



## Building Industry Association of the Greater Valley

Attachment B

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Legacy Homes  
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**Tony Souza**  
**Mark Wilbur**

October 6, 2015

Mayor Anthony Silva  
City of Stockton  
425 N. El Dorado St.  
Stockton, CA 95202

Mayor Silva:

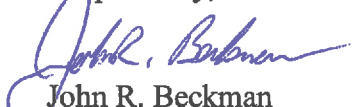
On Behalf of the members of the BIA I want to thank you and the Council for your consideration of the Stockton Economic Stimulus Plan. Since the last time the Plan was in front of you we've had further meetings with stakeholders in the Plan and have made some modifications. The current version of the Plan is attached with the following changes:

- 1) We have clarified and reinforced the fact that the plan is available for all types of residential units located anywhere within the current city limits.
- 2) We have added additional criteria for workforce participation to encourage the local workforce to be more racially diverse.
- 3) We have added a "Special Fee Reduction" criteria to specifically encourage infill development in the oldest parts of Stockton

We are attaching to this letter a spreadsheet with multiple options of fee cuts to achieve the desired results.

Also attached for your information is a pictograph of new residential construction permits by jurisdiction over the 14 years. These graphs highlight the stark comparison of surrounding cities recovering from the great recession and surpassing Stockton as the leading cities in the County.

Respectfully,

  
John R. Beckman  
Chief Executive Officer

## **Stockton Economic Stimulus Plan September 2015**

### **Residential Component**

- A. The plan will last for 36 months or until 1,000 Dwelling Unit Equivalent (DUE) permits have been issued citywide, whichever occurs first. For the purpose of counting DUE's multi-family units will be counted as 0.66 units towards the 1,000 unit limit and single family units will be counted as 1 unit in a similar fashion to the way many other DUE calculations are made.
- B. Only units located within the existing City Limits as of September 2015 may be included in this plan.
- C. To participate in the plan you must opt in and agree to some additional reporting requirements.
  - 1. From the time of the first building permit pulled by an applicant the applicant must make a quarterly report to the City. The report will identify the total number of workers employed on the project and the number of those employees who reside within 25 miles of Downtown Stockton, "local hires". The applicant must maintain a Local Workforce component of at least 60% of the total number of workers on the project. Should the number of Local Hires fall under 60% the applicant has 30 days to cure the deficiency. If the applicant is unable to cure within 30 days the applicant will not be allowed to participate further in the plan.
  - 2. Disadvantaged communities will be included in the local workforce including African-Americans to the greatest extent feasible. Existing programs such as San Joaquin Office of Education Youth Build, will be utilized to the capacity of Youth Build by participating projects.
  - 3. Projects participating in this program shall work with the BIA to coordinate the hiring of disadvantaged Stockton residents to appropriate positions matching skills and experience to job requirements and staffing needs. (See Appendix A for details.)
  - 4. On a monthly basis the applicant will submit a report to the City identifying the total number of lots in their project, the number of permits pulled, the number of homes under construction and the number of homes with a certificate of occupancy. No applicant shall ever have more than 20 permits that are not currently under construction.
- D. Once a permit is issued the applicant must start construction within six months of issuance.
- E. Each of the six City Council Districts will have 50 additional permits, above and beyond the 1,000 citywide permits, reserved for use within that district during the 36 month term of the program.
- F. A project applicant may reserve up to 100 permits, provided that the applicant makes a non-refundable deposit equal to 25% of the amount that the fee is reduced pursuant to this ordinance, or any extension thereof, multiplied by the number of permits the applicant is reserving ("Deposit"). While the fee reduction is in effect pursuant to this ordinance, the amount of the Deposit made per permit shall be applicable to the total permit fee collected at such time as the permit is issued. Upon the expiration of the fee reduction ordinance, the Deposit shall no longer be applicable towards the total permit fee paid, and shall be retained by the City.
- G. For project applicants who enroll in this plan and comply with all requirements the PFF fees paid by the applicant shall be reduced by \$17,000. City staff will use their discretion and best judgment to determine which Public Facility Fee is to be reduced and by how much.

- H. A “Special Fee Reduction” will be adopted for very specific infill sites. Any currently vacant residential lot adjacent to an existing home that is 80 years old or older shall have its City of Stockton fees reduced to no more than \$10,000 per unit.

#### **Industrial and Commercial Component**

- A. Industrial and Commercial projects currently have a temporary fee reduction in place that will expire on December 31, 2015. This fee reduction has been renewed each year for the last five years. The existing temporary fee reduction for Industrial and Commercial will become a permanent fee reduction and remain in effect until a new nexus study is completed and new Public Facility Fees are adopted in conjunction with the updated General Plan.

### **APPENDIX “A”**

To facilitate the hiring of disadvantaged Stockton residents the BIA will collaborate with the NAACP and other such organizations to match workers to jobs and provide a reasonable amount of time and notification of upcoming projects in order to meet specific sub-contractor local workforce requirement opportunities to maximize participation of disadvantaged communities including African American sub-contractor and job opportunities.

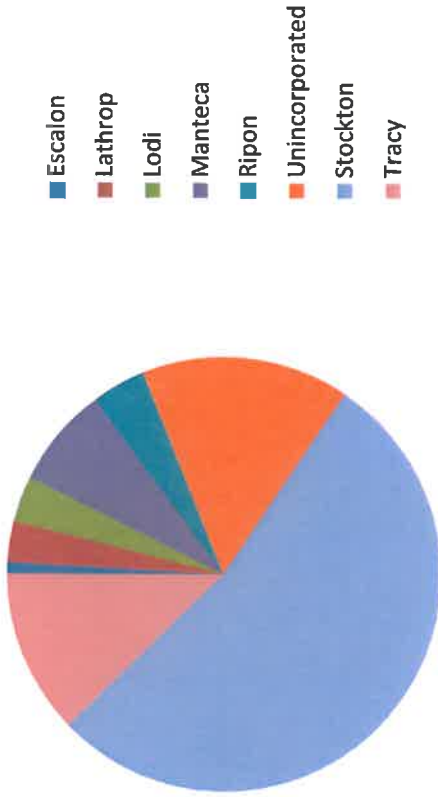
All projects participating in this program shall submit to the BIA all requests for contractors and sub-contractors at the time of the request and upon selection of a contractor or sub-contractor the contact information for the person responsible for hiring decisions for each contractor and sub-contractor. Additionally, all job vacancies and openings will be submitted to the NAACP, and others as requested, for their use in matching up jobs to workers.

The NAACP will create and maintain a list of workers desiring a job with one or more projects, contractors or sub-contractors utilizing this program. The information about each worker shall include standard employment information enabling a prospective employer to determine the proper skills, licenses and experience of each worker

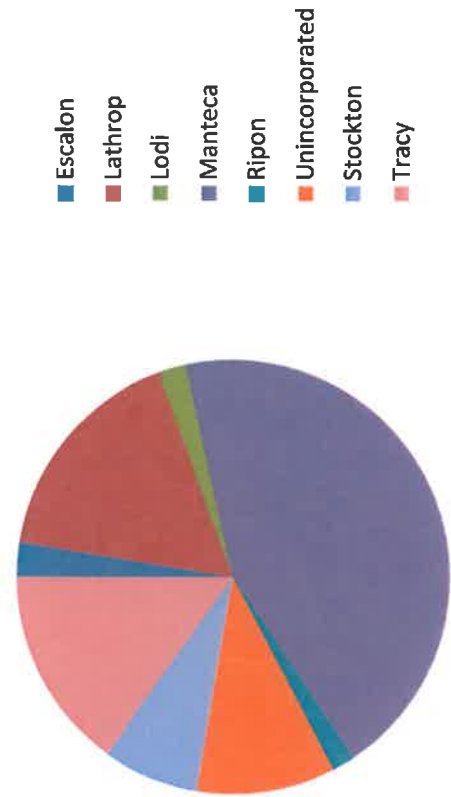
The BIA its members and their contractors and sub-contractors will use their best efforts to hire from the lists provided for positions at all levels. The BIA and its members will conduct workshops at the NAACP and other locations as reasonably requested with contractors and sub-contractors to inform residents on how to get work within the construction industry generally and with the residential sub-contractors in Stockton specifically.

| 1,800 Square Feet         |   | 2015             | Equal          |           |           |           |           |           |
|---------------------------|---|------------------|----------------|-----------|-----------|-----------|-----------|-----------|
| <u>System Description</u> | <u>General Description</u>              | "All In"<br>Fees | Percent<br>48% | Opt.<br>A | Opt.<br>B | Opt.<br>C | Opt.<br>D | Opt.<br>E |
| Permit Fees               | Construction Permit                     | 1,893            | 1,893          | 1,893     | 1,893     | 1,893     | 1,893     | 1,893     |
| Plan Check Fees           | Plan Check                              | 398              | 398            | 398       | 398       | 398       | 398       | 398       |
| PW Res Cons/OTC PC        | Design Review Construction Permit       | 33               | 33             | 33        | 33        | 33        | 33        | 33        |
| Dev. Ov. Com.             | Development Oversight Commission        | 55               | 220            | 220       | 220       | 220       | 220       | 220       |
| GPMI                      | General Plan Implementation Fee         | 330              | 330            | 330       | 330       | 330       | 330       | 330       |
| CRS fee pmt fee           | Community Rating System Admin Fee       | 98               | 98             | 98        | 98        | 98        | 98        | 98        |
| Cap Pres Fee              | Capital Preservation Fee                | 220              | 220            | 220       | 220       | 220       | 220       | 220       |
| Tech Fee/GIS Bldg         | Technology Improvement GIS Support      | 182              | 182            | 182       | 182       | 182       | 182       | 182       |
| Agri Mit                  | PFF Agricultural Mitigation Fee         | 2,098            | 525            | 525       | 525       | 525       | 525       | 525       |
| TRF SGNL - CW             | PFF Traffic Signals Citywide            | 33               | 16             | 33        | 0         | 0         | 0         | 33        |
| TRF SGNL - 01             | PFF Traffic Signals Area 1              | 77               | 37             | 77        | 0         | 0         | 0         | 77        |
| Air Qual - 01             | PFF Area 1 Air Quality                  | 187              | 90             | 187       | 0         | 0         | 0         | 187       |
| Reg Trans                 | PFF Regional Transportation Impact Fee  | 2,219            | 1,065          | 2,219     | 2,219     | 0         | 2,219     | 2,219     |
| Water Domestic            | PFF Water Utility Connection Fee        | 2,135            | 1,025          | 2,135     | 0         | 2,135     | 0         | 2,135     |
| Delta Water Supply        | PFF Water Delta Water Supply Project    | 4,838            | 2,322          | 4,838     | 4,838     | 4,838     | 4,838     | 4,838     |
| WW - Comb - WSD/A         | PFF Wastewater Westside                 | 2,100            | 1,008          | 0         | 0         | 0         | 0         | 0         |
| WW - Profect - WSD/A      | PFF Wastewater Westside Connection      | 3,200            | 1,536          | 0         | 0         | 3,200     | 3,200     | 0         |
| Surface Water S/F         | PFF East Stockton Water District        | 4,196            | 2,014          | 4,196     | 4,196     | 4,196     | 4,196     | 4,196     |
| Flood Equal Fee           | PFF Flood Control Fac Equal             | 286              | 137            | 286       | 286       | 286       | 286       | 286       |
| ST Impr - CW              | PFF Streets Citywide                    | 1,166            | 560            | 0         | 1,166     | 0         | 0         | 0         |
| ST Impr - 01              | PFF Streets Area 1                      | 6,613            | 3,174          | 0         | 0         | 0         | 0         | 0         |
| Com Rec Cntr - 01         | PFF Area 1 Community Rec. Center        | 240              | 115            | 240       | 240       | 240       | 240       | 240       |
| City of SP - 01           | PFF Area 1 City Office Space            | 233              | 112            | 233       | 233       | 0         | 0         | 233       |
| Libraries - 01            | PFF Area 1 Library                      | 451              | 216            | 451       | 451       | 451       | 451       | 451       |
| Fire Stn - 01             | PFF Area 1 Fire Station                 | 781              | 375            | 0         | 781       | 0         | 0         | 0         |
| Police Stn - 01           | PFF Area 1 Police                       | 591              | 284            | 591       | 591       | 591       | 591       | 591       |
| Parkland - 01             | PFF Area 1 Parklands                    | 2,798            | 1,343          | 0         | 0         | 0         | 0         | 0         |
| Admin Fee 2.5%            | PFF Admin                               | 633              | 1,633          | 1,633     | 1,633     | 1,633     | 1,633     | 1,633     |
| Admin Fee 3.5%            | PFF Admin MUD                           | 429              | 429            | 429       | 429       | 429       | 429       | 429       |
| Admin Fee 1%              | PFF Admin RTIF                          | 22               | 22             | 22        | 22        | 22        | 22        | 22        |
| Hab C/ZN - B              | Habitat Fee - <b>SJCOG FEE</b>          | 2,999            | 2,999          | 2,999     | 2,999     | 2,999     | 2,999     | 2,999     |
| County Facil              | PFF County Facility - <b>COUNTY FEE</b> | 1,890            | 1,890          | 1,890     | 1,890     | 1,890     | 1,890     | 1,890     |
| Reg Trans - COG           | PFF RTIF- <b>SJCOG FEE</b>              | 448              | 448            | 448       | 448       | 448       | 448       | 448       |
| Reg Trans - SJ County     | PFF RTIF - <b>COUNTY FEE</b>            | 299              | 299            | 299       | 299       | 299       | 299       | 299       |
| SMIP Residential          | Strong Motion Implementation Seismic    | 7                | 7              | 7         | 7         | 7         | 7         | 7         |
| SB1473 Green Build        | <b>State Fee</b>                        | 8                | 8              | 8         | 8         | 8         | 8         | 8         |
|                           | <b>Lodi Unified School District</b>     | 6,048            | 6,048          | 6,048     | 6,048     | 6,048     | 6,048     | 6,048     |
| <b>TOTALS</b>             |   | 50,234           | 33,111         | 33,168    | 32,683    | 33,619    | 33,703    | 33,168    |

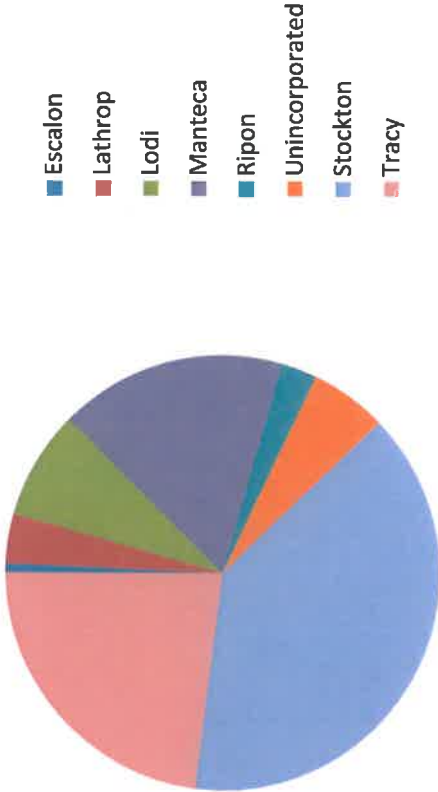
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2014



2001



2009

