

City of San Leandro
Civic Center, 835 E. 14th Street
San Leandro, California 94577



Office of the City Manager 510-577-3351
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Mr. Marco Li Mandri
President, New City America
710 W. Ivy Street
San Diego, CA 92101

SUBJECT: Letter of Recommendation

Dear Mr. Li Mandri:

On behalf of my staff, the Mayor and City Council of San Leandro, I want to thank you for the thorough and meticulous work you did on establishing the first Community Benefit District Downtown San Leandro on July 15th. The overwhelming support of the property owners demonstrated in the mail ballot procedure showed the City Council that your company's leadership in working with my staff, as well as the guidance of the Downtown property owners, was a winning combination in this effort.

Your analysis of state law and the introduction of the Community Benefit District ordinance in December provided our Downtown property owners with an excellent long term financing mechanism for funding and maintaining improvements to Downtown San Leandro. With the elimination of redevelopment and the resulting tax increment dollars, Charter cities such as ours, need to look at new ways to protect the investments we made in our Downtown over the last 20 years. Your Community Benefit District ordinance introduction sets San Leandro apart in being the first City in the East Bay to establish a 15 year Downtown assessment district.

We have worked closely over the years, with the first experience being in National City in the mid 2000s and the formation of their Downtown Property Business Improvement District. It is clear that the growth and development of New City America over the past decade allowed San Leandro to build on the product that was delivered just a few years back in National City.

Now the hard part begins. We need to consolidate our property owners into a new district management corporation and prepare for the first installment of assessment district dollars later this year. Your guidance in this next phase will help us hit the ground running in early January 2014.

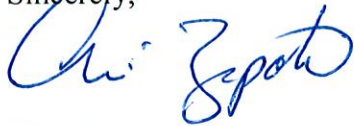
I see great things coming from the creation of this district. I again want to thank you and your staff, working closely with Cynthia Battenberg and her staff in the City, for bringing



this necessary resource to our community. Our Downtown can now begin to excel to become one of the great retail and residential urban centers in the entire East Bay.

Please feel free to use me as a reference for similar work in other cities in the state and throughout the country.

Sincerely,



Chris Zapata
City Manager

