

**DOWNTOWN HAYWARD
COMMUNITY BENEFIT DISTRICT**

Prepared pursuant to the City of Hayward
Community Benefit District Ordinance
Hayward Municipal Code - Article 20, Chapter 8

**DISTRICT
ASSESSMENT ENGINEER'S
REPORT**

ATTACHMENT IV

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

May 3, 2018

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

DISTRICT ASSESSMENT ENGINEER’S REPORT

To Whom It May Concern:

I hereby certify to the best of my professional knowledge and experience that each of the identified benefiting properties located within the proposed Downtown Hayward Community Benefit District ("Downtown Hayward CBD") being formed for a ten (10) year term will receive a special benefit over and above the benefits conferred on the public at large and that the amount of the proposed assessment is proportional to, and no greater than the benefits conferred on each respective property.

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



RPE #26549

May 3, 2018

Edward V. Henning

Date

(NOT VALID WITHOUT SIGNATURE AND CERTIFICATION SEAL HERE)

Introduction

This report serves as the “detailed engineer’s report” required by Section 4(b) of Article XIID of the California Constitution (Proposition 218) to support the benefit property assessments proposed to be levied within the proposed Downtown Hayward CBD in the City of Hayward, California being formed for a ten (10) year term. The discussion and analysis contained within this Report constitutes the required “nexus” of rationale between assessment amounts levied and special benefits conferred on properties within the Downtown Hayward CBD.

The Downtown Hayward CBD is a property-based benefit assessment district being formed for a ten (10) year term pursuant to the City of Hayward Community Benefit District Ordinance (the “Ordinance”), Hayward Municipal Code - Article 20, Chapter 8, which is based in part on Section 36600 et seq. of the California Streets and Highways Code, also known as the Property and Business Improvement District Law of 1994 (the “Act”). Due to the benefit assessment nature of assessments levied within CBDs and Property Business Improvement Districts (“PBID”), district program costs are to be distributed amongst all identified benefiting properties based on the proportional amount of program special benefit each property is expected to derive from funded programs and the assessments levied. Within the Ordinance and Act, frequent references are made to the concept of relative “benefit” received from PBID programs and activities versus amount of

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assessment levied. Only those properties expected to derive special benefits from PBID funded programs and activities may be assessed and only in an amount proportional to the relative special benefits expected to be received.

Supplemental Proposition 218 Procedures and Requirements

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

Since Proposition 218 provisions will affect all subsequent calculations to be made in the final assessment formula for the Downtown Hayward CBD, Proposition 218 requirements will be taken into account. The key provisions of Proposition 218 along with a description of how the Downtown Hayward CBD complies with each of these provisions are delineated below.

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

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

There are 238 parcels within the Downtown Hayward CBD that are “identified” as assessable parcels with assessable property characteristics that will derive special benefit from the proposed District programs and activities. The benefits are special and unique only to the identified parcels within the District because programs and services (i.e. sidewalk operations/beautification; district identity; program management; and, contingency/reserve) will only be provided directly for the special benefit of the identified parcels. These identified benefiting parcels are located within the Downtown Hayward CBD perimeter boundary which is shown on the Boundary Map attached as Appendix 2 to this Report and are listed in Appendix 1 to this Report - identified by assessor parcel number. Any future development and/or land subdivisions will adhere to the assessment rate structures described herein. There are four benefit zones within the Downtown Hayward CBD.

The parcels selected to be included in the Downtown Hayward CBD form a unique retail and commercial business core that has long been recognized and identified by the Hayward community as a pedestrian friendly retail and commercial central business district of Hayward. Keeping the District clean and attractive will increase pedestrian traffic and consumer activity and help create a strong symbiotic economic relationship between the Downtown Hayward CBD and the customers it serves. There are four benefit zones in the proposed Downtown Hayward CBD. The Downtown Hayward CBD boundaries are shown on the District Map in Appendix 2 of this Report. The assessment rates vary based on the proportionate levels of special benefit services to be provided for each parcel within each benefit zone within the CBD.

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Downtown Hayward CBD Boundary:

The boundaries of the proposed Downtown Hayward CBD are described as follows:

- **Northern Boundary:** All of the parcels to the south of City Center Drive, starting at parcel number 415-25-111-2 running westward to the corner of Hazel Avenue and the San Lorenzo Creek. This includes the Safeway shopping center on the east side of Foothill Blvd. and the former Mervyn’s corporate headquarters site on the west side of Foothill Blvd. (See map attached as Appendix 2 to this Report for greater detail).
- **Southern Boundary:** Starting at the two corners on the north side of the intersection of C Street and 2nd Street, running westward to the intersection of 1st Street and C Street. Running south to include the parcels on the west side of 1st Street to D Street. Then proceeding westward to include the parcels along the north side of D Street up to the intersection of Watkins and D Street, ending at the parcel at the northeast corner of D St and Watkins. (See map attached as Appendix 2 to this Report for greater detail).
- **Eastern Boundary:** Starting at the intersection of Russell Way and 2nd Street, running southward including all of the parcels on both sides of the 2nd Avenue up to the intersection of C Street and 2nd, ending at the parcels at the northeastern and northwestern corners of C and 2nd. (See map attached as Appendix 2 to this Report for greater detail).
- **Western Boundary:** West of the BART Station at the southeastern corner of the intersection of Grand Street and B Street, including the entire BART station. (See map attached as Appendix 2 to this Report for greater detail).

Proposed Benefit Zones:

There are four proposed “benefit zones” within the proposed Downtown Hayward CBD. (See map attached as Appendix 2 to this Report for greater detail).

Benefit Zone 1

All parcels fronting along B Street from Grand Street (south side of Grand to Watkins) and then both sides of B Street up to the four corners of 2nd Avenue;

Benefit Zone 2

All parcels not included in Benefit Zone 1, except those very large parcels listed identified in Benefit Zone 3;

Benefit Zone 3

Zone 3 includes the Safeway shopping center on Foothill, the parcels on the back side of the Safeway shopping center fronting along Maple Street to City Center Drive, the Lucky shopping center between Mission Drive, B and C Streets and the BART station. These large parcels have the majority of their lot size dedicated to customer

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parking for their tenants. Benefit Zone 3 will not be assessed for land area, but will be assessed for building area and street frontage.

Benefit Zone 4

All residential condominiums (currently none in Downtown)

All identified parcels within the above-mentioned boundaries shall be assessed to fund special benefit programs, services and improvements as outlined herein. Services, programs and improvements will only be provided to these parcels inside the District boundaries and none will be provided outside of the District boundaries. Each of the individual parcels assessed shall receive special benefits from the proposed programs, services and improvements. All Downtown Hayward CBD funded programs, services and improvements are considered supplemental above normal base level services provided by the City of Hayward and are only provided for the special benefit of assessed parcels within the boundaries of the Downtown Hayward CBD.

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

BENEFIT ANALYSIS

As stipulated by Proposition 218, assessment District programs and activities confer a combination of general and special benefits to properties, but the only program benefits that can be assessed are those that provide special benefit to the assessed properties. Special Benefit” as defined by the California State Constitution means “a particular and distinct benefit over and above general benefits conferred on real property located in the District or to the public at large. For the purposes of this analysis, “General Benefits” are benefits from the Downtown Hayward CBD activities and improvements that are not special in nature, are not "particular and distinct" and are not over and above the benefits that other parcels receive. General benefits are not restricted to benefits conferred only on persons and property outside the assessment district, but can include benefits both conferred on real property located in the district or to the public at large. “At large” means not limited to any particular person - means all members of the public - including those who live, work, and shop within the district - and not simply transient visitors.

The property uses within the boundaries of the Downtown Hayward CBD which will receive special benefits from Downtown Hayward CBD funded programs and services are currently a mix of retail, service, office, government, and parking. Services, programs and improvements provided by the Downtown Hayward CBD are primarily designed to provide special benefits to identified parcels within the boundaries of the District.

There are four basic categories of special benefit services that will be funded by the Downtown Hayward CBD. All of these services will confer a special benefit to the individual parcels within the CBD. The categories of special benefits are as

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follows:

SIDEWALK OPERATIONS, BEAUTIFICATION, ORDER:

69%

(The frequency of these services will be seven days per week in Zone 1 and 3 and five days per week in Zone 2).

Sidewalk operations services respond to all issues between the curb and the property line of the sidewalks within the proposed Downtown Hayward CBD. Examples of these special benefit services and *costs over and above current City Services*. These services include, but are not limited to:

- Regular sidewalk and gutter sweeping
- Periodic sidewalk steam cleaning
- Beautification of the district
- Enhanced trash emptying
- Timely graffiti removal, within 24 hours as necessary
- Tree and vegetation maintenance
- Special events maintenance and set up
- Maintenance of existing and new public spaces
- Installation and maintenance of hanging plants, planting flowers throughout the district, particularly around redeveloped areas with high density residential condo parcel owners within one block
- Possible private security and cameras in the public rights of way
- Working with HPD and County to respond to issues in and around the creek;

DISTRICT IDENTITY AND STREETScape IMPROVEMENTS:

15%

Examples of these special benefit services and costs include, but are not limited to:

- Web site development and updating
- App development
- Management and coordination of special events
- Social media
- Holiday and seasonal decorations
- Branding of Downtown Hayward so a positive image is built
- Banner programs
- Public art displays
- Logo development
- Public space design and improvements
- Public relations
- Signage
- Installation of bike racks
- Administration oversight of District Identity programs

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ADMINISTRATION AND CORPORATE OPERATIONS:

13%

Examples of these special benefit services and costs include, but are not limited to:

- Staff and administrative costs
- D and O Insurance
- Office related expenses, rent
- Financial reporting, Accounting, Legal work

CONTINGENCY/CITY AND COUNTY FEES/RESERVE:

3%

Examples of these special benefit services and costs include, but are not limited to:

- Delinquencies, City Fees, County fees
- Reserves

Assessed parcels within the CBD are conferred proportionate and unique special benefits from CBD funded programs, services and improvements. Commercial parcels that receive these programs, services and improvements attract more customers, employees, visitors, tenants and investors as a result of these programs, services and improvements, thereby increasing business volumes, sales transactions, occupancies, rental income and return on investments. Publicly owned parcels, parcels in Zone 3 which all have large areas dedicated to surface parking, and future residential condominium uses specially benefit proportionately but different than other commercial parcels. These differences are discussed later in this Report and are incorporated into the assessment formula used to calculate assessments for these types of parcels. CBD special benefits are particular and distinct in that they are not provided to non-assessed parcels outside of the District. These programs, services and improvements will only be provided for the direct benefit of each individual assessed parcel within the Downtown Hayward CBD boundaries and confer "special benefits" on each assessed parcel. Existing City of Hayward services will be enhanced, not replaced or duplicated, by Downtown Hayward CBD services.

In the case of the Downtown Hayward CBD, the very nature of the purpose of this District is to fund supplemental programs, improvements and services within the Downtown Hayward CBD boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. These services, programs and improvements, are designed to enhance the pedestrian and retail commercial core uses, increase tenancy and marketing of the mix of retail, service, office, government and parking properties in the Downtown Hayward CBD and improve the aesthetic appearance of each identified parcel. All benefits derived from the assessments to be levied on parcels within the Downtown Hayward CBD are for services, programs and improvements directly benefiting each individual parcel within this area and support increased cleanliness, commerce, business attraction and retention, increased commercial property rental income and improved District identity. No Downtown Hayward CBD funded services, activities or programs will be provided outside of the Downtown Hayward CBD boundaries.

These special benefits are particular and distinct to each and every assessed parcel within the Downtown Hayward CBD and are not provided to non-assessed parcels outside of the District. The City of Hayward does not provide these

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supplemental programs, services or improvements.

While every attempt is made to provide CBD services and programs to confer benefits only to those identified assessed parcels within the CBD, the California State Constitution was amended via Proposition 218 to stipulate that general benefits exist, either by design or unintentional, in all property based assessment districts and that a portion of the program costs must be considered attributable to general benefits and assigned a value. General benefits cannot be funded by assessment revenues. General benefits might be conferred on parcels within the District, or “spillover” onto parcels surrounding the District, or to the public at large who might be passing through the District with no intention of transacting business within the District or interest in the District itself.

Empirical assessment engineering analysis throughout California has found that general benefits within a given business improvement district tend to range from 1-5% of the total costs. There are three methods that have been used by this Engineer for determining general and special benefit values within assessment districts:

- (1) The parcel by parcel allocation method
- (2) The program/activity line item allocation method, and
- (3) The composite district overlay determinant method.

A majority of PBIDs in California for which this Assessment Engineer has provided assessment engineering services since the enactment of Proposition 218, have used Method #3, the composite district overlay determinant method which will be used for the Downtown Hayward CBD. This method of computing the value of general benefit involves a composite of three distinct types of general benefit – general benefit to assessed parcels within the District, general benefit to the public at large within the District and general benefit to parcels outside the District.

General Benefit – Assessed Parcels within District

CBD funded programs are narrowly designed and carefully implemented to specially benefit the assessed District parcels and are only provided for the special benefit to each and every assessed parcel within the District. It is the opinion of this Engineer, based on over 30 years of professional assessment engineering experience, that 100% of benefits conferred on assessed parcels within the District are distinct and special and that there are 0% general benefits conferred on these parcels. This is because the CBD funded programs and services are specially geared to the unique needs of each assessed parcel within the CBD and are directed specially only to these assessed parcels within the CBD. This concept is further reinforced by the proportionality of special benefits conferred on each assessed parcel within the District as determined by the special benefit assessment formula as it is applied to the unique and varying property characteristics unique to each assessed parcel.

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General Benefit - Public At Large

While the CBD funded programs are narrowly designed and carefully implemented to specially benefit the assessed District properties and are only provided for the special benefit to each and every assessed parcel within the District, these CBD funded programs may also provide an incidental general benefit to the public at large within the District. Assessment Engineering experience in California has found that generally over 95% of people moving about within CBD boundaries are engaged in business related to assessed parcels and businesses contained on them within the District, while the public at large “just passing through” is typically much less than 5%. Based on this experience curve and the focused nature of the proposed Downtown Hayward CBD funded programs and over 30 years of assessment engineering experience, it is the opinion of this Engineer that a general benefit factor of 0.03 of CBD funded special benefit program costs that might provide an immediate general benefit to the public at large will be applied to these applicable program costs in order to compute the dollar and percent value of general benefits to the public at large. It is the opinion of this Engineer that the programs that may provide immediate general benefits to the public at large are limited to the SOBO programs. The dollar value of this general benefit type equates to \$8,487 as delineated in the following chart:

General Benefits To “Public At Large”

| | A | B | C | D | E |
|------------------------|--------------------------|---|-------------------------------|--|--------------------------------------|
| Program Element | Dollar Allocation | % Allocation of Special Benefit Cost | General Benefit Factor | General Benefit Percent (B x C) | General Benefit Value (A x D) |
| SOBO Services | \$410,000 | 69% | 0.03 | 2.07% | \$8,487 |

General Benefits – Outside Parcels

While District programs and services will not be provided directly to parcels outside the District boundaries, it is reasonable to conclude that District services may confer an indirect general benefit on parcels outside the District boundaries. An inventory of the District boundaries finds that the District is surrounded by 17 commercial/industrial parcels, with 7 tangent to assessed parcels within the District and 10 across streets and alleys from the District boundaries. These 17 parcels outside of the District can reasonably be assumed to receive some level of indirect general benefit as a result of CBD funded programs, services and improvements.

Based on over 30 years of assessment engineering experience, it is the opinion of this Engineer that a benefit factor of 1.0 be attributed to the 238 identified and assessed parcels within the District, a benefit factor of 0.05 be attributed to general benefits conferred on the 7 commercial/industrial parcels outside of the District boundaries but adjacent to assessed parcels within the District, and a benefit factor of 0.01 be attributed to general benefits conferred on the 10 commercial/industrial parcels across streets and alleys from the exterior boundaries of the District. The cumulative dollar value of this general benefit type equates to \$1,127 (\$877 + \$250) as delineated in the chart below.

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General “Spillover” Benefits To Parcels Outside District

| Parcel Type | Quantity | Benefit Factor | Benefit Units | Benefit Percent | Benefit Value |
|--|-----------------|-----------------------|----------------------|------------------------|----------------------|
| Assessed parcels in the District | 238 | 1.00 | 238.00 | 99.8113% | \$596,000 |
| Commercial/industrial parcels outside District (tangent) | 7 | 0.05 | 0.35 | 0.1468% | \$877 |
| Commercial/industrial parcels outside District (non-tangent) | 10 | 0.01 | 0.10 | 0.0419% | \$250 |
| TOTAL | | | 238.45 | 100.00% | \$597,127 |

Composite General Benefit

Based on the general benefit values delineated in the three sections above, the total value of general benefits conferred on assessed parcels within the District, the public at large and parcels outside the District equates to \$9,594 (\$0 +\$8,487 + \$1,127) or 1.59% of total program costs of \$605,614 [\$596,000 (special benefit) + \$9,614 (general benefits)]. For the purposes of this analysis, this 1.59% value will be conservatively rounded up to 2%. This leaves a value of 98% assigned to special benefit related costs. The 2% general benefit value now equates to \$12,156 and when added to the special benefit value of \$595,644 (Year 1 –2019 assessments) equates to a total Year 1 – 2019 program cost of \$607,800. Remaining costs that are attributed to general benefits of \$12,156 will need to be derived from other sources. A comparison of special and general benefit funding sources is shown on a chart on page 21, later in this Report.

Downtown Hayward CBD Programs and Improvements

The total special and general benefit program activities and budget allocations that will be provided to each individual parcel assessed in the proposed Downtown Hayward CBD are shown in the chart below:

Total Year 1 – 2019 - Special + General Benefit Costs

| Service | YR 1 Assessment Costs | YR 1 Non - Assessment Costs | YR 1 Total Costs | % of Total |
|---------------------|------------------------------|------------------------------------|-------------------------|-------------------|
| Sidewalk Operations | \$410,000 | \$8,367 | \$418,367 | 69% |
| District Identity | \$90,000 | \$1,837 | \$91,837 | 15% |
| Administration | \$76,000 | \$1,551 | \$77,551 | 13% |
| Contingency/Reserve | \$19,644 | \$401 | \$20,045 | 3% |
| Total | \$595,644 | \$12,156 | \$607,800 | 100% |

The Year 1 special benefit budget cost allocations are shown in the table below:

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Year 1 – 2019 Proposed Special Benefit Work Plan and Budget Allocations

| Program or Service | % of Budget | Projected Program Cost |
|----------------------------|--------------------|-------------------------------|
| Sidewalk Operations | 69% | \$410,000 |
| District Identity | 15% | \$90,000 |
| Administration | 13% | \$76,000 |
| Contingency/Reserve | 3% | \$19,644 |
| Total Year 1 Budget | 100% | \$595,644 |

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year. Accordingly, the Board of the Association shall have the right to reallocate up to 10% of the budget line item within the budget categories based on such cost fluctuations subject to the review and approval by the Board and included in the Annual Planning Report that will be approved by the Hayward City Council pursuant to the City CBD Ordinance. Accrued interest or delinquent payments may be expended in any budget category.

Any funds remaining after the tenth year of operation will be rolled over into the renewal budget or returned to stakeholders. Also, costs for the CBD renewal may be expended from funds available. If the District is not renewed or terminated for any reason, unexpended funds will be returned to the property owners pursuant to the City CBD Ordinance.

The proposed Downtown Hayward CBD services are described in more beginning on page 4 of this Report:

Parcels that receive these special benefit programs, services and improvements attract more customers, employees, tenants and investors as a result of these programs, services and improvements, thereby increasing business volumes, sales transactions, occupancies, rental income and return on investments. These benefits are particular and distinct in that they are not provided to non-assessed parcels within or outside of the District. Existing City of Hayward services will be enhanced, not replaced or duplicated, by Downtown Hayward CBD services.

In the case of the Downtown Hayward CBD, the very nature of the purpose of this District is to fund supplemental programs, improvements and services within the Downtown Hayward CBD boundaries above and beyond what is being currently funded either via normal tax supported methods or other funding sources. These services, programs and improvements, are

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designed to enhance the pedestrian and retail commercial core uses, increase tenancy and marketing of the mix of retail, service, office, government and parking parcels and land uses in the Downtown Hayward CBD and improve the aesthetic appearance of each identified parcel. All benefits derived from the assessments to be levied on parcels within the Downtown Hayward CBD are for services, programs and improvements directly benefiting each individual parcel within this area and support increased cleanliness, commerce, business attraction and retention, increased commercial property rental income and improved District identity. No Downtown Hayward CBD funded services, activities or programs will be provided outside of the Downtown Hayward CBD boundaries.

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

Each identified parcel within the district will be assessed based on property characteristics unique only to that parcel. Parcels will be, except as noted herein, assessed based on a combination of factors: building area, land area and street frontage. The calculated assessment rates are applied to the actual measured parameters of each parcel and thereby are proportional to each and every other identified parcel within the district as a whole. Larger parcels and ones with larger building areas or larger street frontages are expected to impact the demand for services and programs to a greater extent than smaller land and/or building areas, and, thus, are assigned a higher proportionate degree of assessment program and service costs. The proportionality is further achieved by setting targeted formula component weights for the respective parcel by parcel identified property attributes.

The proportionate special benefit cost for each parcel has been calculated based on optimum proportionate formula components and is listed as an attachment to this Report as Appendix 1. The individual percentages (i.e. proportionate relationship to the total special benefit related program and activity costs) are computed by dividing the individual parcel assessment by the total special benefit program costs.

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

Not only are the proposed program costs reasonable due to the benefit of group purchasing and contracting which would be possible through the Downtown Hayward CBD, they are also considerably less than other options considered by the Downtown Hayward CBD formation proponent group. The actual assessment rate for each parcel within the Downtown Hayward CBD directly relate to the level of service and, in turn, special benefit to be provided based on the respective building area, land area, street frontage. There are four benefit zones. It is noted that residential condominiums will be assessed based on the individual building area of each unit.

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

There are 45 publicly owned parcels within the Downtown Hayward CBD that are identified and assessable for which CBD funded special benefit programs, services and improvements will be provided.

For publicly owned parcels and facilities within the CBD, each of these parcels specially benefit, but differently than other parcels, from CBD funded programs, services and improvements. The special benefits include cleaner facility entrances and perimeters for their employees, visitors, vendors and other users of these public locations and facilities. It is the opinion of this Engineer that publicly owned and occupied parcels will NOT benefit from District Identity related programs and, thus, will not be assessed for them. To account for the difference in special benefits conferred on publicly owner and occupied parcels and facilities as delineated above, it is the opinion of this Engineer that publicly occupied building areas on publicly owned parcels shall not be assessed since this property assessment factor funds 100% of the District Identity programs, services and improvements.

Each identified and assessable publicly owned parcel and facility within the CBD will proportionately specially benefit as delineated herein from the CBD funded supplemental clean and management programs, services and improvements. These services are designed to improve the cleanliness for visitors, their employees and users of public facilities on publicly owned parcels within the CBD by reducing litter and debris, each considered detractions to employment, visitation and use of public facilities if not contained and properly managed.

There is no compelling evidence that these identified assessable publicly owned parcels and facilities would not proportionately specially benefit from all other CBD funded programs, services and improvements as delineated herein and, thus, will be assessed accordingly. All current publicly owned parcels within the CBD are shown in the following table:

Publicly Owned Parcels

| APN | Legal Owner | Zone | Site # | Site Street | Year 1 –2019 Assessment | % of Total |
|-----------------|--------------------|-------------|---------------|--------------------|--------------------------------|-------------------|
| 415 0240 038 00 | City Of Hayward | 2 | | A St | \$ 5,469.27 | 0.92% |
| 415 0250 021 07 | City Of Hayward | 2 | | Foothill Blvd | \$ 3,904.54 | 0.66% |
| 415 0250 111 02 | City Of Hayward | 3 | | Foothill Blvd | \$ 4,291.00 | 0.72% |
| 415 0250 113 00 | City Of Hayward | 3 | | Foothill Blvd | \$ 4,830.00 | 0.81% |
| 415 0250 021 08 | City Of Hayward | 2 | | Foothill Blvd | \$ 5,432.37 | 0.91% |
| 427 0001 001 00 | City Of Hayward | 2 | | Foothill Blvd | \$ 801.98 | 0.13% |
| 427 0001 002 00 | City Of Hayward | 2 | | 1st St | \$ 841.94 | 0.14% |
| 427 0001 007 00 | City Of Hayward | 2 | 1098 | D St | \$ 1,156.90 | 0.19% |
| 427 0001 008 00 | City Of Hayward | 2 | 1090 | D St | \$ 746.90 | 0.13% |
| 427 0001 010 03 | City Of Hayward | 2 | 1070 | D St | \$ 913.92 | 0.15% |
| 427 0001 011 00 | City Of Hayward | 2 | 1062 | D St | \$ 1,582.91 | 0.27% |
| 427 0011 020 00 | City Of Hayward | 1 | | C St | \$ 4,870.31 | 0.82% |

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| | | | | | | |
|-----------------|---------------------|---|-------|---------------|----------------------|---------------|
| 428 0026 006 05 | City Of Hayward | 2 | | Foothill Blvd | \$ 2,070.34 | 0.35% |
| 428 0056 045 00 | City Of Hayward | 2 | 22500 | Mission Blvd | \$ 1,868.32 | 0.31% |
| 428 0056 053 00 | City Of Hayward | 2 | 22531 | Main St | \$ 139.99 | 0.02% |
| 428 0056 054 01 | City Of Hayward | 2 | | Main St | \$ 461.98 | 0.08% |
| 428 0056 058 00 | City Of Hayward | 1 | 962 | B St | \$ 540.97 | 0.09% |
| 428 0056 063 01 | City Of Hayward | 1 | | Mission Blvd | \$ 1,961.86 | 0.33% |
| 428 0056 066 00 | City Of Hayward | 2 | | Mission Blvd | \$ 4,242.25 | 0.71% |
| 428 0056 069 00 | City Of Hayward | 2 | 22524 | Mission Blvd | \$ 563.42 | 0.09% |
| 428 0061 029 00 | City Of Hayward | 2 | 22456 | Maple Ct | \$ 7,851.51 | 1.32% |
| 428 0061 046 01 | City Of Hayward | 2 | | B St | \$ 545.89 | 0.09% |
| 428 0061 047 01 | City Of Hayward | 2 | | B St | \$ 467.91 | 0.08% |
| 428 0061 048 01 | City Of Hayward | 2 | | B St | \$ 428.92 | 0.07% |
| 428 0061 049 01 | City Of Hayward | 2 | | B St | \$ 311.94 | 0.05% |
| 428 0061 050 01 | City Of Hayward | 1 | 1042 | B St | \$ 1,606.15 | 0.27% |
| 428 0061 051 01 | City Of Hayward | 2 | | B St | \$ 506.90 | 0.09% |
| 428 0061 053 01 | City Of Hayward | 2 | | B St | \$ 623.88 | 0.10% |
| 428 0066 013 02 | City Of Hayward | 2 | | Main St | \$ 2,289.61 | 0.38% |
| 428 0066 019 00 | City Of Hayward | 2 | 22678 | Mission Blvd | \$ 653.92 | 0.11% |
| 428 0066 036 00 | City Of Hayward | 2 | 1044 | C St | \$ 2,299.65 | 0.39% |
| 428 0066 037 00 | City Of Hayward | 2 | 1026 | C St | \$ 2,254.65 | 0.38% |
| 428 0066 043 00 | City Of Hayward | 2 | 22701 | Main St | \$ 1,563.88 | 0.26% |
| 428 0066 044 00 | City Of Hayward | 2 | 22721 | Main St | \$ 937.87 | 0.16% |
| 428 0066 045 00 | City Of Hayward | 2 | 22737 | Main St | \$ 11,005.44 | 1.85% |
| 428 0066 048 00 | City Of Hayward | 2 | 944 | D St | \$ 912.87 | 0.15% |
| 428 0066 049 00 | City Of Hayward | 2 | | D St | \$ 1,269.40 | 0.21% |
| 428 0066 084 00 | City Of Hayward | 2 | 22730 | C St | \$ 4,539.44 | 0.76% |
| 428 0071 023 00 | City Of Hayward | 2 | 835 | C St | \$ 17,488.93 | 2.94% |
| 428 0076 023 07 | City Of Hayward | 1 | | Watkins St | \$ 5,944.56 | 1.00% |
| 428 0076 027 05 | City Of Hayward | 1 | | Watkins St | \$ 6,986.55 | 1.17% |
| 431 0044 022 01 | City Of Hayward | 2 | 22735 | Sutro St | \$ 3,509.31 | 0.59% |
| | | | | TOTAL | \$ 120,690.32 | 20.26% |
| | | | | | | |
| 428 0071 002 00 | City of Hayward RDA | 1 | 789 | B St | \$ 1,534.81 | 0.26% |
| 428 0071 003 00 | City of Hayward RDA | 1 | 799 | B St | \$ 1,658.40 | 0.28% |
| 428 0071 020 00 | City of Hayward RDA | 2 | 822 | C St | \$ 3,847.56 | 0.65% |
| | | | | TOTAL | \$ 7,040.77 | 1.18% |

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

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

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

The individual and total parcel assessments attributable to special property benefits are shown on Appendix 1 to the Management District Plan and this Report. The District and resultant assessment payments will continue for 10 years and may be renewed again at that time. The reasons (purposes) for the proposed assessments are outlined in Finding 2 above as well as in the Management District Plan. The calculation basis of the proposed assessment is attributed, except as noted herein, to building area, land area and street frontage. There are four benefit zones. It is noted that residential condominiums will be assessed based on the individual building area of each unit.

Assessment Formula Methodology

General

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

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

Next, all program and activity costs, including incidental costs, District administration and ancillary program costs, are estimated. It is noted, as stipulated in Proposition 218, and now required of all property based assessment Districts, indirect or general benefits may not be incorporated into the assessment formula and levied on the District properties; only direct or “special” benefits and costs may be considered. Indirect or general benefit costs, if any, must be identified, calculated and factored out of the assessment cost basis to produce a “net” cost figure. In addition, Proposition 218 no longer automatically exempts government owned property from being assessed and if special benefit is determined to be conferred upon such properties, they must be assessed in proportion to special benefits conferred in a manner similar to privately owned property assessments.

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From this, the value of a basic benefit unit or “basic net unit cost” can be computed by dividing the total amount of estimated net program costs by the total number of benefit units. The amount of assessment for each parcel can be computed at this time by multiplying the Net Unit Cost times the number of Basic Benefit Units per parcel. This is known as “spreading the assessment” or the “assessment spread” in that all special benefit costs are allocated proportionally or “spread” based on special benefits conferred on benefitting properties within the PBID.

The method and basis of spreading program costs varies from one PBID to another based on local geographic conditions, types of programs and activities proposed, and size and development complexity of the District. PBIDs may require secondary benefit zones to be identified to allow for a tiered assessment formula for variable or “stepped-down” benefits derived.

Step 1. Select “Basic Benefit Unit(s)”

Based on the specific needs and corresponding nature of the program activities to be funded by the Downtown Hayward CBD (i.e. sidewalk operations and beautification; district identity; administration/management services; and, contingency/reserve) it is the opinion of this Assessment Engineer that the assessment factors on which to base assessment rates relate directly to the proportionate amount of building area, land area and street frontage, except as noted herein, within four benefit zones.

The interactive application of building area, land area and street frontage quantities are a proven method of fairly and equitably spreading special benefit costs to the primary beneficiaries of Downtown Hayward CBD funded services, programs and improvements. Each of these factors, except as noted herein, directly relates to the degree of special benefit each parcel will receive from Downtown Hayward CBD funded activities.

Building area is a direct measure of the static utilization of each parcel and its corresponding impact or draw on certain Downtown Hayward CBD funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, building area, should generate 100% of the district identity program costs.

Land area is a direct measure of the current and future development capacity of each parcel and its corresponding impact or draw on certain Downtown Hayward CBD funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, land area, should generate 50% of the sidewalk operation program costs and 100% of the administration and contingency/reserve costs.

Street frontage is a direct measure of the static utilization of each parcel and its corresponding impact or draw on certain Downtown Hayward CBD funded activities. In the opinion of this Assessment Engineer, the targeted weight of this factor, street frontage, should generate 50% of the sidewalk operation program costs.

Special Circumstances

1. Publicly Owned Parcels

In the opinion of this Engineer, publicly owned and occupied parcels will not specially benefit from CBD funded District Identity programs, services and improvements as other parcel types and ownerships do. Since this activity is funded 100% by building area, publicly owned parcels will not be assessed for publicly occupied building areas located on publicly owned parcels.

2. Zone 3 Parcels

Zone 3 includes the Safeway shopping center on Foothill, the parcels on the back side of the Safeway shopping center fronting along Maple Street to City Center Drive, the Lucky shopping center between Mission Drive, B and C Streets and the BART station. These large parcels have the majority of their lot size dedicated to customer parking for their tenants. Benefit Zone 3 will not be assessed for land area, but will be assessed for building area and street frontage.

3. Future Residential Condominiums

In the case of any future residential condominiums, land area and street frontage quantities do not relate precisely to the building orientation and configurations of multi-unit, multi floor residential condominium complexes. Thus, it is the opinion of this Engineer that the condo unit building area is a proven method of fairly and equitably spreading special benefit costs to these unique property ownerships and land uses. This assessment factor directly relates to the proportionate amount of special benefit each residential condominium parcel will receive from targeted Downtown Hayward CBD funded activities for this land use.

4. Future Commercial and Mixed-Use Condominiums (if any)

While there are no current commercial or mixed-use condominiums within the proposed Downtown Hayward CBD, it is the opinion of this Engineer that such units, if and when built, shall be assessed based on actual land area covered, condo building area and direct street frontage for each unit. Because such uses are typically developed as part of a multi-floor mixed-use complex, special methodologies are needed to address the levy of assessments on such land uses as follows:

Multi-Floor Commercial Only Condominiums

- Building pad area assessed at respective building area rate
- Land assessed at land area rate but pro-rated for each unit relative to total building area
- Frontage assessed at frontage rate but pro-rated relative to total building area

Multi-Floor Mixed-Use Condominiums

- Commercial condo building area assessed at respective commercial building area rate
- Residential condo units would be assessed at 20 cents per square foot of building area plus any annual approved rate adjustments

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- Land assessed at land area rate (assessed on 1st floor commercial condos for land area covered)
- Frontage assessed at frontage rate (assessed on 1st floor commercial. condos for actual street frontage)

Other Future Development

Other than future maximum rates and the assessment methodology delineated in this Report, per State Law (Government Code Section 53750), future assessments may increase for any given parcel if such an increase is attributable to events other than an increased rate or revised methodology, such as a change in the density, intensity, or nature of the use of land. Any change in assessment formula methodology or rates other than as stipulated in this Report would require a new Proposition 218 ballot procedure in order to approve any such changes.

The “Basic Benefit Units” will be expressed as a combined function of gross building square footage (Benefit Unit “A”) land square footage (Benefit Unit “B”), street frontage (Benefit Unit “C”) and residential condominium building area (Benefit Unit “D”). Based on the shape of the Downtown Hayward CBD, as well as the nature of the District program elements, it is determined that all identified properties will gain a direct and proportionate degree of special benefit based, except as noted herein, on the respective amount of building size, parcel size and street frontage within four benefit zones. Future residential condominiums will gain a direct and proportionate degree of special benefit based on the individual building area of each unit.

There are four Benefit Zones within the proposed Downtown Hayward CBD. Except as noted herein, assessments are based on three formula components: building square footage; land square footage and street frontage. Residential condominiums assessments if/when built will be based on the individual building area of each unit.

The Basic Benefit Units are delineated as follows:

- 1) Benefit Units for the building area (Zone 1, 2 & 3) = “Unit A”
- 2) Benefit Units for the land area (Zone 1 & 2) = “Unit B”
- 3) Benefit Units for street frontage (Zone 1 & 3) = “Unit C-1”
- 4) Benefit Units for street frontage (Zone 2) = “Unit C-2”
- 5) Benefit Units for residential condo bldg area (Zone 4)= “Unit D”

Step 2. Quantify Total Basic Benefit Units

The measurable assessable quantities and corresponding revenue generated by each factor are shown in the table below:

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Benefit Unit Quantities and Revenue for YR 1 – 2019

| | <u>Quantity</u> | <u>Revenue</u> |
|--|------------------------|-----------------------|
| Building Area Sq Ft (Unit A) | 1,459,088 | \$89,884 |
| Land Area Sq Ft (Unit B) | 3,356,944 | \$300,493 |
| Street Frontage Linear Ft (Unit C-1) | 12,937 | \$90,558 |
| Street Frontage Linear Ft (Unit C-2) | 22,942 | \$114,709 |
| Residential Condo Bldg Area Sq Ft (Unit D) | 0 | \$0 |
| TOTAL | - | \$595,644 |

Step 3. Calculate Benefit Units for Each Property.

The number of Benefit Units for each identified benefiting parcel within the Downtown Hayward CBD was computed from data extracted from County Assessor records and maps. These data sources delineate current land uses, building areas, property areas and dimensions of record for each tax parcel. While it is understood that this data does not represent legal field survey measurements or detailed title search of recorded land subdivision maps or building records, it does provide an acceptable basis for the purpose of calculating property based assessments. All respective property data being used for assessment computations will be provided to each property owner in the Downtown Hayward CBD for their review. All known or reported discrepancies, errors or misinformation will be corrected.

Step 4. Determine Assessment Formula and Rates

Based on the nature of the programs to be funded as well as other rationale outlined in Step 1 above, it is the opinion of this Engineer that the Downtown Hayward CBD assessments will be based on building area, land area, and street frontage, except as noted herein.

The proposed assessment formula is as follows:

$$\begin{aligned} \text{Assessment} &= \text{Building Area (Unit A) Sq Ft x Unit A Rate, plus} \\ &\quad \text{Land Area (Unit B) Sq Ft x Unit B Rate, plus} \\ &\quad \text{Street Frontage (Unit C-1) Lin Ft x Unit C-1 Rate or} \\ &\quad \text{Street Frontage (Unit C-2) Lin Ft x Unit C-2 Rate} \end{aligned}$$

$$\text{Residential Condominium Assessments} = \text{Building Area (Unit D) Sq Ft x Unit D Rate}$$

Assessment Formula Unit Rates (Year 1 – 2019)

$$\begin{aligned} &\text{Building Area Rate (Unit A)} \\ &\$89,884 / 1,459,088 \text{ sq ft} &= &\underline{\$0.061627/\text{sq ft}} \end{aligned}$$

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Land Area Rate (Unit B)

\$300,493/ 3,356,944 sq ft = \$0.089514/sq ft

Street Frontage Rate (Unit C-1)

\$90,558 / 12,937 linear ft = \$7.00/lin ft

Street Frontage Rate (Unit C-2)

\$114,709/ 22,942 linear ft = \$5.00/lin ft

Residential Condo Rate (Unit D)

= \$0.20/sq ft

The complete Yr 1 – 2018/19 assessment roll of all parcels to be assessed by this CBD is included as Appendix I.

Step 5. Estimate District Costs

The projected 10 year special benefit District costs for 2019 – 2028 of the Downtown Hayward CBD are shown in the Table below assuming a 5% increase per year.

10 Year Projected District Special Benefit Costs (not to exceed 5% annual increase)

| | FY 1 | FY 2 | FY 3 | FY 4 | FY 5 |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Sidewalk Operations | \$410,000.00 | \$430,500.00 | \$452,025.00 | \$474,626.25 | \$498,357.56 |
| District Identity | \$90,000.00 | \$94,500.00 | \$99,225.00 | \$104,186.25 | \$109,395.56 |
| Administration | \$76,000.00 | \$79,800.00 | \$83,790.00 | \$87,979.50 | \$92,378.48 |
| Contingency | \$19,644.00 | \$20,626.20 | \$21,657.51 | \$22,740.39 | \$23,877.40 |
| Total | \$595,644.00 | \$625,426.20 | \$656,697.51 | \$689,532.39 | \$724,009.00 |
| | | | | | |
| | FY 6 | FY 7 | FY 8 | FY9 | FY 10 |
| Sidewalk Operations | \$523,275.44 | \$549,439.21 | \$576,911.17 | \$605,756.73 | \$636,044.57 |
| District Identity | \$114,865.34 | \$120,608.61 | \$126,639.04 | \$132,970.99 | \$139,619.54 |
| Administration | \$96,997.40 | \$101,847.27 | \$106,939.63 | \$112,286.61 | \$117,900.94 |
| Contingency | \$25,071.28 | \$26,324.84 | \$27,641.08 | \$29,023.13 | \$30,474.29 |
| Total | \$760,209.46 | \$798,219.93 | \$838,130.92 | \$880,037.47 | \$924,039.34 |

It is recognized that market conditions may cause the cost of providing goods and services to fluctuate from year to year. Accordingly, the Association Board shall have the right to reallocate up to 10% of the budget line item within the budget categories based on such cost fluctuations subject to the review and approval by the Board of Directors and included in the Annual Planning Report that will be approved by the Hayward City Council. Accrued interest or delinquent payments may be expended in any budget category.

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Any funds remaining after the tenth year of operation will be rolled over into the renewal budget or returned to stakeholders. Also, CBD funds may be used to pay for renewal costs. If the District is not renewed or terminated for any reason, unexpended funds will be returned to the property owners pursuant to the City CBD Ordinance.

Step 6. Separate General Benefits from Special Benefits and Related Costs (Prop 218)

Total costs are estimated at \$607,800 (see Table below). General benefits are factored at 2% of total (see Finding 2 on page 9 of this report) with special benefits set at 98%. Proposition 218 limits the levy of property assessments to costs attributed to special benefits only. The 2% general benefit cost is computed to be \$12,156 with a resultant 98% special benefit limit computed at \$595,644. *This is the maximum amount of revenue that can be derived from property assessments from the subject CBD.*

Total Year 1 – 2019 - Special + General Benefit Costs

| Service | YR 1 Assessment Costs | YR 1 Non - Assessment Costs | YR 1 Total Costs | % of Total |
|---------------------|--------------------------------------|--|-----------------------------|-----------------------|
| Sidewalk Operations | \$410,000 | \$8,367 | \$418,367 | 69% |
| District Identity | \$90,000 | \$1,837 | \$91,837 | 15% |
| Administration | \$76,000 | \$1,551 | \$77,551 | 13% |
| Contingency/Reserve | \$19,644 | \$401 | \$20,045 | 3% |
| Total | \$595,644 | \$12,156 | \$607,800 | 100% |

All program costs associated with general benefits, \$12,156 will be derived from monetary sources other than Downtown Hayward CBD assessments.

General + Special Benefit Revenue Sources

| Revenue Source | Cost |
|---|-------------|
| Downtown Hayward CBD Assessment Revenue - Year 1 – 2019) | \$595,644 |
| Other revenues to fund general benefit costs (grants, dues, program income) | \$12,156 |
| Total Costs – General and special benefits | \$607,800 |

Step 7. Calculate “Basic Unit Cost”

With a Year 1 – 2019 budget of \$595,644 (special benefit only), the Basic Unit Costs (rates) are delineated above in Step 4. Since the Downtown Hayward CBD is being formed for a 10 year term, maximum assessments for future years (2020-2028) must be set at the inception of the CBD. An annual inflationary assessment rate increase not to exceed 5% may be imposed

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for future year assessments, on approval by the Association Board. The maximum assessment rates for the 10 year CBD term of 2019-2028 are shown in the Table below. The assessment rates listed constitute the maximum assessment rates that may be imposed for future years of the Downtown Hayward CBD (2019-2028).

TEN (10) YEAR MAXIMUM ASSESSMENT RATES (Not to exceed 5% per year)

| Projected Assessment | FY 1 | FY 2 | FY 3 | FY 4 | FY 5 |
|-----------------------------|-------------|-------------|-------------|-------------|--------------|
| Linear Frontage BZ 1& 3 | \$7.00 | \$7.35 | \$7.72 | \$8.10 | \$8.51 |
| Linear Frontage BZ 2 | \$5.00 | \$5.25 | \$5.51 | \$5.79 | \$6.08 |
| Building Sq. Ft. | \$0.0616027 | \$0.06468 | \$0.06792 | \$0.07131 | \$0.07488 |
| Lot Square Footage | \$0.0895140 | \$0.0939897 | \$0.0986892 | \$0.1036236 | \$0.1088048 |
| Condo Bldg. Sq. Ft. | \$0.20000 | \$0.21000 | \$0.22050 | \$0.23153 | \$0.24310 |
| | | | | | |
| Projected Assessment | FY 6 | FY 7 | FY 8 | FY9 | FY 10 |
| Linear Frontage BZ 1& 3 | \$8.93 | \$9.38 | \$9.85 | \$10.34 | \$10.86 |
| Linear Frontage BZ 2 | \$6.38 | \$6.70 | \$7.04 | \$7.39 | \$7.76 |
| Building Sq. Ft. | \$0.078622 | \$0.082554 | \$0.086681 | \$0.091015 | \$0.095566 |
| Lot Square Footage | \$0.114245 | \$0.119957 | \$0.125955 | \$0.132253 | \$0.138866 |
| Condo Bldg. Sq. Ft. | \$0.2553 | \$0.2680 | \$0.2814 | \$0.2955 | \$0.3103 |
| | | | | | |

Step 8. Spread the Assessments

The resultant assessment spread calculation results for each parcel within the Downtown Hayward CBD are shown in Appendix 1 attached to this Report and were determined by applying the District assessment formula to each identified assessed property.

APPENDIX 1

YR 1 – 2018/2019 ASSESSMENTS

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| APN | YR 1 Assessment |
|-----------------|----------------------------|
| 415 0240 001 02 | \$6,191.76 |
| 415 0240 035 00 | \$1,855.41 |
| 415 0240 036 01 | \$3,776.85 |
| 415 0240 037 00 | \$989.06 |
| 415 0240 038 00 | \$5,469.27 |
| 415 0240 039 00 | \$2,153.86 |
| 415 0240 040 00 | \$1,561.25 |
| 415 0240 041 00 | \$3,082.99 |
| 415 0240 042 00 | \$795.05 |
| 415 0250 021 07 | \$3,904.54 |
| 415 0250 111 02 | \$4,291.00 |
| 415 0250 112 00 | \$1,148.00 |
| 415 0250 113 00 | \$4,830.00 |
| 415 0250 116 00 | \$3,113.22 |
| 415 0240 027 00 | \$861.84 |
| 415 0240 028 03 | \$9,519.23 |
| 415 0250 002 25 | \$3,416.13 |
| 415 0250 002 30 | \$1,496.58 |
| 415 0250 002 36 | \$4,376.81 |
| 415 0250 021 08 | \$5,432.37 |
| 415 0250 114 01 | \$3,232.70 |
| 415 0250 115 00 | \$10,730.31 |
| 427 0001 001 00 | \$801.98 |
| 427 0001 002 00 | \$841.94 |
| 427 0001 003 00 | \$1,775.13 |
| 427 0001 004 00 | \$475.82 |
| 427 0001 005 00 | \$503.26 |
| 427 0001 006 01 | \$1,018.21 |
| 427 0001 006 02 | \$441.72 |
| 427 0001 007 00 | \$1,156.90 |
| 427 0001 008 00 | \$746.90 |
| 427 0001 009 05 | \$833.75 |
| 427 0001 010 03 | \$913.92 |
| 427 0001 011 00 | \$1,582.91 |
| 427 0011 002 00 | \$2,657.09 |
| 427 0011 003 02 | \$1,932.26 |
| 427 0011 004 00 | \$1,259.47 |
| 427 0011 005 00 | \$1,176.86 |
| 427 0011 006 00 | \$1,416.36 |
| 427 0011 007 00 | \$1,625.76 |
| 427 0011 008 00 | \$375.81 |
| 427 0011 009 00 | \$584.74 |
| 427 0011 010 00 | \$6,924.08 |
| 427 0011 011 00 | \$6,074.34 |
| 427 0011 012 00 | \$1,001.21 |
| 427 0011 013 00 | \$1,872.93 |

| | |
|-----------------|-------------|
| 427 0011 014 00 | \$1,639.54 |
| 427 0011 015 00 | \$1,037.34 |
| 427 0011 016 00 | \$4,783.23 |
| 427 0011 018 00 | \$1,331.12 |
| 427 0011 019 00 | \$4,946.63 |
| 427 0011 020 00 | \$4,870.31 |
| 427 0011 021 00 | \$2,398.94 |
| 427 0011 022 00 | \$557.88 |
| 427 0011 024 01 | \$3,250.49 |
| 427 0011 025 00 | \$2,638.01 |
| 427 0011 026 00 | \$529.23 |
| 427 0011 027 00 | \$480.77 |
| 427 0011 028 00 | \$1,241.56 |
| 427 0011 029 00 | \$1,306.23 |
| 427 0011 030 00 | \$1,231.51 |
| 427 0011 031 00 | \$1,254.67 |
| 427 0011 032 00 | \$1,269.82 |
| 427 0011 033 00 | \$1,869.74 |
| 427 0011 034 00 | \$1,535.01 |
| 427 0011 035 00 | \$1,020.83 |
| 427 0011 036 00 | \$1,296.28 |
| 427 0011 037 00 | \$888.31 |
| 427 0011 038 00 | \$2,597.03 |
| 427 0011 039 00 | \$2,200.87 |
| 427 0016 001 00 | \$2,051.94 |
| 427 0016 018 00 | \$5,351.09 |
| 427 0016 019 00 | \$1,668.97 |
| 427 0016 020 00 | \$741.90 |
| 427 0016 026 00 | \$4,198.17 |
| 427 0016 050 04 | \$6,958.00 |
| 427 0016 052 00 | \$1,228.66 |
| 428 0026 004 00 | \$3,372.92 |
| 428 0026 006 05 | \$2,070.34 |
| 428 0026 008 09 | \$2,177.61 |
| 428 0026 064 01 | \$5,082.59 |
| 428 0026 067 03 | \$10,641.31 |
| 428 0026 068 01 | \$41,277.65 |
| 428 0051 062 00 | \$2,702.17 |
| 428 0051 063 00 | \$1,178.09 |
| 428 0051 064 00 | \$1,751.28 |
| 428 0051 096 00 | \$9,380.33 |
| 428 0051 097 00 | \$3,375.92 |
| 428 0051 098 00 | \$3,158.22 |
| 428 0056 035 00 | \$1,659.91 |
| 428 0056 036 00 | \$1,218.75 |
| 428 0056 037 00 | \$1,773.21 |
| 428 0056 038 00 | \$2,025.54 |
| 428 0056 039 00 | \$1,027.27 |

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| | |
|-----------------|------------|
| 428 0056 040 00 | \$2,152.40 |
| 428 0056 045 00 | \$1,868.32 |
| 428 0056 046 00 | \$1,060.75 |
| 428 0056 047 00 | \$1,058.03 |
| 428 0056 048 00 | \$597.03 |
| 428 0056 050 01 | \$1,390.15 |
| 428 0056 051 00 | \$659.79 |
| 428 0056 052 00 | \$1,487.97 |
| 428 0056 053 00 | \$139.99 |
| 428 0056 054 01 | \$461.98 |
| 428 0056 054 03 | \$576.02 |
| 428 0056 054 04 | \$881.03 |
| 428 0056 055 00 | \$1,245.95 |
| 428 0056 056 00 | \$259.85 |
| 428 0056 057 00 | \$1,676.70 |
| 428 0056 058 00 | \$540.97 |
| 428 0056 059 00 | \$552.52 |
| 428 0056 060 00 | \$1,568.71 |
| 428 0056 061 00 | \$631.39 |
| 428 0056 062 00 | \$1,097.57 |
| 428 0056 063 01 | \$1,961.86 |
| 428 0056 063 02 | \$66.96 |
| 428 0056 064 00 | \$518.74 |
| 428 0056 065 00 | \$874.58 |
| 428 0056 066 00 | \$4,242.25 |
| 428 0056 067 00 | \$566.98 |
| 428 0056 068 00 | \$687.03 |
| 428 0056 069 00 | \$563.42 |
| 428 0061 001 02 | \$1,112.22 |
| 428 0061 002 02 | \$769.41 |
| 428 0061 004 02 | \$927.81 |
| 428 0061 005 04 | \$608.32 |
| 428 0061 015 00 | \$1,561.07 |
| 428 0061 017 02 | \$3,153.84 |
| 428 0061 018 00 | \$1,983.97 |
| 428 0061 019 02 | \$2,224.23 |
| 428 0061 027 00 | \$960.54 |
| 428 0061 028 02 | \$773.96 |
| 428 0061 029 00 | \$7,851.51 |
| 428 0061 030 00 | \$862.04 |
| 428 0061 031 00 | \$2,099.05 |
| 428 0061 032 00 | \$1,845.55 |
| 428 0061 033 00 | \$2,363.03 |
| 428 0061 034 00 | \$2,197.51 |
| 428 0061 037 00 | \$2,604.91 |
| 428 0061 038 02 | \$2,023.51 |
| 428 0061 039 01 | \$3,203.00 |
| 428 0061 040 02 | \$4,989.45 |

| | |
|-----------------|-------------|
| 428 0061 041 00 | \$4,744.09 |
| 428 0061 042 00 | \$1,095.38 |
| 428 0061 043 00 | \$648.38 |
| 428 0061 044 00 | \$592.61 |
| 428 0061 045 00 | \$3,070.37 |
| 428 0061 046 01 | \$545.89 |
| 428 0061 046 02 | \$1,226.45 |
| 428 0061 047 01 | \$467.91 |
| 428 0061 047 02 | \$1,636.80 |
| 428 0061 048 01 | \$428.92 |
| 428 0061 048 02 | \$968.38 |
| 428 0061 049 01 | \$311.94 |
| 428 0061 049 03 | \$1,329.47 |
| 428 0061 050 01 | \$1,606.15 |
| 428 0061 051 01 | \$506.90 |
| 428 0061 051 02 | \$1,160.55 |
| 428 0061 053 01 | \$623.88 |
| 428 0061 053 02 | \$3,310.54 |
| 428 0061 054 00 | \$420.08 |
| 428 0061 055 00 | \$716.45 |
| 428 0061 056 00 | \$1,787.74 |
| 428 0061 057 00 | \$885.02 |
| 428 0061 058 00 | \$2,406.01 |
| 428 0061 059 00 | \$433.39 |
| 428 0061 061 01 | \$17,158.25 |
| 428 0066 001 00 | \$1,641.08 |
| 428 0066 002 00 | \$915.51 |
| 428 0066 003 00 | \$875.26 |
| 428 0066 004 00 | \$758.64 |
| 428 0066 005 00 | \$410.40 |
| 428 0066 006 00 | \$600.30 |
| 428 0066 007 00 | \$1,686.45 |
| 428 0066 008 00 | \$1,754.80 |
| 428 0066 011 01 | \$3,532.71 |
| 428 0066 012 00 | \$1,416.01 |
| 428 0066 013 02 | \$2,289.61 |
| 428 0066 014 00 | \$3,231.55 |
| 428 0066 015 00 | \$496.93 |
| 428 0066 016 00 | \$513.04 |
| 428 0066 018 01 | \$2,216.19 |
| 428 0066 019 00 | \$653.92 |
| 428 0066 021 01 | \$2,460.97 |
| 428 0066 022 00 | \$1,106.87 |
| 428 0066 023 00 | \$679.92 |
| 428 0066 024 00 | \$6,746.70 |
| 428 0066 025 00 | \$1,322.26 |
| 428 0066 026 00 | \$1,076.95 |
| 428 0066 027 00 | \$1,065.98 |

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

| | |
|-----------------|-------------|
| 428 0066 028 00 | \$2,008.09 |
| 428 0066 029 00 | \$1,238.49 |
| 428 0066 036 00 | \$2,299.65 |
| 428 0066 037 00 | \$2,254.65 |
| 428 0066 038 01 | \$1,970.93 |
| 428 0066 038 02 | \$834.49 |
| 428 0066 039 00 | \$3,562.94 |
| 428 0066 040 00 | \$471.24 |
| 428 0066 041 00 | \$703.35 |
| 428 0066 042 00 | \$774.11 |
| 428 0066 043 00 | \$1,563.88 |
| 428 0066 044 00 | \$937.87 |
| 428 0066 045 00 | \$11,005.44 |
| 428 0066 046 00 | \$3,300.30 |
| 428 0066 047 00 | \$878.93 |
| 428 0066 048 00 | \$912.87 |
| 428 0066 049 00 | \$1,269.40 |
| 428 0066 053 00 | \$1,115.51 |
| 428 0066 054 00 | \$826.88 |
| 428 0066 055 00 | \$628.66 |
| 428 0066 056 00 | \$1,380.21 |
| 428 0066 058 01 | \$2,570.73 |
| 428 0066 059 00 | \$885.61 |
| 428 0066 060 00 | \$741.06 |
| 428 0066 063 06 | \$2,307.54 |

| | |
|-----------------|-------------|
| 428 0066 067 00 | \$554.52 |
| 428 0066 069 01 | \$2,139.55 |
| 428 0066 070 00 | \$1,114.36 |
| 428 0066 071 00 | \$684.49 |
| 428 0066 083 04 | \$779.41 |
| 428 0066 084 00 | \$4,539.44 |
| 428 0066 085 00 | \$12,779.09 |
| 428 0066 086 00 | \$5,381.32 |
| 428 0071 002 00 | \$1,534.81 |
| 428 0071 003 00 | \$1,658.40 |
| 428 0071 018 00 | \$795.89 |
| 428 0071 019 00 | \$2,255.78 |
| 428 0071 020 00 | \$3,847.56 |
| 428 0071 023 00 | \$17,488.93 |
| 428 0071 048 00 | \$3,508.08 |
| 428 0071 049 00 | \$8,101.55 |
| 428 0076 023 07 | \$5,944.56 |
| 428 0076 023 10 | \$492.80 |
| 428 0076 023 13 | \$7,684.03 |
| 428 0076 027 05 | \$6,986.55 |
| 428 0076 027 09 | \$1,917.38 |
| 431 0044 022 01 | \$3,509.31 |
| 431 0044 035 04 | \$14,173.69 |

APPENDIX 2

DOWNTOWN HAYWARD CBD BOUNDARY MAP

DOWNTOWN HAYWARD COMMUNITY BENEFIT DISTRICT – ENGINEER’S REPORT

