

The Temescal/Telegraph Business Improvement District 2015 Management Plan

Final Plan – July 30th, 2014

Prepared pursuant to the City of Oakland's
Business Improvement Management District Ordinance No. 12190 of 1999, Codified as
Municipal Code Chapter 4.48
For the Temescal/Telegraph Business and Property Owners

Prepared by:
New City America, Inc. and
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Business Improvement District Renewal Committee



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Temescal/Telegraph Business Improvement District 2015 Management Plan

Table of Contents

Section Number

1.	Management District Plan Summary	3
2.	Temescal/Telegraph Business Improvement District 2015 Boundaries	9
3.	District Improvement and Activity Plan	13
4.	Assessment Methodology	18
5.	District Rules, Regulations and Governance	30
6.	Implementation Timetable	33
7.	Assessment Roll of Properties Included	34

Attachment:

A. Engineer's Report

Section 1

Management Plan Summary

The name of this Business Improvement Management District is the Temescal/Telegraph Business Improvement District 2015 (hereinafter the “TTBID 2015”). The District is being formed pursuant to the City of Oakland’s Business Improvement Management District Ordinance No. 12190 of 1999, codified as Municipal Code Chapter 4.48 hereinafter referred to as “the Ordinance.”

Developed by the Temescal/Telegraph BID Renewal Committee – this Management District Plan is proposed to improve and provide special benefits to individual parcels located within the boundaries of the newly proposed Temescal/Telegraph Business Improvement District 2015. The proposed TTBID 2015 will provide special benefit district improvements and activities, including cleaning, beautification, district identity, supplemental sidewalk lighting and other special benefit programs to parcels within the boundaries of the proposed district. We will continue to advocate for improved services and a greater presence of the Oakland Police Department as well as seek to increase City services within the new District.

The proposed Temescal/Telegraph Business Improvement District 2015 serves to improve the individual parcels, attract new customers to their businesses, increase sales, increase occupancies and enhance the benefitting individual parcels within the TTBID 2015. The proposed TTBID 2015 seeks to fund the special benefits that will be provided over the next ten years, based upon keeping the Temescal/Telegraph Business Improvement District 2015 area clean, safe, orderly, attractive, well marketed with special events and programs, and increase commerce within the boundaries.

Background:

As a property owner in the current 2005 Temescal/Telegraph Avenue Business Improvement District (TTBID 2005) as well as in those parcels just south of the existing TTBID 2005, property owners have undoubtedly noticed the significant improvements over the past nine years along Telegraph Avenue from 40th Street to the Berkeley border. These improvements and the new identity of this district - that has brought much attention to Temescal - are directly attributable to the work and funding of the 2005 Temescal/Telegraph BID.

Since the 2005 Temescal/Telegraph BID’s formation, sales tax revenues in the TTBID 2005 have risen 32% in spite of a 4% decline in sales taxes for the City of Oakland as a whole.

In 2004, property owners along Telegraph (and portions of Shattuck, Claremont, and 51st St.), including Children’s Hospital, voted to assess themselves to fund special benefit improvements, or those services over those provided by the City of Oakland. These improvements and activities were funded by the property owner assessments and have been managed by a volunteer non-profit Board of Directors.

These improvements and the accomplishments have included the following:

- *Installation of 70 new pedestrian street lights along Telegraph Ave and 52nd Street;*
- *Installation of 100 pole banners along Telegraph Ave, the length of the entire District;*
- *Sidewalk sweeping on a regular schedule and removal of illegal dumping and graffiti as needed;*
- *Installation of “gateway” signage at the most heavily travelled entry points to Temescal;*
- *Underwriting of numerous annual special events each year (Temescal Street Fair, Taste of Temescal, Art Hop, Halloween, Holiday events, Skate & Stroll, and Street Cinema);*
- *Whimsical painting, “Temescal Flows”, above the 51st Street /Hwy 24 underpass;*
- *Installation and maintenance of over 100 planters on Telegraph Avenue;*
- *Installation of 50 artistic murals and banners on the PG&E substation at Shattuck & 51st; and 5 more at the Kelly Moore Building at 4156 Telegraph;*
- *Adding to the existing trash cans totaling 38, and transforming them with mosaic tile into eclectic art pieces;*
- *Ongoing media coverage of the growth and development of Temescal; and*
- *Enhanced website to optimize social media posting opportunities.*
- *The large utility boxes covered with “kid art” coordinated with the students at Peralta School.*

Many property owners have experienced and witnessed the deterioration in the level of City services over the past few years. The Oakland Police Department, alone, is down nearly 200 officers over the past 2 years. The City budget crisis and reduction in services is a situation that we will be dealing with for a long, long time.

Over the past 15 years, the business, residential and commercial property owners in other communities in Oakland have supported the self-management and improvement of their respective communities by embracing a tool known as a BID (Business Improvement District) or *Community Benefit Districts*. These BID *assessment districts* have given residents, business and property owners in Downtown, Lake Merritt/Uptown, Montclair, Lakeshore, Fruitvale, Laurel, Rockridge, and Koreatown/Northgate communities, the funding they need to pay for “special benefit services” and lead their own community revitalization. Downtown’s and Lake Merritt/Uptown’s colorfully uniformed ambassadors have made a dramatic impact over the past four years in the feel and maintenance of order of those districts.

The BID model has become a cost effective, community-controlled financing tool throughout Oakland and San Francisco, to fund services over and above those provided by the municipalities. These are community generated and community controlled special benefit funds.

The Temescal-Telegraph BID 2005 is a great example of how effective and “results-oriented” a BID can be. The TTBID 2005 is now in the midst of its renewal and expansion and during this period we have included many parcels to the south which link the rapidly developing MacArthur BART station to the rest of the existing Temescal/Telegraph BID 2005 area.

After surveying property owners along 40th Street between Broadway and Telegraph, as well as heading south on Telegraph to encompass the BART station, the Board voted to expand the district during this renewal period.

New Boundaries:

The boundaries shall include parcels fronting along Telegraph Avenue from Woolsey Street on the north to the four corner intersection at W. MacArthur on the south. The renewed Temescal/Telegraph BID 2015 also will include Children’s Hospital on MLK Jr. Way, Shattuck Avenue from the 24 freeway to its merge with Telegraph Avenue, 40th Street from Broadway to the 24 freeways and Claremont Avenue from the 24 freeway to just south of Cavour Street.

Budget:

The total first-year Temescal/Telegraph Business Improvement District 2015 budget based upon assessable individual parcel owners for FY 14/15, will be **\$482,615.00**. Please see Section 3 for a breakdown of the categories of special benefit services and their allocation of services by Benefit Zone.

Improvements, Activities and Services of the Temescal/Telegraph Business Improvement District 2015 Plan:

There are four basic categories of special benefit services that will be funded by the Temescal/Telegraph Business Improvement District 2015. All of these services will confer a special benefit to the individual parcels within the Temescal/Telegraph Business Improvement District 2015. The categories of special benefits are as follows:

1. ***Public Right of Way and Sidewalk Operations (PROWSO)***: This includes all sidewalk and gutter cleaning services, sidewalk steam cleaning services, graffiti removal, trash removal, as well as expanding the pedestrian lighting program and beautifying the district based upon Benefit Zone contributions. Sidewalk operations services total approximately \$ 290,000 or 60% of the first year annual budget of the new 2015 BID.
2. ***Marketing and Identity Enhancement (MIE)***: These services include the branding of the Temescal/Telegraph BID 2015 area, marketing and promotions, newsletter, public relations, media relations, social media, publicity, special events, lighting, website development and maintenance, public space develop and holiday decorations. These services equal approximately \$94,000.00 or 19% of the first year annual budget of the new 2015 BID.
3. ***Administration/Government and Community Relations***: These services equal approximately \$ 75,000.00 or 16% of the first year annual budget of the new 2015 BID.
4. ***Contingency/Reserve***. This contingency anticipates a “historic” non-payment rate percentage of 3 to 5%, and any City or County collection fees. This fund equals approximately **\$ 23,615** or 5% of the first year annual budget of the new district.

This plan proposes percentages for groups of services with the intent that they will provide individual parcels with an understanding of the portion of the budget allocated to fund those services, while simultaneously giving property owners an understanding of the proportional benefit they will receive. Demands for prioritization of one special benefit need over another *within the same category* will occur year by year. One special benefit service may be a priority one year, however another special benefit may be a priority another year. Both of these services will fall within the same special benefit category.

Method of Financing:

The financing of the BID is based upon the levy of special assessments upon real property that receive special benefits from the improvements and activities. See Section 4 for assessment methodology and compliance with Proposition 218. There will be five factors used in the determination of proportional benefit to the parcels in the BID. Those five factors are:

- Linear frontage along the primary street, (broken down by Benefit Zones). Parcels will be charged different frontage rates based upon the frequency of services that the Benefit Zone frontage will receive from the Sidewalk Operations portion of the BID budget;
- Lot square footage or the footprint of the parcel;
- Building square footage (excluding parking structures built within the building that predominantly serve the tenants of the building and are not open to the public); and
- Residential condos;
- Benefit Zones

The following data represents the foundation of the assessments that will generate the revenue to fund the Temescal/Telegraph Business Improvement District: (verified as of February 1st 2014);

Gross Building Square Footage: 1,328,322 sq. feet

Gross Lot Size: 3,377,299 sq. feet

Gross Linear Frontage: 25,397 linear feet

Residential Condos: 98,818 assessable building square footage.
Currently, there are only a few residential condominium developments within the Temescal/Telegraph BID 2015 boundaries.

Benefit Zones:

State law and the State constitution, Article XIII D require that special assessments be levied according to the special benefit each individual parcel receives. There will be three benefit zones in the proposed Temescal/Telegraph Business Improvement District, and parcels

identified in the TT BID 2015 map in Benefit Zone 1 will be charged a higher linear frontage, lot size and building square footage rate due to the higher level of proportional benefit they will receive.

Costs:

Annual assessments are based upon an allocation of program costs by assessable linear frontage (by Benefit Zone), assessable on one side of the primary street of the parcels that receive benefit; PLUS lot or parcel square footage; PLUS assessable building square footage, and in the case of residential condos, only by building square footage.

The residential condo owners are assessed differently since they are, in essence, acquiring air rights with the condos and linear frontage and lot size is not relevant to their parcels. This alternate assessment methodology is created to respond to their special needs of homeowners within this potentially ascending sector within the Temescal/Telegraph district. All four property variables, including an individual parcel’s location within the designated areas for Benefit Zone will be used in the calculation of the annual assessment. The FY 2014-15 year annual assessments per property variable and Benefit Zone are as follows:

<i>Linear Frontage costs:</i>	Benefit Zone 1 \$ 8.00 per linear foot/year Benefit Zone 2 \$ 3.00 per linear foot/year Benefit Zone 3 \$ 15.00 per linear foot/year
<i>Building Square Footage costs:</i>	Benefit Zone 1 \$ 0.08 per square foot/year Benefit Zone 2 \$ 0.03 per square foot/year Benefit Zone 3 \$ 0.00 per square foot/year
<i>Lot Size costs:</i>	Benefit Zone 1 \$0.06 per square foot/year Benefit Zone 2 \$0.06 per square foot/year Benefit Zone 3 \$ 0.02 per square foot/year
<i>Residential Condo costs:</i>	\$0.20 per square foot of parcel unit square footage (Regardless of benefit zone within the district)

Assessment District Revenue Generation from each property variable:

Linear Frontage :	\$ 184,077.00
Building Square Footage:	\$ 87,250.00
Lot Square Footage:	\$ 191,524.00
Residential Condos	\$ 19,764.00
Total:	\$ 482,615.00

Cap:

The Temescal/Telegraph BID 2015 budget and assessments may be increased annually in an amount not to exceed 5% per year based upon a recommendation of the TT BID 2015 Advisory Board and Oakland City Council acceptance under OMC section 4.48.200.C.

Increases greater than 5% in any single year will require Advisory Board approval, City Council Approval, and will be subject to public notice, hearing, and balloting under OMC sections 4.48.200.C and 4.48.070 through 4.48.140 as applicable.

Changes in land use, development of empty parcels, conversion of tax exempt to profitable land uses, demolition of existing buildings, and creation of new parcels through new building or residential condo development may alter the budget from year to year based upon the changes in the building square footage of an individual parcels. Because linear frontage and lot size normally are not altered in the development of a site, the only changes realized in the BID will likely be through the building square footage. In addition, changes in the budget may occur due to the conversion of single parcels to multiple parcels due to the construction of residential or commercial condominiums.

Bonds:

The District will not issue any bonds related to any program however the Board of Directors of the Management Corporation may take out a long term loan, not to exceed the remaining term of the TT BID 2015, to complete the installation of pedestrian lighting or other capital improvements along the main streets of the renewed TT BID 2015.

District Formation:

The District formation and modification requires a submission of petitions from affected property owners representing more than 30% of the total assessments.

Once the City verifies the petitions by property owners representing more than 30% of the weighted assessment value (Oakland Municipal Code 4.48.050) (equal here to more than \$145,796 in assessment contribution to the renewed district), the City Council may adopt a Resolution of Intention and then mail out a Notice of Intention and ballots to all affected property owners at least 45 days before conducting a public hearing. Any affected person can make a protest. The City will then hold a public hearing to consider any protests and to tabulate the ballots. The City Council shall adopt a resolution, consistent with the Resolution of Intention, forming the Temescal/Telegraph Business Improvement District 2015 and levying the assessments on the benefitted parcels if the ballots submitted do not establish a majority protest. A majority protest exists if, upon the conclusion of the Public Hearing, ballots submitted in opposition to the assessment exceed the ballots submitted in favor of the assessment. In tabulating the ballots, the ballots shall be weighted according to the proportional financial obligation upon the affected property. We anticipate that this process will be completed by the end of July 2014.

Duration:

The Temescal/Telegraph Business Improvement District 2015 shall have a ten-year term with services commencing on January 1st, 2015 and continuing through December 31st, 2024.

Governance:

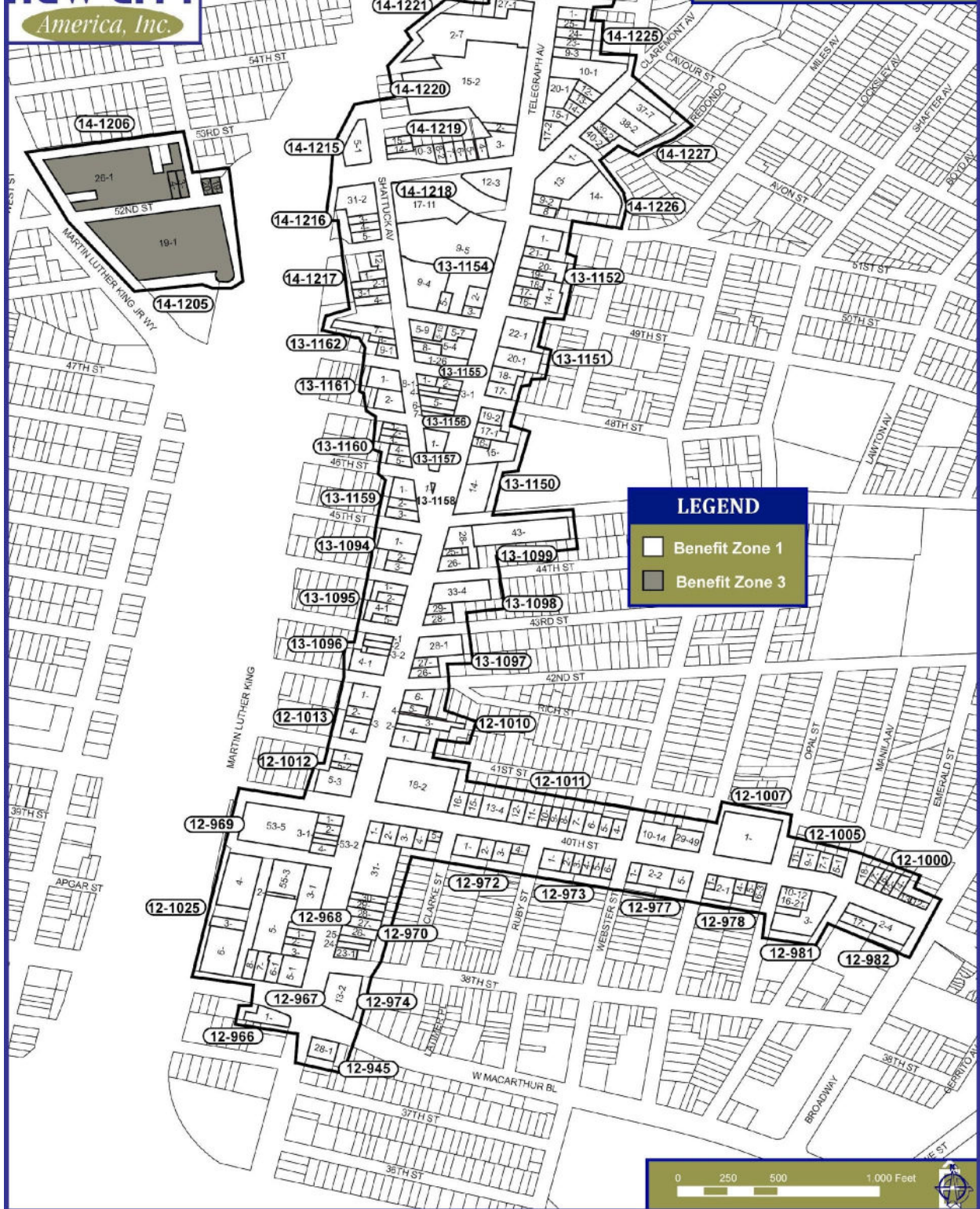
Pursuant to the City of Oakland's Business Improvement Management District Ordinance, the Advisory Board (see OMC 4.48.190, .200, and .210) will prepare an annual report each fiscal year, and may propose any changes to the Management District Plan. Any such proposed modification, if accepted by the City Council, will be subject to a notice and ballot procedure similar to what occurred during the District Formation process. A District Management Corporation or the Temescal/Telegraph Avenue Community Association (TTACA) will oversee the day-to-day implementation of services as defined in the TTBID 2015 Management Plan, and be responsible for District budgets and policies within the limitations of the TTBID 2015 Management Plan.

Section 2

Temescal/Telegraph Business Improvement District 2015 Boundaries

Boundaries: The following text will define the boundaries of the Temescal/Telegraph Business Improvement District 2015. Parcels in the commercial corridors of the Temescal/Telegraph Business Improvement District 2015 will include the following:

- **Northern Boundary:** Starting at the southeast and southwest side of the intersection of Woolsey Street and Telegraph Avenue and running south along Telegraph Avenue. On Shattuck Avenue, the northern boundary will be the 24 freeway.
- **Southern Boundary:** Starting at the southwest and southeast corners of the intersection of W. MacArthur Avenue and Telegraph Avenue and running north. In addition, the southern boundary of those parcels along 40th Street will include all parcels fronting along the south side of 40th Street from the parcel at the southwest corner of the intersection of Broadway and 40th Street on the east to the fourth corners of the intersection of W. MacArthur and Telegraph on the south.
- **Eastern Boundary:** Starting at the parcel at the southwestern and northwestern corners of the intersection of Broadway and 40th Street, running west along 40th Street and then following the eastern edge of all of the parcels fronting along Telegraph Avenue from the parcel at the southeastern corner of the intersection of W. MacArthur and Telegraph, running northward up to the parcel at the southeastern corner of the intersection of 51st Street and Telegraph Avenue. Continuing northward on Telegraph the east boundary will include parcels 14-1226-14, parcel 14-1227-38-2 and 14-1227-37-7 near Claremont and Cavour Street. Continuing to include the eastern side of all of the parcels fronting along Telegraph Avenue from Claremont Avenue to parcel 16-1421-19-1 at the southeastern corner of the intersection of Woolsey Street and Telegraph Avenue
- **Western Boundary:** Starting at the intersection of Highway 24 and W. MacArthur Drive, parcel number 12-1025-06 running northward along the freeway to the parcel at the northwestern corner of the intersection of 40th Street and Telegraph Avenue (parcel 12-1012-53) and continuing northward following the western or back edges of the parcels fronting on Telegraph Avenue as well as Shattuck Avenue up 51st Street. The western boundary then encompasses Children's Hospital on Martin Luther King Jr. Way and then tracks back to follow the western edge of the parcels fronting Telegraph Avenue from 51st Street and Shattuck, northward past the freeway encompassing the parcels' edge from the 24 Freeway to the parcel at the southwestern corner of the intersection of Woolsey Street and Telegraph Avenue.





Section 3

District Improvement and Activity Plan

Explanation of Special Benefit Services:

All of the improvements and activities detailed below are provided only to properties defined as being within the boundaries of the Temescal/Telegraph Property BID 2015, as the improvements and activities will provide special benefit only to the owners of those properties. No improvements or activities will be provided to properties outside the Temescal/Telegraph BID 2015 boundaries. All benefits derived from the assessments outlined in this Management District 2015 Plan fund services directly benefiting the property owners in this special benefit district.

The City will continue to provide services from the general fund to the benefitting parcels such as public safety, safety-related street tree trimming to address hazardous tree conditions, street sweeping, trash collection of public refuse containers, street repair, graffiti abatement, emergency services, fire protection, etc. The frequency of these general benefits may change from year to year and time to time based upon City budgetary constraints. However, City general benefits will not be withdrawn from the Temescal/Telegraph BID 2015 unless they are withdrawn based on a citywide operational change. The BID funded special benefits will not replace City funded general benefits, but rather will provide special benefits to parcel owners over and above the general benefits provided by the City of Oakland.

All services funded by the assessments outlined in the Management District Plan are intended to directly benefit the property owners within the TTBID 2015 area to support increased commerce, safety, business attraction and retention, retained and increased commercial and residential property rentals, enhanced cleanliness in the TTBID 2015, improved district identity, and eventually specialized beautification for parcel owners within the entire District.

The total improvement and activity plan budget for fiscal year 2014-15, which is funded entirely by property assessments within the TTBID 2015 boundaries, is projected to be **\$ 482,615**. The costs of providing each of the budget components was developed from actual experience obtained in providing these same services in the TTBID 2005 for the past 10 years.

The Temescal/Telegraph BID 2015 Steering Committee has prioritized the following categories of special benefit services for the new TTBID 2015. The categories of special benefit services set forth the intent of the budget category, but also gives the TTBID 2015 District Management Corporation flexibility to allocate the services based upon the changing needs of the District from year-to-year within each budgeted category.

Improvements, Activities and Services of the Temescal/Telegraph BID 2015 Plan:

There are four basic categories of special benefit services that will be funded by the Temescal/Telegraph Business Improvement District 2015. All of these services will confer a special benefit to the individual parcels within the Temescal/Telegraph Business Improvement District 2015. The categories of special benefits are as follows:

1. **Public Right of Way and Sidewalk Operations (PROWSO):** This includes all sidewalk and gutter cleaning services, sidewalk steam cleaning services, graffiti removal, trash removal, as well as expanding the pedestrian lighting program and beautifying the district based upon Benefit Zone contributions. Sidewalk operations services total approximately \$ 290,000 or 60% of the first year annual budget of the new TT BID 2015.
2. **Marketing and Identity Enhancement (MIE):** These services include the branding of the Temescal/Telegraph Property Business District area, marketing and promotions, newsletter, public relations, media relations, social media, publicity, special events, lighting, website development and maintenance, public space develop and holiday decorations. These services equal approximately \$94,000.00 or 19% of the first year annual budget of the new TT BID 2015.
3. **Administration/Government and Community Relations:** These services equal approximately \$ 75,000.00 or 16% of the first year annual budget of the new TT BID 2015.
4. **Contingency/Reserve.** This contingency anticipates a “historic” non-payment rate percentage of 3 to 5%, and any City or County collection fees. This fund equals approximately \$ 23,615 or 5% of the first year annual budget of the new TT BID 2015

This plan proposes percentages for groups of services with the intent that they will provide individual parcels with an understanding of the portion of the budget allocated to fund those services, while simultaneously giving the property owners and businesses an understanding of the proportional benefit they will receive. Demands for prioritization of one special benefit need over another *within the same category* will occur year by year. For example, one special benefit service may be a priority one year, however another special benefit may be a priority another year. Both of these services will fall within the same special benefit category.

The renewed TT BID 2015 has been expanded along 40th Street to Broadway and along Telegraph south to the four corners of W. MacArthur and Telegraph Avenue. This expansion to the south was done to tie the multiple new developments occurring over the next 10 years at the MacArthur BART station to the Temescal District. While the exact dimension and nature of those improvements at the BART station have yet to be finalized, BART has sought, through the delivery of special benefit services in this Management District Plan, to improve the connectivity to and from the BART station to the Temescal business district.

Table 3 - A
First Year Temescal/Telegraph Business Improvement District 2015
Special Benefit Service Budget (Figures are rounded off)

Program or Service	% of Budget	Est. Cost of Benefit
Public Rights of Way & Sidewalk Operations (PROWSO)	60%	\$290,000.00
Marketing & Identity Enhancement (MEI)	19%	\$ 94,000.00
Administration/Government & Community Relations	16%	\$ 75,000.00
Contingency/Reserve	5%	\$ 23,615.00
Total First Year Budget	100%	\$ 482,615.00

The following categories of special benefit services shall only be provided to parcels within the TT BID 2015. All of the special benefit services described will be in coordination with appropriate City departments, as needed:

1- Public Rights of Way and Sidewalk Operations (PROWSO): \$ 290,000 60%

Examples of these special benefit services are allocated per benefit zone with Benefit Zone 1 parcels receiving a higher frequency of services relative to the Benefit Zone 2 and 3 parcels. All of these services will not replace or reduce current city services but will rather enhance services above their current general benefit level. Costs may include, but are not limited to:

- Regular sidewalk and gutter sweeping;
- Payment for debt services related to new pedestrian lighting;
- Median landscaping along 40th Street;
- Respond to complaints of aggressive panhandling;
- Timely graffiti removal, within 24 hours as necessary
- Tree and vegetation planting and maintenance
- Regular sidewalk steam cleaning
- Placement of additional trash receptacles;
- May consider private security services on bike or patrol on a situational basis as needed;

Level of PROWSO Special Service Frequency as determined by Benefit Zone:

Benefit Zone	Sidewalk Sweeping
1	5 – 6 days per week
2	2 - 3 days per week

2 – Marketing and Identity Enhancement:**\$ 94,000****19%**

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

- *Business attraction and expansion*
- *Web site development and updating*
- *Brochures, public relations*
- *Tourist related activities*
- *Marketing and social media*
- *Advertising*
- *Banner development and installation*
- *Special Events*
- *Signage*
- *Public space development and maintenance*
- *App development*
- *Payment for debt services related to new pedestrian lighting;*

	Benefit Zone 1	Benefit Zone 2 and 3
Special event underwriting	Yes	Where applicable
Public space development	Yes	Yes
Website creation and management	Yes	Yes
Social media	Yes	Yes
Public and media relations	Yes	Yes
Banner installation	Yes	Yes

3 - Administration/Government and Community Relations:**\$ 75,000****16 %**

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

- *Staff and administrative costs*
- *Directors and Officers Insurance*
- *Office related expenses*
- *Rent*
- *Financial reporting and accounting*
- *Legal work*

	Benefit Zone 1	Benefit Zone 2 and 3
Staffing	Yes	Yes
Office related expenses	Yes	Yes
General Liability and Insurance	Yes	Yes
Accounting	Yes	Yes
Legal	Yes	Yes

4 - Contingency/Reserve:

\$ 23,615

5%

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

- Delinquencies
- Reserves
- City and county administration costs

Ten-Year Operating Budget:

A projected ten-year operating budget for the Temescal/Telegraph BID 2015 is provided below. The projections are based upon the following assumptions:

- Assessments may be increased by a maximum 5% per year based on recommendations from the TT BID 2015 Advisory Board and Oakland City Council approval.
- The percentage of distribution between the four benefit service categories remains the same throughout the life of the TT BID 2015.

The budget for specific programs may actually be reallocated within the categories by up to 10% of each budget category. The TT BID 2015 Advisory Board may annually recommend changes to the budget based upon service needs and such changes shall be included in the Annual report submitted to the City.

Table 3 – B
Ten-Year Projection of Maximum Assessment for the
Temescal/Telegraph BID 2015

Projected Budget	FY 1	FY 2	FY 3	FY 4	FY 5
Sidewalk Operations	\$290,000.00	\$304,500.00	\$319,725.00	\$335,711.25	\$352,496.81
District Beautification	\$94,000.00	\$98,700.00	\$103,635.00	\$108,816.75	\$114,257.59
Program Management	\$75,000.00	\$78,750.00	\$82,687.50	\$86,821.88	\$91,162.97
Contingency	\$23,615.00	\$24,795.75	\$26,035.54	\$27,337.31	\$28,704.18
Total	\$482,615.00	\$506,745.75	\$532,083.04	\$558,687.19	\$586,621.55

Projected Budget	FY 6	FY 7	FY 8	FY9	FY 10
Sidewalk Operations	\$370,121.65	\$388,627.74	\$408,059.12	\$428,462.08	\$449,885.18
District Beautification	\$119,970.47	\$125,968.99	\$132,267.44	\$138,880.81	\$145,824.85
Program Management	\$95,721.12	\$100,507.17	\$105,532.53	\$110,809.16	\$116,349.62
Contingency	\$30,139.39	\$31,646.36	\$33,228.68	\$34,890.11	\$36,634.62
Total	\$615,952.63	\$646,750.26	\$679,087.77	\$713,042.16	\$748,694.27

Notes:

- Assumes a 5% yearly increase on all budget items.
- Any accrued interest or delinquent payments will be expended in the above categories.

Section 4

Assessment Methodology

The Temescal/Telegraph BID 2015 is a property-based special benefit assessment district being established pursuant to the Oakland Business Improvement Management District Ordinance No. 12190 of 1999, codified as Municipal Code Chapter 4.48. Due to the special benefit nature of assessments levied within a BID, program costs are to be distributed amongst all identified specially benefiting properties based on the proportional amount of special program benefit each property is expected to derive from the assessments collected.

The Ordinance refers to the concept of relative “benefit” received from BID funded programs and activities versus amount of assessment paid. Only those properties expected to derive special benefits from BID funded programs and activities may be assessed and only in an amount proportional to the relative special benefits expected to be received.

The method used to determine special benefits derived by each identified property within a BID begins with the selection of a suitable and tangible basic benefit unit. For property related services, such as those proposed in the Temescal/Telegraph BID 2015, the benefit unit may be measured in terms of linear feet of primary street frontage or parcel size in square feet or building size in square feet or number of building floors or proximity to major corridors in average linear feet, or any combination of these factors.

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 other program costs, and benefit zones are estimated. There are three benefit zones in the proposed Temescal/Telegraph BID 2015. **Proposition 218 requires that indirect or general benefits not be incorporated into the assessment formula and levied on the District properties in property based assessment Districts; only direct or “special” benefits and costs may be considered.** Indirect or general benefit costs, if any, must be identified and, if quantifiable, calculated and factored out of the assessment cost basis to produce a “net” cost figure. Based on the foregoing, 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. Then the amount of assessment for each parcel can be computed 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 costs are allocated proportionally or “spread” amongst all properties within the BID.

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

Here, program costs spreading variables include benefit zones, linear frontage, lot or parcel size and building square footage, and residential condo parcels.

The following data represents the foundation of the assessments that will generate the revenue to fund the Temescal/Telegraph Business Improvement District 2015: (verified as of February 1st 2014);

Gross Building Square Footage:	1,328,322 sq. feet
Gross Lot Size:	3,377,399 sq. feet
Gross Linear Frontage:	25,397 linear feet
Residential Condos:	98,818 assessable building square footage. Currently there are only a few residential condo developments within the Temescal/ Telegraph BID 2015 boundaries

Assessment District Revenue Generation in Fiscal Year 2014-15 from each property variable:

Linear Frontage (Primary frontage only)	\$ 184,077	38%
Building Square Footage:	\$87,250	19%
Lot Square Footage:	\$191,524	39%
Residential Condos:	<u>\$19,764</u>	<u>4%</u>
Total:	\$482,615.00	100%

First Year Annual Costs:

The FY 2014-15 year annual assessments per property variable and Benefit Zone 2015 are as follows:

Property Variable	First Year Annual Costs
Linear Frontage	Benefit Zone 1 \$ 8.00 per linear foot/year Benefit Zone 2 \$ 3.00 per linear foot/year Benefit Zone 3 \$ 15.00 per linear foot/year
Building Square Footage	Benefit Zone 1 \$ 0.08 per square foot/year Benefit Zone 2 \$ 0.03 per square foot/year Benefit Zone 3 \$ 0.00 per square foot/year
Lot Size	Benefit Zone 1 \$ 0.06 per square foot/year Benefit Zone 2 \$ 0.06 per square foot/year Benefit Zone 3 \$ 0.02 per square foot/year
Residential Condominium	\$0.20 per square foot (Regardless of Benefit Zone within the district.)

**Temescal/Telegraph BID 2015 Management Plan
Generation of Revenues by Benefit Zone and Property Variables**

Zone- Variable	Annual Costs	Zone Property Variable Generates
1 – Building	\$0.08	\$ 75,841.92
1 – Lot	\$0.06	\$ 142,156.86
1 – Linear	\$8.00	\$ 133,563.28
Revenues Zone 1		\$ 351,562.06* - 73%
2 – Building	\$0.03	\$ 11,408.94
2 – Lot	\$0.06	\$ 43,809.90
2 – Linear	\$3.00	\$ 20,004.00
Revenues Zone 2		\$ 75,222.84 – *15.5%
3 – Building	\$0.00	\$ 0
3 – Lot	\$0.02	\$ 5,557.06
3 – Linear	\$ 15.00	\$ 30,510.00
Revenues Zone 3		\$ 36,067.06 - *7.5%
Condo/Per Sq. Ft	\$ 0.20	\$ 19,763.60 – 4%
Total Budget		\$ 482,615.56 – 100%

**Does not include the Residential Condo aggregate costs per benefit zone. Special Benefit*

Services Funded by Linear frontage, lot size and building square footage per Benefit Zone are calculated per geographic benefit zone with the residential condo assessments considered as an overlay to Benefit Zone 1 and 2 parcels.

Program	Funded by	Amount First Year - %
Public Rights of Way and Sidewalk Operations <i>sidewalk and gutter cleaning, landscaping, steam cleaning, etc, partial lighting debt service, median landscaping)</i>	100% of the linear frontage assessments plus 50% of the lot size assessments district wide. <i>Residential Condo assessments pay for services in the same proportion as allocated in the budget</i>	\$ 290,000 – 60% (the Board decides how this amount will be allocated month by month, prioritizing services and proportionally allocating per benefit zones based upon payments made)
Marketing and Identity Enhancement <i>(Marketing, promotions, website, social media, events, partial lighting debt service)</i>	100% of the building square footage district wide <i>Residential Condo assessments pay for services in the same proportion as allocated in the budget</i>	\$ 94,000 – 19%
Administration/Government And Community Relations Administration, outreach to public agencies, community relations, office rent, supplies, insurance, legal	Lot Size assessments <i>Residential Condo assessments pay for services in the same proportion as allocated in the budget</i>	\$ 75,000 – 16%
Contingency	Balance of Lot size assessments <i>Residential Condo assessments pay for services in the same proportion as allocated in the budget</i>	\$ 23,615 – 5%
Total for all Special Benefit Services		\$ 482,615.00

Linear Frontage Defined:

Individual parcels will be assessed *for only that side of frontage that is located on the primary street*. Side streets will not be assessed. All parcels will be assessed for only the primary side of frontage.

Linear front footage data was obtained from the County Assessor's parcel maps and reviewed by staff at New City America.

Building Square Footage Defined:

Building square footage is defined as gross building square footage throughout the TT BID 2015. The percentage of building square footage that is dedicated to private or internal tenant parking needs may be deducted from the gross building square footage. Only parking structures that are open to the public and charge fees to the general public on a regular basis will have their building square footage assessed as any other commercial building. Apartment buildings within the boundaries of the TT BID 2015, regardless of Benefit Zone, will be assessed as commercial buildings since there is a landlord/tenant relationship. Building square footage data was obtained from the County Assessor's property records and reviewed by staff at New City America.

Lot Square Footage Defined:

Lot square footage is defined as the total amount of area within the borders of the parcel. The lot square footage of a parcel is defined on the County Assessor's parcel maps and was confirmed by New City America staff.

Commercial Condominium Parcels Defined:

Ground floor commercial condominiums will be treated like independent "mini" commercial buildings and assessed based on their actual building square footage, the footprint of land they cover or lot size of the commercial condo, and the amount of direct primary street frontage on the exterior of the building.

Ground floor commercial condominiums will pay 100% of the special benefits for the assessment, based upon which benefit zone they are within.

Residential Condo/Single residential unit parcels

Condo residential unit parcels built on commercially zoned parcels are assessed as a separate category. These condo residential units are not built on residentially zoned land, but rather on commercially zoned parcels within the boundaries of the Temescal/Telegraph BID 2015.

These condo residential unit parcels will be assessed for their building square footage only at the rate of \$0.20 per square foot in the first year in which they have been given a parcel number. The residential condos will have their assessments allocated in the same percentages of special benefit categories as the rest of the district. The residents will benefit from lighting, cleaning, security, district identity services and the other services in the same proportion as non-residential parcels throughout Benefit Zones 1 and 2 of the TT BID 2015.

Calculation of Assessments:

The proportionate special benefit derived by each identified parcel shall be determined in a relationship to the entirety of the improvement or the maintenance and operation expenses of an improvement or for the cost of property service being provided. Per California Constitutional Amendment Article XIII D, Section 2(j), "Special Benefit", means a particular and distinct benefit over and above general benefits conferred on a real property located in the district or to the public at large.

No assessment will be imposed on any parcel that exceeds the reasonable cost of the proportional special benefits conferred upon that parcel. Only special benefits are assessable and these benefits must be separated from any general benefits.

Properties are assessed as defined on the County Assessor's most current parcel maps.

The preceding methodology is applied to the database of parcels within the District. The process for compiling the property database includes the following steps:

- A report was generated from data obtained from the Alameda County Tax Assessors office.
- A list of properties to be included within the Temescal/Telegraph BID 2015 is provided in Section 7.

The Calculation of Assessment for each parcel in the Temescal/Telegraph BID 2015 is as follows:

Parcel Assessment – Benefit Zone 1

The annual assessment method for all parcels and ground floor commercial condominiums is:

$$\begin{aligned} & \text{Total Street Frontage X \$ 8.00 per linear foot} \\ & \qquad \qquad \qquad + \\ & \text{Total Lot Square Footage X \$0.06 per square foot} \\ & \qquad \qquad \qquad + \\ & \text{Total Building Square footage X \$0.08 per square foot} \\ & \qquad \qquad \qquad = \\ & \text{TOTAL PARCEL ASSESSMENT} \end{aligned}$$

Parcel Assessment – Benefit Zone 2

The annual assessment method for all parcels and ground floor commercial condominiums is:

$$\begin{aligned} & \text{Total Street Frontage X \$ 3.00 per linear foot} \\ & \qquad \qquad \qquad + \\ & \text{Total Lot Square Footage X \$0.06 per square foot} \end{aligned}$$

$$\begin{aligned}
 &+ \\
 &\text{Total Building Square footage X } \$0.03 \text{ per square foot} \\
 &= \\
 &\text{TOTAL PARCEL ASSESSMENT}
 \end{aligned}$$

Parcel Assessment – Benefit Zone 3 (Children’s Hospital)

$$\begin{aligned}
 &\text{Total Street Frontage X } \$ 15.00 \text{ per linear foot} \\
 &+ \\
 &\text{Total Lot Square Footage X } \$0.02 \text{ per square foot} \\
 &= \\
 &\text{TOTAL PARCEL ASSESSMENT}
 \end{aligned}$$

Residential Condo Assessment:

The annual assessment method for a residential condo, regardless of Benefit Zone is:

$$\begin{aligned}
 &\text{Total Residential Unit Building Square footage X } \$0.20 \text{ per Square Foot} \\
 &= \\
 &\text{TOTAL RESIDENTIAL CONDO UNIT ASSESSMENT}
 \end{aligned}$$

Parcel Assessment – Benefit Zone 1 - 3 (Public Benefit, Tax-exempt ownership)

$$\begin{aligned}
 &\text{Total Street Frontage X Benefit Zone frontage costs where parcel is located} \\
 &+ \\
 &\text{Total Lot Square Footage X Benefit Zone lot size costs where parcel is located} \\
 &+ \\
 &\text{No assessment for building square footage} \\
 &= \\
 &\text{TOTAL PARCEL ASSESSMENT}
 \end{aligned}$$

Public and Tax exempt parcel assessments:

In addition, tax exempt, non-profit and other public or government owned properties are not exempt from being assessed and if special benefit is determined to be conferred upon government owned properties, then those properties must be assessed in proportion to the special benefits conferred in a manner similar to privately owned property assessments. In this plan, tax exempt parcels, that are operating enterprises which reflect their public benefit purposes, will have their building square footage assessments waived from assessments. The public-benefit, tax exempt owned parcels though will pay into the District based upon their linear frontage and parcel size, consistent with surrounding parcels. This is done because it is the building assessment that will pay for “District Identity” services and those services function to increase values based upon generating demands for products,

services or land. Therefore, churches, City owned properties and Children's Hospital will not pay for building square footage costs since they will not derive benefit from these services funded by the building square footage assessments.

Future Development:

As a result of continued new development, the TT BID 2015 will experience the addition or subtraction of assessable commercial buildings or the conversion of empty parcels into new commercial and residential or buildings and units. The Management District 2015 Plan assessment methodology will accommodate any and all changes anticipated within the term of the District with annual adjustments being submitted to the City, as these assessment calculation and property variable alterations occur.

In future years, assessments for the special benefits bestowed upon benefitting TT BID 2015 parcels may change in accordance with the assessment methodology formula listed in this plan and the Engineer's Report, provided the assessment rate methodology does not change. If the assessment formula is proposed to be increased, then a Proposition 218 mail ballot procedure will be required for approval of increasing the formula changes.

Budget Adjustments

No budget surplus from the TT BID 2005 is anticipated to be rolled into the first year budget of the TT BID 2015. However, if a budget surplus exists at the expiration of the TT BID 2005, any remaining funds will be returned to property owners in proportion to what each property owner paid.

Benefit Analysis, Special vs. General Benefits:

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. For the purposes of this analysis, a "general benefit" is hereby defined as: "A benefit to properties in the area and in the surrounding community or benefit to the public in general resulting from the improvement, activity, or service to be provided by the assessment levied". "Special benefit" as defined by the California State Constitution means a distinct benefit over and above general benefits conferred on real property located in the District or to the public at large.

Services, programs and improvements provided by the BID are primarily designed to provide special benefits to identified commercial parcels and live-work condominium parcels within the District boundaries.

Existing City of Oakland general benefit services will be enhanced not replaced or duplicated, by BID services. In the case of the Temescal/Telegraph BID 2015, the very nature of the purpose of this District is to fund supplemental programs, improvements and services within the TT BID 2015 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 commercial core uses, including residential condos and live/work lofts, increase tenancy and marketing of the properties in the TT BID 2015 and improve the aesthetic appearance of areas adjacent to each identified parcel. All benefits derived from the assessments to be levied on parcels within the BID are for services, programs and improvements directly benefiting each individual parcel within this area and support increased cleanliness, commerce, business attraction and retention, increased property rental income and improved District identity. No TT BID 2015-funded services, activities or programs will be provided beyond the BID boundaries.

While every attempt is made to provide BID services and programs to confer benefits only to those identified assessed parcels within the TT BID 2015, the California State Constitution was amended via **Proposition 218** to stipulate that general benefits exist, either by design or unintentional, in all assessment districts and that a portion of the program costs must be considered attributable to general benefits and assigned a value. General benefits cannot be funded by assessment revenues. 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.

Conventional assessment engineering experience has found that general benefits within a given district tend to range from 2% to 5% of the total costs. There are three methods that have been used by the Assessment Engineer for determining general and special benefit ratios 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 BIDs in California for which the 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 Temescal/Telegraph BID 2015. This method of computing the value of general benefit involves a composite of two distinct types of general benefit – benefit to the public at large within the District and benefit to parcels outside the District.

Separate General Benefits from Special Benefits and Related Costs (Prop 218):

Total costs are estimated at \$ 497,541 (see Table below). General benefits are factored at 3% of total (see Finding 2 on page 8 of the Assessment Engineer’s report) with special benefits set at 97%. Prop 218 limits the levy of property assessments to costs attributed to special benefits only. The 3% general benefit cost is computed to be \$ 14,926 with a resultant 97% special benefit limit computed at \$ 482,615. The total amount of revenue proposed to be derived from BID assessments for Year 1 is \$ 482,615.00. Assessment amounts will be subject to defined increases as described in the “Annual Maximum Assessment Change” section below:

Total Year 1 – 2015 - Special + General Benefit Revenue

Service	YR 1 - 2015 Assessment Allocation	YR 1 - 2015 Non-Assessme nt Allocation	YR 1 - 2015 Total Allocation	% of Total
PROWSO	\$ 290,000	\$ 8,969	\$298,969	60%
Marketing	\$ 94,000	\$2,907	\$ 96,907	19%
Administration	\$ 75,000	\$ 2,319	\$ 77,320	16%
Contingency/Reserves	\$ 23,615	\$ 730	\$ 24,345	5%
Total	\$482,615	\$ 14,926	\$ 497,541	100%

All program costs associated with general benefits will be derived from sources or credits other than BID assessments. Sample "other" revenue sources can be derived from special events, grants, volunteer hours and must simply equal a total of \$ 14,926 per year which would equal the general benefit cost of 3% of the computed total BID cost of \$ 497,541 from Table 3 above.

Time and Manner for Collecting Assessments:

As provided by the Oakland Municipal Code section 4.48.180, the District assessments may be collected at the same time and in the same manner as for the ad valorem property tax and normally appear as a separate line item on annual property tax bills prepared by the County of Alameda.

Annual Maximum Assessment Change:

The Temescal/Telegraph BID 2015 budget and assessments may be increased annually in an amount not to exceed 5% per year, based upon a recommendation of the TT BID 2015 Advisory Board and Oakland City Council approval. Increases greater than 5% in any single year will require will require TT BID 2015 Advisory Board approval, City Council approval, and will be subject to public notice, hearing, and balloting under OMC sections 4.48.200.C and 4.48.070 through 4.48.140 as applicable.

Changes in land use, development of empty parcels, demolition of existing buildings and creation of new parcels through new building or condo development may alter the budget from year to year based upon the changes in the building square footage of individual parcels. Since linear frontage and lot size normally are not altered in the redevelopment of a site, the only changes will likely be realized in the building square footage amount and corresponding costs to the individual parcel.

Maximum Assessment

The following projections illustrate a potential maximum 5% annual increase.

Maximum Assessments by Property Variable, Ten Year Period Commencing FY 14-15

Projected Assessment Benefit Zone 1	FY1	FY2	FY3	FY4	FY5
Linear Frontage	\$ 8.0000	\$ 8.4000	\$ 8.8200	\$ 9.2610	\$ 9.7241
Building Sq. Ft.	\$ 0.08000	\$ 0.08400	\$ 0.08820	\$ 0.09261	\$ 0.09724
Lot Square Footage	\$ 0.060000	\$ 0.063000	\$ 0.066150	\$0.069458	\$ 0.072930
Condo Bldg. Sq. Ft.	\$ 0.20000	\$ 0.21000	\$ 0.22050	\$ 0.23153	\$ 0.24310

Projected Assessment Benefit Zone 1	FY6	FY7	FY8	FY9	FY10
Linear Frontage	\$ 10.2103	\$ 10.7208	\$ 11.2568	\$ 11.8196	\$ 12.4106
Building Sq. Ft.	\$ 0.10210	\$ 0.10721	\$ 0.11257	\$ 0.11820	\$ 0.12411
Lot Square Footage	\$ 0.076577	\$ 0.080406	\$ 0.084426	\$0.088647	\$ 0.093080
Condo Bldg. Sq. Ft.	\$ 0.25526	\$ 0.26802	\$ 0.28142	\$ 0.29549	\$ 0.31027

Projected Assessment Benefit Zone 2	FY1	FY2	FY3	FY4	FY5
Linear Frontage	\$ 3.0000	\$ 3.1500	\$ 3.3075	\$ 3.4729	\$ 3.6465
Building Sq. Ft.	\$ 0.03000	\$ 0.03150	\$ 0.03308	\$ 0.03473	\$ 0.03647
Lot Square Footage	\$ 0.060000	\$ 0.063000	\$ 0.066150	\$0.069458	\$ 0.072930
Condo Bldg. Sq. Ft.	\$ 0.20000	\$ 0.21000	\$ 0.22050	\$ 0.23153	\$ 0.24310

Projected Assessment Benefit Zone 2	FY6	FY7	FY8	FY9	FY10
Linear Frontage	\$ 3.8288	\$ 4.0203	\$ 4.2213	\$ 4.4324	\$ 4.6540
Building Sq. Ft.	\$ 0.03829	\$ 0.04020	\$ 0.04221	\$ 0.04432	\$ 0.04654
Lot Square Footage	\$ 0.076577	\$ 0.080406	\$ 0.084426	\$0.088647	\$ 0.093080
Condo Bldg. Sq. Ft.	\$ 0.25526	\$ 0.26802	\$ 0.28142	\$ 0.29549	\$ 0.31027

Projected Assessment Benefit Zone 3	FY1	FY2	FY3	FY4	FY5
Linear Frontage	\$ 15.0000	\$ 15.7500	\$ 16.5375	\$ 17.3644	\$ 18.2326
Lot Square Footage	\$ 0.020000	\$ 0.021000	\$ 0.022050	\$0.023153	\$ 0.024310
Condo Bldg. Sq. Ft.	\$ 0.20000	\$ 0.21000	\$ 0.22050	\$ 0.23153	\$ 0.24310

Projected Assessment Benefit Zone 3	FY6	FY7	FY8	FY9	FY10
Linear Frontage	\$ 19.1442	\$ 20.1014	\$ 21.1065	\$ 22.1618	\$ 23.2699
Lot Square Footage	\$ 0.025526	\$ 0.026802	\$ 0.028142	\$ 0.029549	\$ 0.031027
Condo Bldg. Sq. Ft.	\$ 0.25526	\$ 0.26802	\$ 0.28142	\$ 0.29549	\$ 0.31027

Budget Adjustments

Annual budget surpluses, if any, will be rolled into the following year's budget. Assessments will be set annually, within the constraints of the allowable maximum increases as stated in this Plan or land use changes. Revenues from the delinquent accounts may be expended in the year they are received. If the District is not renewed, any remaining funds will be returned to property owners in the proportion by what each property owner paid.

Government Owned Parcels in the Temescal/Telegraph Business Improvement District 2015

APN	Legal Owner	Site #	Site Street	Annual Assessment	Percent
014 1219 003 00	City Of Oakland	5205	Telegraph Ave	\$1,681.22	0.35%
014 1220 015 02	City Of Oakland Housing Authority	5307	Telegraph Ave	\$11,678.14	2.40%
012 0968 055 03	SF Bay Area Rapid Transit District	516	Apgar St	\$2,467.92	
012 0969 053 05	SF Bay Area Rapid Transit District	532	39th St	\$5,665.42	
012 1025 002 00	SF Bay Area Rapid Transit District	526	W MacArthur Blvd	\$238.76	
012 1025 003 00	SF Bay Area Rapid Transit District	526	W MacArthur Blvd	\$773.56	
012 1025 004 00	SF Bay Area Rapid Transit District	526	W MacArthur Blvd	\$3,169.74	
012 1025 005 00	SF Bay Area Rapid Transit District	526	W MacArthur Blvd	\$2,046.42	
012 1025 006 00	SF Bay Area Rapid Transit District	526	W MacArthur Blvd	\$2,955.46	
			Total	\$17,317.28	3.56%

Section 5

District Rules and Regulations and Governance

Disestablishment:

Local ordinance provides for the disestablishment of the BID upon a finding by the City Council that a misappropriation of funds, malfeasance, or violation of law in connection with the management of the district has occurred, or pursuant to an annual review process. Each year that the Temescal/Telegraph BID 2015 is in existence, there will be a 30-day period during which the property owners will have the opportunity to request disestablishment of the district. This 30-day period begins each year on the anniversary date that the district was first established by the City Council. Within that 30-day period, if a written petition is submitted by the owners of real property who pay 30% or more of the assessments levied, the BID may be considered for disestablishment. The City Council will give public notice and conduct a public hearing before disestablishing the BID. (Oakland Municipal Code section 4.48.220)

Unexpended surplus funds will be returned to property owners based upon each parcels percentage contribution to the previous fiscal year's assessments if the District is disestablished.

Management of the District:

Advisory Board:

The Oakland BID Ordinance requires that before adopting a resolution to establish a BID, the City Council shall appoint an Advisory Board which shall make a recommendation to the City Council on the expenditure of revenues derived from the levy of assessments, on the classification of properties applicable, and on the method and basis of levying the assessment. The City Council may designate existing advisory boards or commissions to serve as the advisory board for the district or may create a new advisory board for the purpose. At least one member of the advisory board shall be a business licensee within the district who is not also a property owner within the district (Oakland Municipal Code section 4.48.190).

Pursuant to the City of Oakland Business Improvement Management District Ordinance at Oakland Municipal Code section 4.48.200, the Advisory Board shall cause an annual report to be prepared each fiscal year. The report shall address all subjects required by section 4.48.200.B, including improvements and activities to be provided for that fiscal year, along with an estimate of costs for such improvements or activities; the method of levying the assessment on each parcel, and the amount of surplus or deficit revenues from the prior fiscal year. The Advisory Board will submit the annual reports to the City of Oakland for approval or modification. The Advisory Board is responsible for preparing and submitting the above annual report about the district to the City, and has the power to propose any changes to the Management Plan

Based on past City practice, it is anticipated that TTACA will be designated to act as Advisory Board for the Temescal/Telegraph BID 2015.

The Advisory Board shall to comply with the Ralph M. Brown open meetings act – the Brown Act (Government Code section 5490 et seq) requires publication of advanced-notice and agendas of meetings, as well as following certain voting and record keeping procedures.

Management Corporation and the Advisory Board:

The renewed TTBID 2015 will continue to be managed by the Temescal Telegraph Avenue Community Association (TTACA), which serves as the non-profit management corporation (Oakland Municipal Code 4.48.160). TTACA will be responsible for day-to-day operations of the Management District. By law, this entity must be comprised of assessees paying into the district. The City of Oakland will contract with the TTACA to implement the TTBID 2015 Management Plan for the entire District. The City of Oakland requires that at least one member of the Advisory Board shall be a business licensee within the District who is not also a property owner within the District. A nominating committee will solicit nominations from District property owners within the TTBID 2015 prior to Board elections.

Assessment Engineer’s Report

NEW CITY AMERICA, INC. has contracted with Ed Henning and Associates to compile the required engineer’s report under the guidelines of Proposition 218, Article XIID of the California State Constitution.

In preparing the engineer’s report for the Temescal/Telegraph BID Management District 2015 Plan, the engineer concluded that the special benefit to each parcel in the various benefit zones was found to be proportional to the property variable and their apportionment.

An Engineer’s report for the TTBID 2015 is provided in the Appendix.

Open Meetings, Competitive Bidding and Conflict of Interest

There are no specific rules and regulations applicable to the Temescal/Telegraph Business Improvement District 2015 except for those incorporated in BID enabling legislation, District Management Corporation bylaws, and in a written agreement to be entered into between the District Management Corporation and the City of Oakland to administer the TTBID 2015 which shall include, but not be limited to: that the District will adhere to the open meeting provisions of the Ralph M. Brown Act and will seek to be as open and transparent to the BID assessees and the public at large as is reasonably possible, and that District will make a good faith effort to develop and implement a reasonable competitive bidding policy when securing services for the District. The District Management Corporation will also adhere to a Conflict of Interest policy wherein board members shall recuse themselves from any vote in which a potential conflict of interest is apparent. Such potential conflicts include, but are not limited to, prioritizing capital improvement projects which result in special benefit to specific property owners, prioritization of services to benefit a particular owner or group of owners, and hiring or selecting the relatives of board members.

Bonds:

The District will not issue any bonds related to any program however the Board of Directors of the Management Corporation may take out a long term loan, not to exceed the remaining term of the TTBID 2015, to complete the installation of pedestrian lighting or other capital improvements along the main streets of the renewed BID.

Section 6

Implementation Timetable

The Temescal/Telegraph Property Business District BID 2015 is expected to be established in July 2014 and begin operations in January 1, 2015, though the first year assessments will take effect beginning July 2014 in accordance with the Alameda County Tax Assessor's Fiscal Year 2014-15. Consistent with the local enabling ordinance, the Temescal/Telegraph Property Business Improvement District 2015 will have a ten-year term, operating through December 31st, 2024.

Section 7

Temescal/Telegraph BID 2015 Assessment Roll of Properties Included

APN	Benefit Zone	Assessment	APN	Benefit Zone	Assessment
			012 0974 013 02	1	\$3,167.64
012 0945 028 01	1	\$1,880.08	012 0977 001 00	1	\$630.00
012 0966 001 00	1	\$2,327.60	012 0977 002 02	1	\$2,453.20
012 0967 001 00	1	\$941.08	012 0977 005 00	1	\$1,635.04
012 0967 002 00	1	\$789.08	012 0978 001 00	1	\$753.28
012 0967 003 00	1	\$1,917.74	012 0978 002 01	1	\$1,094.00
012 0967 005 01	1	\$2,540.72	012 0978 004 00	1	\$658.00
012 0967 006 01	1	\$1,147.64	012 0978 005 00	1	\$671.18
012 0967 007 00	1	\$1,223.28	012 0978 006 03	1	\$940.80
012 0967 008 00	1	\$1,009.94	012 0981 003 00	1	\$2,489.32
012 0968 003 01	1	\$4,750.56	012 0981 010 00	1	\$318.00
012 0968 055 03	1	\$2,467.92	012 0981 011 00	1	\$200.00
012 0969 001 00	1	\$1,746.40	012 0981 012 00	1	\$232.00
012 0969 002 00	1	\$930.00	012 0981 016 00	1	\$478.80
012 0969 003 01	1	\$566.80	012 0981 017 00	1	\$281.20
012 0969 004 00	1	\$787.12	012 0981 018 00	1	\$161.00
012 0969 053 02	1	\$350.00	012 0981 019 00	1	\$193.80
012 0969 053 05	1	\$5,665.42	012 0981 020 00	1	\$212.40
012 0970 001 00	1	\$1,192.54	012 0981 021 00	1	\$254.40
012 0970 002 00	1	\$1,410.20	012 0982 002 04	1	\$3,717.40
012 0970 003 00	1	\$1,441.28	012 0982 017 00	1	\$793.56
012 0970 004 00	1	\$935.44	012 1000 012 00	1	\$1,222.56
012 0970 005 00	1	\$921.44	012 1000 013 00	1	\$502.00
012 0970 023 01	1	\$1,013.68	012 1000 014 00	1	\$599.00
012 0970 024 00	1	\$662.88	012 1000 015 00	1	\$517.30
012 0970 025 00	1	\$742.32	012 1000 016 00	1	\$467.92
012 0970 026 00	1	\$1,144.36	012 1000 017 00	1	\$1,089.68
012 0970 027 00	1	\$1,081.12	012 1000 018 00	1	\$1,097.96
012 0970 028 00	1	\$1,026.40	012 1005 005 01	1	\$485.14
012 0970 029 00	1	\$680.00	012 1005 007 01	1	\$1,250.20
012 0970 030 00	1	\$564.12	012 1005 009 01	1	\$1,896.72
012 0970 031 00	1	\$4,346.72	012 1005 011 00	1	\$879.58
012 0972 001 00	1	\$1,874.24	012 1007 001 00	1	\$7,347.36
012 0972 002 00	1	\$1,106.86	012 1007 010 00	1	\$393.92
012 0972 003 00	1	\$1,529.28	012 1007 011 00	1	\$395.36
012 0972 004 00	1	\$994.60	012 1007 012 00	1	\$395.36
012 0973 001 00	1	\$1,662.32	012 1007 013 00	1	\$395.36
012 0973 002 00	1	\$778.56	012 1007 014 00	1	\$395.36
012 0973 003 00	1	\$780.48	012 1007 029 00	1	\$201.20
012 0973 004 00	1	\$870.08	012 1007 030 00	1	\$203.60
012 0973 005 00	1	\$870.08	012 1007 031 00	1	\$174.20
012 0973 006 00	1	\$927.50	012 1007 032 00	1	\$200.40

		\$1,617.1	013 1099 026 00	1	\$1,645.82
		\$942.4	013 1099 028 00	1	\$1,064.00
		\$577.6	013 1099 043 00	1	\$5,492.86
		\$395.8	013 1150 014 00	1	\$4,133.52
		\$478.9	013 1150 015 00	1	\$2,957.04
		\$755.9	013 1150 016 00	1	\$562.50
		\$1,101.0	013 1150 017 01	1	\$1,149.00
		\$356.8	013 1150 019 02	1	\$1,379.12
		\$558.1	013 1151 017 00	1	\$1,708.12
		\$1,193.1	013 1151 018 00	1	\$1,409.78
		\$771.9	013 1151 020 01	1	\$2,825.76
		\$506.5	013 1151 022 01	1	\$3,015.24
		\$406.2	013 1152 001 00	1	\$2,742.80
		\$387.9	013 1152 014 01	1	\$1,819.32
		\$737.8	013 1152 016 00	1	\$1,098.08
		\$1,382.9	013 1152 017 00	1	\$1,668.00
		\$277.8	013 1152 018 00	1	\$1,373.80
		\$267.4	013 1152 019 00	1	\$1,174.40
		\$568.9	013 1152 020 00	1	\$1,962.00
		\$237.4	013 1152 021 00	1	\$1,215.84
		\$266.5	013 1154 002 00	1	\$1,670.24
		\$707.2	013 1154 003 00	1	\$1,222.32
		\$262.1	013 1154 005 00	1	\$884.20
		\$320.6	013 1154 009 04	1	\$4,215.14
		\$1,118.1	013 1154 009 05	1	\$11,386.62
		\$531.9	013 1155 005 04	1	\$2,154.84
		\$1,017.4	013 1155 005 07	1	\$1,304.44
		\$796.9	013 1155 005 09	1	\$1,446.22
		\$341.7	013 1155 005 10	1	\$577.26
		\$939.6	013 1155 008 00	1	\$834.28
		\$929.9	013 1156 001 00	1	\$1,058.30
		\$617.2	013 1156 002 00	1	\$1,299.48
		\$398.4	013 1156 003 01	1	\$586.84
		\$1,149.2	013 1156 004 00	1	\$798.72
		\$627.1	013 1156 005 00	1	\$1,428.42
			013 1156 006 00	1	\$674.62
			013 1156 007 00	1	\$644.32
			013 1156 008 01	1	\$545.14
			013 1157 001 00	1	\$3,965.94
			013 1158 001 00	1	\$499.82
			013 1159 001 00	1	\$1,730.16
			013 1159 002 00	1	\$768.50
			013 1159 003 00	1	\$1,066.14
			013 1160 001 00	1	\$651.08
			013 1160 002 00	1	\$649.56
			013 1160 003 00	1	\$702.46
			013 1160 004 00	1	\$867.02
			013 1160 005 00	1	\$3,104.00
			013 1161 001 00	1	\$3,304.20
			013 1161 002 00	1	\$1,490.88
013 1095 001 00	1	\$862.12			
013 1095 002 00	1	\$937.46			
013 1095 004 01	1	\$1,754.64			
013 1095 005 00	1	\$930.72			
013 1096 001 00	1	\$974.28			
013 1096 002 00	1	\$465.70			
013 1096 003 02	1	\$724.64			
013 1096 004 01	1	\$2,115.50			
013 1097 026 00	1	\$759.38			
013 1097 027 00	1	\$733.78			
013 1097 028 01	1	\$3,163.84			
013 1098 028 00	1	\$694.56			
013 1098 029 00	1	\$1,249.66			
013 1098 033 04	1	\$3,281.02			
013 1099 025 01	1	\$2,236.54			

013	1162	001	00	1	\$798.62	014	1216	003	00	1	\$900.80
013	1162	002	01	1	\$913.06	014	1216	004	00	1	\$746.24
013	1162	003	01	1	\$759.68	014	1216	005	00	1	\$1,381.24
013	1162	004	00	1	\$653.60	014	1216	031	02	1	\$2,492.90
013	1162	007	00	1	\$1,354.48	014	1217	012	00	1	\$1,406.28
013	1162	008	00	1	\$437.00	014	1218	012	03	1	\$3,634.72
013	1162	009	01	1	\$1,073.30	014	1218	017	11	1	\$4,083.82
013	1162	028	00	1	\$289.80	014	1219	002	00	1	\$750.80
013	1162	029	00	1	\$289.80	014	1219	003	00	1	\$1,681.22
013	1162	030	00	1	\$289.80	014	1219	004	00	1	\$783.52
013	1162	031	00	1	\$289.80	014	1219	005	00	1	\$569.60
013	1162	032	00	1	\$289.80	014	1219	006	00	1	\$569.60
013	1162	033	00	1	\$289.80	014	1219	007	00	1	\$569.60
013	1162	034	00	1	\$350.40	014	1219	008	02	1	\$543.20
013	1162	035	00	1	\$342.40	014	1219	010	03	1	\$2,694.60
013	1162	036	00	1	\$342.40	014	1219	014	00	1	\$574.40
013	1162	037	00	1	\$350.60	014	1219	015	00	1	\$567.20
013	1190	001	00	1	\$213.32	014	1219	025	00	1	\$170.20
013	1190	002	00	1	\$279.40	014	1219	026	00	1	\$184.20
013	1190	003	00	1	\$288.60	014	1219	027	00	1	\$184.20
013	1190	004	00	1	\$186.60	014	1219	028	00	1	\$170.20
013	1190	005	00	1	\$292.00	014	1220	015	02	1	\$11,678.14
013	1190	006	00	1	\$186.60	014	1221	002	07	1	\$6,080.02
013	1190	007	00	1	\$238.80	014	1221	027	01	1	\$1,784.66
013	1190	008	00	1	\$239.00	014	1224	010	01	1	\$2,097.72
013	1190	009	00	1	\$291.60	014	1225	001	00	1	\$974.80
013	1190	010	00	1	\$186.80	014	1225	009	03	1	\$1,172.56
013	1190	011	00	1	\$239.00	014	1225	010	01	1	\$2,722.28
013	1190	012	00	1	\$281.80	014	1225	012	00	1	\$1,203.28
013	1190	013	00	1	\$198.80	014	1225	013	00	1	\$819.58
013	1190	014	00	1	\$204.40	014	1225	014	00	1	\$638.02
013	1190	015	00	1	\$274.60	014	1225	015	01	1	\$966.02
013	1190	016	00	1	\$284.60	014	1225	017	02	1	\$1,753.76
013	1190	017	00	1	\$345.20	014	1225	020	01	1	\$2,048.46
013	1190	018	00	1	\$213.20	014	1225	023	00	1	\$1,120.56
013	1190	019	00	1	\$345.20	014	1225	024	00	1	\$869.28
013	1190	020	00	1	\$213.20	014	1225	025	00	1	\$648.00
013	1190	021	00	1	\$278.00	014	1226	001	00	1	\$3,302.00
013	1190	022	00	1	\$278.00	014	1226	008	00	1	\$688.06
013	1190	023	00	1	\$345.20	014	1226	009	02	1	\$755.20
013	1190	024	00	1	\$213.20	014	1226	013	00	1	\$3,280.02
013	1190	025	00	1	\$278.00	014	1226	014	00	1	\$3,787.56
013	1190	026	00	1	\$322.60	014	1227	037	07	1	\$3,189.84
014	1205	019	01	3	\$22,017.92	014	1227	038	02	1	\$2,279.08
014	1206	003	00	3	\$584.10	014	1227	039	02	1	\$590.40
014	1206	004	00	3	\$584.10	014	1227	040	02	1	\$1,038.00
014	1206	026	01	3	\$11,669.14	014	1276	034	05	2	\$1,782.60
014	1215	005	01	1	\$3,120.46	014	1276	035	00	2	\$793.50
014	1215	019	00	3	\$630.80	014	1276	036	00	2	\$583.74
014	1215	020	00	3	\$581.00	014	1276	037	00	2	\$772.08

014 1276 038 01	2	\$586.08	015 1382 009 01	2
014 1276 040 06	2	\$70.68	015 1383 002 00	2
014 1276 041 01	2	\$2,148.06	015 1383 003 00	2
014 1276 042 02	2	\$4,623.18	015 1383 005 00	2
015 1277 003 01	2	\$62.58	015 1383 007 00	2
015 1277 003 02	2	\$533.52	015 1383 008 00	2
015 1277 004 00	2	\$449.94	015 1383 009 00	2
015 1277 005 01	2	\$674.94	015 1383 011 01	2
015 1277 012 01	2	\$583.08	015 1383 014 00	2
015 1277 014 01	2	\$537.48	015 1383 015 00	2
015 1277 016 01	2	\$537.48	015 1383 016 00	2
015 1277 018 00	2	\$538.08	015 1383 017 00	2
015 1277 019 01	2	\$537.48	016 1385 015 00	2
015 1277 021 01	2	\$538.08	016 1385 016 00	2
015 1277 023 00	2	\$537.48	016 1385 017 00	2
015 1277 024 00	2	\$584.04	016 1385 018 00	2
015 1277 036 00	2	\$845.76	016 1385 019 00	2
015 1277 037 01	2	\$538.92	016 1386 011 00	2
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015 1277 041 01	2	\$885.00	016 1386 014 01	2
015 1373 005 00	2	\$871.44	016 1387 001 00	2
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015 1379 001 01	2		016 1388 001 00	2
015 1379 002 01	2		016 1388 013 00	2
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015 1379 028 04	2		016 1388 015 00	2
015 1379 029 00	2		016 1390 007 01	2
015 1379 030 00	2		016 1390 008 01	2
015 1380 001 00	2		016 1390 009 00	2
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015 1382 007 00	2		016 1416 023 00	2

016	1421	016	01	2	
016	1421	017	00	2	
016	1421	018	00	2	
016	1421	019	01	2	
016	1422	002	02	2	
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016	1424	013	00	2	\$939.69
016	1424	014	00	2	\$326.07
016	1424	015	01	2	\$217.20
016	1424	016	02	2	\$780.09
016	1424	017	00	2	\$1,221.00
016	1424	018	00	2	\$441.54
016	1424	019	02	2	\$451.41
016	1424	019	03	2	\$460.68
016	1424	021	00	2	\$1,037.49
016	1424	022	05	2	\$1,270.83