 of taxable sales per square foot for retail land uses.

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).
- **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. 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 and retail uses in the analysis.

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 \$255,938. 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. In total, the City will lose approximately \$1.27 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. 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 2017-2018 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 2017-2018 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 department 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.

- **Police** – The Baylands DEIR estimates that eleven additional police officers and one civilian staff person would be required to serve the Developer Plan scenarios. KMA has estimated the service needs for the Alternatives based on their respective pro rata share of service population. The cost of the 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 2017-2018 budget. Salary and benefits cost \$200,000 per police officer and \$72,000 per civilian staff. (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 \$42 per resident equivalent. The Public Works Department has estimated the cost of maintaining the new streets within the residential and non-residential areas of the Baylands. 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 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** – Parks and recreation expenditures reflected in the analysis include only the cost to provide recreational programs to residents. Park maintenance costs have not been estimated or included in the analysis. Recreational costs are estimated based on Brisbane’s 2017-2018 Budget at \$202 per resident, with an assumption that 75% of costs are variable. It is assumed that park and open space maintenance costs will be paid from assessment districts and not the General Fund. (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 2018 dollars.
- ***Continuity of Legal and Institutional Constraints*** – The cost and revenue experience of the City of Brisbane is based on the FY 2017-2018 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.

V. 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 reflect the four hypothetical development programs provided by City staff. As the plans are hypothetical and conceptual, 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 hypothetical concepts is supported by the marketplace, is financially feasible, and will achieve full build-out.
4. The assumed assessed values reflect home sales in 2017/2018 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 2017/18.
6. Public works cost estimates exclude electrical costs for street lights, equipment maintenance and long-term maintenance of Tunnel and Geneva Avenue overhead structures. The cost to maintain any parks that may be included in the Baylands has also not been included in the analysis.
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
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Revenue or Expenditure Category	Alternative 1		Alternative 2		Alternative 3		Alternative 4	
	Amount	%	Amount	%	Amount	%	Amount	%
General Fund Revenues¹								
Property Taxes								
City Share	\$2,322,000	58.2%	\$3,921,000	62.9%	\$5,521,000	63.9%	\$6,853,000	63.7%
ERAF Shift ²	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
	\$2,322,000	58.2%	\$3,921,000	62.9%	\$5,521,000	63.9%	\$6,853,000	63.7%
Transient Occupancy Tax	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Sales and Use Tax	\$1,098,000	27.5%	\$1,396,000	22.4%	\$1,855,000	21.5%	\$2,375,000	22.1%
Franchise Fees	\$277,000	6.9%	\$420,000	6.7%	\$569,000	6.6%	\$695,000	6.5%
Business License Tax	\$169,000	4.2%	\$308,000	4.9%	\$445,000	5.2%	\$534,000	5.0%
Fines and Forfeitures	\$32,000	0.8%	\$48,000	0.8%	\$65,000	0.8%	\$80,000	0.7%
Property Transfer Tax	\$44,000	1.1%	\$71,000	1.1%	\$98,000	1.1%	\$121,000	1.1%
Total General Fund Revenues	\$3,942,000	98.8%	\$6,164,000	98.9%	\$8,553,000	99.0%	\$10,658,000	99.0%
Other Fund Revenue¹								
Gas Tax	\$47,000	1.2%	\$65,000	1.0%	\$84,000	1.0%	\$103,000	1.0%
Measure A	\$1,000	0.0%	\$1,000	0.0%	\$1,000	0.0%	\$1,000	0.0%
Total Other Funds	\$48,000	1.2%	\$66,000	1.1%	\$85,000	1.0%	\$104,000	1.0%
Total Revenue - General and Other Funds	\$3,990,000	100.0%	\$6,230,000	100.0%	\$8,638,000	100.0%	\$10,762,000	100.0%
Loss of Existing Revenues	(\$1,266,000)	(31.7%)	(\$1,266,000)	(20.3%)	(\$1,266,000)	(14.7%)	(\$1,266,000)	(11.8%)
General Fund Net of Revenue Losses	\$2,724,000		\$4,964,000		\$7,372,000		\$9,496,000	
General Fund Expenditures³								
Fire / EMS	\$1,011,000	32.4%	\$1,537,000	32.4%	\$2,080,000	31.4%	\$2,540,000	31.4%
Public Works ⁴	\$569,000	18.2%	\$654,000	13.8%	\$1,246,000	18.8%	\$1,320,000	16.3%
Police	\$544,000	17.4%	\$1,088,000	22.9%	\$1,360,000	20.5%	\$1,849,000	22.9%
Parks and Recreation	\$450,000	14.4%	\$631,000	13.3%	\$811,000	12.2%	\$991,000	12.3%
General Government	\$380,000	12.2%	\$578,000	12.2%	\$782,000	11.8%	\$955,000	11.8%
New Library	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$0	0.0%
Community Development	\$106,000	3.4%	\$161,000	3.4%	\$217,000	3.3%	\$265,000	3.3%
Non-Departmental / Central Services	\$64,000	2.0%	\$97,000	2.0%	\$131,000	2.0%	\$160,000	2.0%
	\$3,124,000	100.0%	\$4,746,000	100.0%	\$6,627,000	100.0%	\$8,080,000	100.0%
Net Impacts - General / Other Funds	(\$400,000)		\$218,000		\$745,000		\$1,416,000	

¹ See Tables 6a to 6e.

² 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.

³ See Tables 7a to 7d.

⁴ 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
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

	Alternative 1	Alternative 2	Alternative 3	Alternative 4
Residential				
Revenue	\$1,294,000	\$1,869,000	\$2,437,000	\$3,050,000
Expense	<u>\$2,049,000</u>	<u>\$2,895,000</u>	<u>\$3,582,000</u>	<u>\$4,408,000</u>
Net Revenue / (Expense)	(\$755,000)	(\$1,026,000)	(\$1,145,000)	(\$1,358,000)
Commercial/Office/R&D				
Revenue	\$1,582,000	\$3,238,000	\$4,856,000	\$5,907,000
Expense	<u>\$738,000</u>	<u>\$1,506,000</u>	<u>\$2,566,000</u>	<u>\$3,049,000</u>
Net Revenue / (Expense)	\$844,000	\$1,732,000	\$2,290,000	\$2,858,000
Retail				
Revenue	\$869,000	\$874,000	\$1,095,000	\$1,554,000
Expense	<u>\$257,000</u>	<u>\$263,000</u>	<u>\$386,000</u>	<u>\$530,000</u>
Net Revenue / (Expense)	\$612,000	\$611,000	\$709,000	\$1,024,000
Industrial				
Revenue	\$246,000	\$249,000	\$250,000	\$251,000
Expense	<u>\$80,000</u>	<u>\$82,000</u>	<u>\$93,000</u>	<u>\$93,000</u>
Net Revenue / (Expense)	\$166,000	\$167,000	\$157,000	\$158,000
Fixed Revenue Loss¹	\$1,266,000	\$1,266,000	\$1,266,000	\$1,266,000
Total All Uses				
Revenue	\$2,724,000	\$4,964,000	\$7,372,000	\$9,496,000
Expense	<u>\$3,124,000</u>	<u>\$4,746,000</u>	<u>\$6,627,000</u>	<u>\$8,080,000</u>
Net Revenue / (Expense)	(\$400,000)	\$218,000	\$745,000	\$1,416,000

¹ 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
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Source: City staff

	Alternative 1	Alternative 2	Alternative 3	Alternative 4
Residential Units				
Apartments ¹	900	1,260	1,620	1,980
Townhomes ²	100	140	180	220
	1,000	1,400	1,800	2,200
Non-Residential Sq. Ft.				
Tech Campus	1,500,000	3,000,000	4,450,000	5,350,000
Retail	200,000	200,000	250,000	350,000
Light Industrial	300,000	300,000	300,000	300,000
	2,000,000	3,500,000	5,000,000	6,000,000
Existing Uses to Remain				
Lumber Yard (to be relocated)	142,500	142,500	142,500	142,500

¹ Multi-family apartments, densities from 45-95 du/acre.

² Densities range from 20-35 du/acre.

Table 3A
Project Population, Employment, and Resident Equivalents
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Source: Brisbane Baylands Draft Environmental Impact Report, June 2013 is the source of household size and employment density factors.

		Alternative 1	Alternative 2	Alternative 3	Alternative 4
Population					
Apartments	2.23 /HH	2,007	2,810	3,613	4,415
Townhomes	2.23 /HH	223	312	401	491
		2,230	3,122	4,014	4,906
Employment					
Tech Campus	450 SF/empl	3,333	6,667	9,889	11,889
Retail	580 SF/empl	345	345	431	603
New and Rebuilt Industrial	810 SF/empl	370	370	370	370
Resource Recovery	810 SF/empl	0	0	0	0
		370	370	370	370
		4,048	7,382	10,690	12,862
Retail Shoppers ¹		2,200	2,200	2,800	3,900
Resident Equivalents ²					
Population	1.00 /res equiv	2,230	3,122	4,014	4,906
Employment					
Commercial/Office/R&D	0.33 /res equiv	1,111	2,222	3,296	3,963
Retail	0.33 /res equiv	115	115	144	201
Industrial	0.33 /res equiv	123	123	123	123
		1,349	2,461	3,563	4,287
Retail Shoppers	0.125 /res equiv	275	275	350	488
Total Resident Equivalents		3,854	5,858	7,927	9,681

¹ Table 3b.

² 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
Shopper Population
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Visitor Category		Alternative 1	Alternative 2	Alternative 3	Alternative 4
Retail Shoppers⁹					
Annual Retail sales (net new) ¹⁰		\$90,000,000	\$90,000,000	\$113,000,000	\$158,000,000
Annual Shopping Trips	<i>\$165 sales per trip³</i>	545,455	545,455	684,848	957,576
Annual Persons	<i>1.5 persons / trip³</i>	818,182	818,182	1,027,273	1,436,364
Average Daily Shoppers	<i>365 days/yr</i>	2,200	2,200	2,800	3,900

³ KMA assumption.

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

¹⁰ Table 6e.

Table 4
Assessed Value
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

\$ Thousands

Assessed Value		Alternative 1	Alternative 2	Alternative 3	Alternative 4
New Residential	<i>per unit</i> ¹				
Apartments	\$600,000	\$540,000	\$756,000	\$972,000	\$1,188,000
Townhomes	\$1,180,000	\$118,000	\$165,000	\$212,000	\$260,000
		\$658,000	\$921,000	\$1,184,000	\$1,448,000
New Non-Residential	<i>per sq. ft.</i> ²				
Tech Campus	\$425	\$638,000	\$1,275,000	\$1,891,000	\$2,274,000
Retail	\$425	\$85,000	\$85,000	\$106,000	\$149,000
Industrial					
Industrial	\$200	\$60,000	\$60,000	\$60,000	\$60,000
		\$783,000	\$1,420,000	\$2,057,000	\$2,543,000
Total New Project Assessed Value (\$000)		\$1,441,000	\$2,341,000	\$3,241,000	\$3,991,000
Existing Assessed Value⁴ (\$000)		\$134,000	\$134,000	\$134,000	\$134,000
Net New Assessed Value (\$000)		\$1,307,000	\$2,207,000	\$3,107,000	\$3,857,000

¹ Assessed values of apartment projects recently constructed in San Mateo County. Townhome prices based on prices achieved by new developments near Brisbane.

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

⁴ Realquest Property Records, 2017/18 tax year.

Table 5
Existing City of Brisbane Population, Employment, and Resident Equivalents
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Demographic Measure		Brisbane
Population ¹		4,722
Employment ²		8,762
Resident Equivalents	<i>0.33 per employee</i>	7,643

¹ State of California, Department of Finance, E-1 Population Estimates for Cities.

² ESRI.

Table 6A
 Revenue Assumptions
 Fiscal Impact Analysis
 Hypothetical Range of Development Programs
 Brisbane, CA

2/16/2018

Page 1 of 3

General Fund

Property Taxes	17.77% City share of 1% property tax ¹ <u>0.00%</u> ERAF shift ¹ 17.77% City share of 1% property tax net of ERAF shift
Property Transfer Tax	\$0.55 per \$1,000 City transfer tax rate ² 13% estimated ownership residential annual turnover ³ 5% estimated commercial annual turnover ³
Property Tax In-Lieu of MVLFF	none projected due to County-wide shortfall of prop tax in-lieu funds ⁴
Sales and Use Taxes	0.95% City share of taxable sales ⁵
I. On-Site Retail Sales	\$500 sales per SF ^{3,6} 90% net new (after transfers of existing sales) ^{3,7} \$450 net new sales PSF <u>80%</u> percent taxable ³ \$360 net new taxable sales per SF
II. Use Tax	\$9,400 per office/commercial/R&D employee ²⁰ \$33,200 per industrial employee ²¹
Prop. 172 Sales Tax	\$30,085 citywide revenues in FY 2017/18 ⁹ <u>\$15,298</u> million County-wide taxable sales ¹⁰ \$1.97 per \$1 million in County-wide taxable sales
Franchise Fees	\$548,603 citywide revenues in FY 2017/18 ⁹ <u>7,643</u> resident equivalents ¹¹ \$71.78 per resident equivalent

**Table 6A
Revenue Assumptions
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA**

2/16/2018

Page 2 of 3

Business License Tax ¹⁴

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

Gross Receipts	\$0.13 per \$1,000 of gross receipts ¹⁵
	\$320,000 per tech campus employee ¹⁶
	\$390,000 per industrial employee
Employees	\$189 for businesses with 20 employees ¹⁸
	\$9.45 per employee

Fines and Forfeitures

\$62,800 citywide revenues in FY 2017/18 ⁹
<u>7,643</u> resident equivalents ¹¹
\$8.22 per resident equivalent

Revenue Loss ¹⁹

\$750,000 soil processing and recycling fees
\$60,000 billboard revenue
\$255,938 Tuntex rebate
\$200,000 Truck Hauling Impact Fees
<hr/>
\$1,265,938 Total Revenue Loss

Other Funds

Gas Tax Fund

\$98,700 citywide revenues in FY 2017/18 ⁹
<u>4,722</u> residents ¹¹
\$20.90 per resident

Measure A Fund

\$150,000 citywide revenues in FY 2013/14 ⁹
<u>\$15,298</u> million County-wide taxable sales ¹⁰
\$9.80 per \$1 million in County-wide taxable sales

Table 6A
Revenue Assumptions
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Page 3 of 3

- ¹ 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.
- ² City of Brisbane Municipal Code, Chapter 3.16.020.
- ³ KMA assumption.
- ⁴ 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.
- ⁵ City of Brisbane Municipal Code, Chapter 3.20.030.
- ⁶ Based on California Retail Analytics (2014) prepared by HDL companies.
- ⁷ 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.
- ⁹ Appendix A-1.
- ¹⁰ California State Board of Equalization, Taxable Sales in California During 2014
- ¹¹ Table 5.
- ¹³ City of Brisbane Municipal Code, Chapter 3.24.030.
- ¹⁴ City of Brisbane Municipal Code, Chapter 5.20.
- ¹⁵ 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.
- ¹⁶ Average gross receipts per employee derived from the economic census (blend of manufacturing, warehouse, software, data, finance and insurance, professional, scientific, and technical industries). Escalated to 2018 assuming 3% annual growth.
- ¹⁸ 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.
- ¹⁹ Existing revenues that will be lost when businesses are replaced by the project. Amounts per City staff, Jan. 2018
- ²⁰ Based on average non-retail taxable sales per employee in San Mateo County in 2015 of \$16,388 adjusted for rates for industries typically housed by office/commercial/R&D space.
- ²¹ Based on average non-retail taxable sales per employee in San Mateo County in 2015 of \$16,388 adjusted for rates for industries typically housed by industrial space.

Table 6B
Estimated Annual Revenue at Buildout
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Revenue Source		Alternative 1	Alternative 2	Alternative 3	Alternative 4
<u>Program/Demographic Measure</u>					
Residential Assessed Value (\$1,000s) ¹		\$658,000	\$921,000	\$1,184,000	\$1,448,000
Non-Residential Assessed Value (\$1,000s) ¹		<u>\$783,000</u>	<u>\$1,420,000</u>	<u>\$2,057,000</u>	<u>\$2,543,000</u>
Total Assessed Value (\$1,000s) ¹		\$1,441,000	\$2,341,000	\$3,241,000	\$3,991,000
Residents ³		2,230	3,122	4,014	4,906
Resident Equivalents ³		3,854	5,858	7,927	9,681
<u>General Fund</u>					
	<u>Estimating Factor</u> ⁴				
Property Tax ⁵					
City share		\$2,322,000	\$3,921,000	\$5,521,000	\$6,853,000
ERAF shift		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
City share net of ERAF		\$2,322,000	\$3,921,000	\$5,521,000	\$6,853,000
Prop Tax In-Lieu of MVLF ⁶		\$0	\$0	\$0	\$0
Property Transfer Tax					
Residential	\$0.55 /\$1,000 AV 13% turnover	\$8,000	\$11,000	\$15,000	\$18,000
Non-Residential	\$0.55 /\$1,000 AV 5% turnover	<u>\$36,000</u>	<u>\$60,000</u>	<u>\$83,000</u>	<u>\$103,000</u>
		\$44,000	\$71,000	\$98,000	\$121,000
Local Sales and Use Tax ⁷					
Franchise Fees	\$71.78 /res equiv	\$277,000	\$420,000	\$569,000	\$695,000
Business License Tax ⁸		\$169,000	\$308,000	\$445,000	\$534,000
Fines and Forfeitures	\$8.22 /res equiv	\$32,000	\$48,000	\$65,000	\$80,000
Total General Fund Revenue		\$3,942,000	\$6,164,000	\$8,553,000	\$10,658,000
Loss of Existing Revenue					
Soil Processing and Recycling ⁴		(\$750,000)	(\$750,000)	(\$750,000)	(\$750,000)
Truck Hauling Impact Fees		(\$200,000)	(\$200,000)	(\$200,000)	(\$200,000)
Tuntex Payment ⁴		(\$255,938)	(\$255,938)	(\$255,938)	(\$255,938)
Billboard ⁴		(\$60,000)	(\$60,000)	(\$60,000)	(\$60,000)
Total Revenue Loss		(\$1,265,938)	(\$1,265,938)	(\$1,265,938)	(\$1,265,938)
General Fund Revenue Net of Loss		\$2,676,062	\$4,898,062	\$7,287,062	\$9,392,062
<u>Other Funds</u>					
Gas Tax	\$20.90 per res	\$47,000	\$65,000	\$84,000	\$103,000
Measure A ⁷		\$1,000	\$1,000	\$1,000	\$1,000
Total Other Fund Revenue		\$48,000	\$66,000	\$85,000	\$104,000
General and Other Fund Revenue		\$2,724,062	\$4,964,062	\$7,372,062	\$9,496,062

¹ Table 4.

² Table 2.

³ Table 3a.

⁴ Table 6a.

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

⁶ 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

⁷ Table 6d.

⁸ Table 6e.

Table 6C
Estimated Annual Property Tax Revenue at Buildout
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Property Tax	Estimating Factor ¹	Alternative 1	Alternative 2	Alternative 3	Alternative 4
<i>Incremental Assessed Value (\$1,000s) ²</i>		\$1,307,000	\$2,207,000	\$3,107,000	\$3,857,000
Gross 1% Property Tax	1% of AV	\$13,070,000	\$22,070,000	\$31,070,000	\$38,570,000
City Share of Property Tax ³	17.77% base	\$2,322,000	\$3,921,000	\$5,521,000	\$6,853,000
	0.00% ERAF	\$0	\$0	\$0	\$0
	17.77% net	\$2,322,000	\$3,921,000	\$5,521,000	\$6,853,000
Tuntex Payment to City ⁴		\$0	\$0	\$0	\$0
Net Increase in Property Tax		\$2,322,000	\$3,921,000	\$5,521,000	\$6,853,000

¹ Table 6a.

² Table 4.

³ 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 \$13 and \$38 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%.

⁴ 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 \$1.4 to \$4.0 billion (Table 4), it is assumed that at buildout the payment will no longer be made. The FY 17/18 payment is estimated at \$256,000.

Table 6D
Estimated Annual Sales and Use Tax
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Revenue Source	Estimating Factor ¹	Alternative 1	Alternative 2	Alternative 3	Alternative 4
<u>Program/Demographic Measure</u>					
Retail SF ²		200,000	200,000	250,000	350,000
Commercial/Office/R&D Employees		3,333	6,667	9,889	11,889
Industrial Employees		370	370	370	370
Taxable Sales					
On-Site Retail	\$360 per sf	\$72,000,000	\$72,000,000	\$90,000,000	\$126,000,000
Business to Business					
Commercial/Office/R&D	\$9,400 per employee	\$31,330,200	\$62,669,800	\$92,956,600	\$111,756,600
Industrial	\$33,200 per employee	\$12,284,000	\$12,284,000	\$12,284,000	\$12,284,000
Total Taxable Sales		\$115,614,200	\$146,953,800	\$195,240,600	\$250,040,600
Local Sales and Use Tax	0.95% of taxable sales	\$1,098,000	\$1,396,000	\$1,855,000	\$2,375,000
Prop. 172 Sales Tax Allocation	\$1.97 /\$1M in sales	\$0 (<\$1,000)	\$0 (<\$1,000)	\$0 (<\$1,000)	\$0 (<\$1,000)
Total General Fund Sales and Use Taxes		\$1,098,000	\$1,396,000	\$1,855,000	\$2,375,000
Total General Fund Sales Tax Revenue (Exc. Use Tax Rev.)		\$684,000	\$684,000	\$855,000	\$1,197,000
Measure A Fund	\$9.80 /\$1M in sales	\$1,000	\$1,000	\$1,000	\$1,000

¹ Table 6a.

² Table 2

³ Table 3b.

Table 6E
Estimated Annual Business License Tax
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Revenue Source	Estimating Factor ¹	Alternative 1	Alternative 2	Alternative 3	Alternative 4
<u>Program/Demographic Measure</u>					
<i>Employees ²</i>					
Commercial / Office / R&D		3,333	6,667	9,889	11,889
Industrial (non-Resource Recovery)		370	370	370	370
		4,048	7,382	10,690	12,862
Occupied Retail SF ³		200,000	200,000	250,000	350,000
Base Business Categories ⁵					
a. Gross Receipts Based Estimate					
Gross Receipts (\$1,000s)					
Commercial / Office / R&D	\$320,000 receipts /empl	\$1,067,000	\$2,133,000	\$3,164,000	\$3,804,000
Industrial	\$390,000 receipts /empl	\$144,000	\$144,000	\$144,000	\$144,000
On-Site Retail Sales	\$450 net new PSF	\$90,000	\$90,000	\$113,000	\$158,000
		\$1,301,000	\$2,367,000	\$3,421,000	\$4,106,000
Business License Fee	\$0.13 /\$1,000 gross rcpts	\$169,000	\$308,000	\$445,000	\$534,000
b. Employee Based Fee Estimate	\$9.45 per employee	\$38,000	\$70,000	\$101,000	\$122,000
c. Tax for Base Business Categories	> of a. and b. above	\$169,000	\$308,000	\$445,000	\$534,000
Total Business License Tax		\$169,000	\$308,000	\$445,000	\$534,000

¹ Table 6a.

² Table 3a.

³ Table 2.

⁴ Table 3b.

⁵ Includes all businesses except institutional and civic uses (which are assumed exempt), movie theater, and recycling operations.

⁶ Table 6d.

Table 6F
Gross Receipts Based Business License Tax Rates
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Gross Receipts ¹		Business License Tax ¹		Average	Tax on Avg	Per \$1,000
Over	But Not More Than	Base Amount	Add'l per \$1,000	Gross Receipts	Gross Receipts	Gross 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 calculate	\$10,000,000	\$1,300	\$0.13

¹ City of Brisbane Municipal Code, section 5.20.010.

Table 7A
Expense Assumptions
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Page 1 of 2

General Government		\$3,015,070	net expenses in FY 2017/18 ¹
(incl. City Council, City Clerk, City Manager,			25% percent variable cost ²
Event Cosponsorship, Open Space, Finance,		<u>7,643</u>	resident equivalents ³
Human Resources, Legal Services, Library)		\$98.63	per resident equivalent
 Community Development			
		\$837,968	net expenses in FY 2017/18 ¹
			25% percent variable cost ²
		<u>7,643</u>	resident equivalents ³
		\$27.41	per resident equivalent
 Police Department			
			Estimated based on police staffing requirements
			as indicated in the Admin Draft EIR . PC requirements based on
			extrapolation of EIR
 Fire			
(includes EMS)		\$2,674,002	net expenses in FY 2017/18 ¹
			75% percent variable cost ²
		<u>7,643</u>	resident equivalents ³
		\$262.41	per resident equivalent
 Public Works			
Wear and tear on existing public infrastrxr		\$1,453,885	net General Fund expense in FY 2017/18 ¹
		<u>\$268,700</u>	Measure A / Gas Tax Fund 17/18 ¹
		\$1,722,585	combined expense FY 17/18
			75% percent variable cost ²
		<u>7,643</u>	resident equivalents ³
		\$169.04	per resident equivalent
			25% Additional wear and tear from new service pop.
		\$42.26	per resident equivalent
			Non
	Residential	Residential	
New street infrastructure maintenance ⁵			
	Alt. 1	\$287,000	\$119,000
	Alt. 2	\$287,000	\$119,000
	Alt. 3	\$287,000	\$624,000
	Alt. 4	\$287,000	\$624,000
New water, sewer, storm drain maintenance			Assumed covered by fees. ⁶

Table 7A
Expense Assumptions
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Page 2 of 2

Parks and Recreation

Recreation Programs	\$1,271,557 net expenses in FY 2017/18 ¹ 75% percent variable cost ² <u>4,722</u> residents ³ \$201.96 per resident
Parks, Open Space, and Facility Maintenance	\$561,387 net expenses in FY 2017/18 ¹ <u>56.64</u> existing acreage reported in DEIR ⁷ \$0 maintenance expense per acre of park ⁸ \$0 per acre allowance for open space maintenance ⁸

Non-Departmental / Central Services

(City O&M expenses not allocable to any one department)	\$506,450 net expenses in FY 2017/18 ¹ 25% percent variable cost ² <u>7,643</u> resident equivalents ³ \$16.57 per resident equivalent
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¹ Appendix 2.

² 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.

³ Table 5.

⁵ City staff, January 2018. Costs exclude PG&E electrical costs for street lights, equipment maintenance and long-term maintenance of Tunnel and Geneva Avenue overhead structures.

⁶ 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.

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

⁸ It is assumed that park and open space maintenance costs will be paid from assessment districts and not the General Fund.

Table 7B
Estimated Annual General Fund Expenditures at Buildout
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Expenditure	Estimating Factor ¹	Alternative 1	Alternative 2	Alternative 3	Alternative 4
<u>Demographic Measure</u>	<i>resident equivalents ²</i>	3,854	5,858	7,927	9,681
General Government	\$98.63 /res eq	\$380,000	\$578,000	\$782,000	\$955,000
Community Development	\$27.41 /res eq	\$106,000	\$161,000	\$217,000	\$265,000
Police Department	Table 7C	\$544,000	\$1,088,000	\$1,360,000	\$1,849,000
Fire Suppression/ EMS	\$262.41 /res eq	\$1,011,000	\$1,537,000	\$2,080,000	\$2,540,000
Department of Public Works					
Wear and Tear on Existing ³	\$42.26 /res eq	\$163,000	\$248,000	\$335,000	\$409,000
New Maintenance					
Residential Uses		\$287,000	\$287,000	\$287,000	\$287,000
Non-Residential Uses		<u>\$119,000</u>	<u>\$119,000</u>	<u>\$624,000</u>	<u>\$624,000</u>
		\$406,000	\$406,000	\$911,000	\$911,000
Parks and Recreation	Table 7D	\$450,000	\$631,000	\$811,000	\$991,000
Non-Departmental/Central Svcs	\$16.57 /res eq	\$64,000	\$97,000	\$131,000	\$160,000
Total General Fund Expenditure ³		\$3,124,000	\$4,746,000	\$6,627,000	\$8,080,000

¹ Table 7A.

² Table 3A.

³ Includes Measure A and Gas Tax Fund pavement maintenance expenses.

Table 7C
Police Expenses
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

		Alternative 1	Alternative 2	Alternative 3	Alternative 4
Police Department Staffing Requirement ¹					
Additional Officers Required		2	4	5	6
Civilian Daytime Staff		0	0	0	1
		2	4	5	7
Estimated Salaries and Benefits					
	<i>per empl. ²</i>				
Police Officers	\$200,000	\$400,000	\$800,000	\$1,000,000	\$1,200,000
Civilian Daytime Staff	\$145,000	\$0	\$0	\$0	\$145,000
		\$400,000	\$800,000	\$1,000,000	\$1,345,000
Services, Supplies and Insurance	\$72,000	\$144,000	\$288,000	\$360,000	\$504,000
Total Estimated Police Expense		\$544,000	\$1,088,000	\$1,360,000	\$1,849,000

¹ Source for DSP is Brisbane Baylands Draft Environmental Impact Report, June 2013. Chapter 4.L Public Services. The staffing needs of each alternative have been estimated based on the estimated number of resident equivalents in each alternative relative to the number of resident equivalents of the Developer's Sponsored Plan.

² Expense per department employee based on FY 2017-18 Budget:

Existing Patrol Salary and Benefits FY 17-18	\$2,800,000
Existing Officers	<u>14</u>
Salary and benefits per officer	\$200,000
Existing Office Specialist Salary and Benefits	\$145,000
Administration and Personnel	assumed non-variable cost
Existing Services, Supplies, Insurance and Equipmt	\$1,359,000
Total number of staff	<u>19</u>
Average expense per staff member	\$72,000

**Table 7D
Park and Recreation Expenses
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA**

2/16/2018

Estimated Expenditure	Estimating Factor ¹	Alternative 1	Alternative 2	Alternative 3	Alternative 4
<i>Demographic Measure</i>	<i>residents ²</i>	<i>2,230</i>	<i>3,122</i>	<i>4,014</i>	<i>4,906</i>
Recreation Programs	\$201.96 /resident	\$450,000	\$631,000	\$811,000	\$991,000
Total Recreation Program Expenses³		\$450,000	\$631,000	\$811,000	\$991,000

¹ Table 7A.

² Table 3A.

³ It is assumed that park and open space maintenance will be funded by an assessment district and not the General Fund.

Appendix 1
Summary of General Fund, Gas Tax Fund, and Measure A Fund Revenues
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Revenue Category	2017/18 Revenue ¹	Basis of KMA Estimate
<u>Included in the Analysis</u>		
Property Tax		
Current Secured	\$2,228,000	
Current Unsecured	\$50,000	
Supplemental Tax	\$78,000	
Property Tax from RDA Area	\$309,000	
ERAF Reimbursement	\$210,000	
Home Owners Property Tax Rebate	\$15,000	
	\$2,890,000	estimated project assessed values
Property Transfer Tax	\$54,000	assessed values, estimated turnover
Property Tax in Lieu of MVLFF	\$293,000	no increase due to County-wide shortfall
Sales Tax		
Sales Tax	\$4,200,000	
Sales Tax as Property Tax	\$0	
Sales Tax - Safety	\$34,000	
	\$4,234,000	estimated taxable sales
Franchise Fees		
Franchise Fees - P G & E	\$109,000	
Franchise Fees - Scavenger	\$222,000	
Franchise Fees - Cable TV	\$65,000	
Franchise Fees - Marina	\$152,603	
	\$548,603	resident equivalents
Transient Occupancy Tax	\$2,781,000	estimated room rents; 12% TOT
Business License Tax		
Business License Tax	\$415,000	rates from Municipal Code
Liquid Storage Tax	\$262,500	
Recology Business License	\$2,781,000	expansion triggers increase to \$3,000,000
	\$3,458,500	
Fines and Forfeitures		
Business License Penalty	\$4,000	
Vehicle Code Fines	\$30,000	
City Code Violations	\$25,000	
Abandoned Vehicle Abatement	\$3,800	
	\$62,800	resident equivalents
Truck Haul Impact Fees	\$200,000	business to relocate; show as revenue loss
Total Revenue Included	\$14,521,903	
<u>Charges for Services</u>		
General Government		
Sale of Copies	\$500	
P G & E Collection Fees	\$0	
Processing Fees	\$10,000	
Admn. Charge to B.P.F.A.	\$31,000	
Admn. Charge to NER	\$5,000	
	\$46,500	

Appendix 1
Summary of General Fund, Gas Tax Fund, and Measure A Fund Revenues
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Revenue Category	2017/18 Revenue ¹	Basis of KMA Estimate
Community Development		
Building Permits	\$94,000	
Home Occup/Misc Permits	\$2,500	
Use Permits	\$5,900	
Variances	\$3,000	
Sign Permits	\$1,000	
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	\$15,000	
	\$242,200	
Public Works Department		
Grading Permits	\$150,000	
Encroachment Permits	\$5,000	
Wide Load Permits	\$2,000	
Rents & Concessions	\$50,000	
Special Engineering Service	\$40,000	
Developer's Reimbursement	\$174,000	
	\$421,000	
Fire Department		
Fire Department Services	\$80,000	
Fire Paramedic Reimbursement	\$32,000	
	\$112,000	
Police Department Services		
	\$2,550	
Parks and Recreation		
Adult Sports	\$6,000	
After School Program Fees	\$70,000	
Pre-School (Teeny Time) Fees	\$41,000	
Teen Programs	\$300	
Youth Sports	\$0	
Youth Class	\$29,000	
Day Camp	\$95,000	
Adult Lap Swim Fees	\$95,000	
Recreational Swim Fees	\$30,000	
Swim Lesson Fees	\$43,000	
Special Swim Class Fees	\$37,800	
Special Event Fees	\$10,000	
Facilities Rental Fees	\$108,000	
	\$565,100	
Total Charges for Services	\$1,389,350	

Appendix 1
Summary of General Fund, Gas Tax Fund, and Measure A Fund Revenues
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Revenue Category	2017/18 Revenue ¹	Basis of KMA Estimate
<u>Excluded from the Analysis</u>		
Indirect Costs Reimbursement ²	\$1,327,295	reimbursement for non-GF costs
Prop Tax In-Lieu - Tuntex Agreement	\$255,938	payments end when AV threshold reached
Miscellaneous Revenue		
Investment Earnings	\$3,000	independent of development
Motor Vehicle In-Lieu	\$0	resident-based VLF to cities ended by SB 89 in 2011
Other Grant	\$3,000	independent of development
	\$6,000	
Total Excluded Revenue	\$1,589,233	
Total General Fund Revenues	<u>\$17,500,486</u>	
 <u>General Fund Transfers In</u>		
Sewer Fund Loan	\$0	independent of development
Liability Insurance Fund	<u>\$0</u>	independent of development
	\$0	
 <u>Gas Tax Fund</u>	 \$98,700	 population
 <u>Measure A Sales Tax - Transportation</u>	 \$170,000	 Brisbane share of Measure A sales tax funds

¹ City of Brisbane One Year Operating Budget Fiscal Years 2017-2018; Summary of Revenue within Fund by Source (Schedule 2).

² 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
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Source: City of Brisbane One Year Operating Budget Fiscal Years 2017-2018 indirect costs accounts (54250). Allocation to departments based on FY 17/18 Budget allocations per City staff.

	<u>FY 17/18</u>
Public Works	
4009 Public Works SPLLD - Sierra Point Lighting and Landscaping Fund 210	\$111,174
4020 Water - Utility Fund 540	\$280,548
4026 NPDES - NPDES Fund 220	\$96,388
4030 Sewer - Utility Fund 540	<u>\$250,622</u>
	<u>\$738,732</u>
4025 Guadalupe Valley Municipal Utility District - Utility Fund 540	\$310,168
Recreation	
5002 Recreation Parks and Facilities Operations - General Fund 100	\$0
5003 Recreation Youth Activities - General Fund 100	\$0
5004 Recreation Adult Activities - General Fund 100	\$0
5005 Recreation Senior Citizens Activities - General Fund 100	\$0
5006 Recreation Special Events / Communications - General Fund 100	\$0
5007 Recreation Teen Activities - General Fund 100	\$0
5008 Recreation Aquatics - General Fund 100	\$0
	\$0
5040 Marina - Marina Fund 550	\$278,395
Total Indirect Costs	<u><u>\$1,327,295</u></u>
Indirect Cost Reimbursement	\$1,327,295
Difference	\$0
Successor Agency to Redevelopment	\$0

Appendix 2
Summary of General Fund Expenditures
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Department / Expenditure Category	2017/18 Expenditures ¹	Charges for Service ²	Net Expenditures
General Government			
City Council	\$202,598		
City Clerk	\$268,376		
City Manager	\$626,527		
Event Cosponsorship	\$28,000		
Open Space	\$73,169		
Finance	\$1,189,773		
Human Resources	\$347,179		
Legal Services-City Attorney	\$291,748		
Library	\$34,200		
	<u>\$3,061,570</u>	\$46,500	\$3,015,070
Community Development	\$1,080,168	\$242,200	\$837,968
Police Department			
Police--Administration & Personnel	\$789,165		
Police--Communications & Records	\$395,945		
Police--Police Patrol	\$3,143,527		
	<u>\$4,328,637</u>	\$2,550	\$4,326,087
Fire--Fire Suppression	\$2,786,002	\$112,000	\$2,674,002
Department of Public Works (DPW)			
Public Works--Admin. & Engineering	\$513,022		
Public Works--Streets & Storm Drains	\$581,492		
Public Works--Buildings & Grounds	\$382,214		
Public Works--Landscape Maintenance	\$262,678		
Public Works -- Office of Emergency Services	\$135,479		
	<u>\$1,874,885</u>	\$421,000	\$1,453,885
Parks Maintenance (DPW and Parks and Recreation)			
Public Works--Parks Maintenance	\$246,942		
Recreation--Parks & Facility Maint.	\$314,445		
	<u>\$561,387</u>	\$0	\$561,387
Parks and Recreation			
Recreation--Admin & PB&R Comm.	\$409,113		
Recreation--Preschool, Youth & Teen	\$580,134		
Recreation--Adult Recreation	\$77,048		
Recreation--Senior Citizens	\$86,940		
Recreation--Citizen Communications	\$143,372		
Recreation--Teen Activities	\$83,720		
Recreation--Aquatics	\$456,330		
	<u>\$1,836,657</u>	\$565,100	\$1,271,557
Non-Departmental/Central Services	\$506,450	\$0	\$506,450
Total General Fund Expenditures	<u><u>\$16,035,756</u></u>	<u>\$1,389,350</u>	<u>\$14,646,406</u>

Appendix 2
Summary of General Fund Expenditures
Fiscal Impact Analysis
Hypothetical Range of Development Programs
Brisbane, CA

2/16/2018

Department / Expenditure Category	2017/18 Expenditures ¹	Charges for Service ²	Net Expenditures
General Fund Transfers Out ³			
Pension Obligation Bond Fund	\$795,447		
Retiree Health	\$100,000		
Utility for LIRA Offset	\$118,558		
NPDES	\$70,000		
	\$1,084,005		\$1,084,005
General Fund Expenditures and Transfers Out	\$17,119,761	\$1,389,350	\$15,730,411
Gas Tax Fund Transfer for Pavement Maintenance			\$98,700
Measure A Fund Transfer for Pavement Maintenance			\$170,000
			\$268,700

¹ City of Brisbane One Year Operating Budget Fiscal Years 2017-2018; Budget and Expenditures by Fund (Schedule 4).

² Appendix A-1.

³ Ongoing General Fund transfers to other funds that incur City costs. 2017/18 Budget Schedule 5. Excluded from expenditures since they are not related to the Baylands project.