

ADMINISTRATIVE REVIEW DRAFT  
ANNEXATION REPORT  
WHISTLER WAY ANNEXATION  
ANNEXATION FILE NO. \_\_\_\_\_

*Client Review Draft*  
September 16, 2021

## 1.0 INTRODUCTION AND PROJECT INFORMATION

This report provides background information and analysis in support of the proposed Whistler Way annexation to the City of Stockton. The report addresses annexation compliance with applicable San Joaquin Local Agency Formation Commission (LAFCo) rules and regulations, describes the plan for provision of City services to the annexation area, analyzes the fiscal effects of the annexation, and documents the availability of adequate potable water supply to the project. The contents of this document are as follows:

- 1.0 Introduction and Project Information
- 2.0 Consistency of Proposed Annexation with LAFCo Policy
- 3.0 City Services Plan for Proposed Annexation Area
- 4.0 Fiscal Effects of Proposed Annexation
- 5.0 Availability of Adequate Water Supply

The Whistler Way Annexation project proposes the annexation of six parcels of land totaling 8.76 acres into the City of Stockton (City), along with the rights-of-way of the site frontages on Grider Way and Lower Sacramento Road. The proposed annexation area, hereinafter referred to as the “subject site,” is located at the northwest corner of the intersection of Lower Sacramento Road and Grider Way (see attached figures). The existing Stockton city limit line is the northern boundary of the subject site. The parcels constituting the subject site are identified as Assessor’s Parcel Numbers (APNs) 070-140-10, -11, -34, and -35; 070-560-47; and 070-570-13. Only two acres of APN 070-140-35 are proposed for annexation to the City. Two of the parcels, APNs 070-140-11 and 070-140-34, have each been developed with a commercial building; the other parcels are vacant.

The subject site is currently within the land use jurisdiction of San Joaquin County; it has a County General Plan designation of Agriculture-Urban Reserve and County zoning designations of C-C (Community Commercial) and AU-20 (Agriculture-Urban Reserve). The subject site is designated Commercial in the City of Stockton General Plan, as is some of the surrounding area. The subject site is within the City of Stockton's existing Sphere of Influence and 10-year planning horizon, as designated in the City’s Municipal Service Review adopted in 2020.

The City has received and is processing an application for annexation, pre-zoning, and subsequent development of the subject site. The project proposes to pre-zone the subject site as CG – Commercial, General. These approvals, which would take effect upon annexation of the subject site to the City, would permit proposed development of a self-storage facility on 7.26 acres of the subject site. The facility would have 570 storage units and an office/onsite manager’s residence, associated on-site utility services and site improvements, and off-site street and utility improvements. The existing Grider Way will be renamed Whistler Way. Proposed pre-zoning and development are consistent with the existing Commercial designation under the City’s General Plan. The City is currently preparing an Initial Study/Mitigated Negative Declaration (IS/MND) for the project in accordance with requirements of the California Environmental Quality Act (CEQA).

## 2.0 CONSISTENCY OF PROPOSED ANNEXATION WITH LAFCO POLICY REQUIREMENTS

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (California Government Code Section 56000 *et seq.*) provides LAFCo with its authority, procedures, and functions. The Act gives LAFCo power to “approve or disapprove with or without amendment, wholly, partially or conditionally,” proposals concerning the formation of cities and special districts, annexation or detachment of territory to/from cities and special districts, and other changes in jurisdiction or organization of local government agencies.

Criteria for project consistency with the Cortese-Knox-Hertzberg Act are identified in California Government Code Section 56337 and shown below. The following sections of this report provides information in support of each of these findings for the proposed annexation as summarized below.

- 1) Lands within the annexation area are planned for urban uses in the Stockton General Plan.

*As documented in Section 1.0, the subject site is designated “Commercial” in the City of Stockton General Plan and is adjacent to the Stockton city limits.*

- 2) The project is located within the City of Stockton Sphere of Influence and 10-year development timeframe.

*As documented in Section 1.0, the subject site is within the City’s Sphere of Influence and 10-year planning horizon, per the City’s recently adopted Municipal Service Review.*

- 3) The project proposes an orderly and logical boundary for annexation and is contiguous to the City limits.

*As noted above, the subject site is in a developing urban area with existing commercial development, and it is designated for commercial development. the proposed annexation would permit a logical extension of existing ongoing development in the northern Stockton region.*

- 4) The project creates a logical extension of the City boundaries and can be served by existing infrastructure.

*As discussed in Section 1.0 and the above findings, the subject site is adjacent to the City boundary and represents a logical extension of those boundaries. All required City services and utilities are available to the subject site, as described in Sections 3.0 and 5.0.*

### 3.0 CITY SERVICES PLAN

Pursuant to California Government Code Section 56653, the San Joaquin LAFCo requires that any application for a change of organization or reorganization be accompanied by a plan for providing services. The plan must include the following information:

- (a) An enumeration and description of the services to be extended to the affected territory.
- (b) The level and range of those services.
- (c) An indication of when those services can feasibly be extended to the affected territory.
- (d) An indication of any improvements or upgrading of structures, roads, sewer or water facilities, or other conditions the local agency would impose or require within the affected territory if the change of organization or reorganization is completed.
- (e) Information with respect to how those services will be financed.

The following City Services Plan meets the above requirements (a) through (d) with respect to annexation of the subject site. The subject site would require some extension of existing City services, including public safety and utilities. Overall, existing public services, with improvements proposed as part of the project, would be adequate to serve the subject site and planned industrial development. The proposed level and range of services to be provided are described in more detail below. The design and construction of required infrastructure improvements, both on- and off-site, will be the responsibility of the project developers, as required by project conditions of approval and subject to engineering approval by the City. Information with respect to how those services will be financed is provided in Section 4.0, which will meet requirement (e) above.

The City of Stockton provides a full range of municipal services. These municipal services include public safety (police, fire), sanitation (solid waste disposal, sanitary wastewater, and stormwater utility), potable water utility, community development, library, parks and recreation, and general administrative services. Public safety and general services will be extended to the subject site upon annexation. Utility services will be provided upon completion and connection of required on-site and off-site improvements.

### 3.1 DOMESTIC WATER SERVICE

Water systems in the City of Stockton Metropolitan Area use a combination of treated surface water and pumped groundwater from City wells. Stockton water purveyors include the City of Stockton Municipal Utilities Department (COSMUD), California Water Service Company, and San Joaquin County maintenance districts. Should the annexation be approved, water service to the subject site would be provided by COSMUD. COSMUD provides water to service areas in North Stockton and South Stockton; the subject site is in the North Stockton service area.

Sources of water provided by COSMUD include purchases from the Stockton East Water District (SEWD) and the Woodbridge Irrigation District, groundwater wells, and surface water from the Sacramento-San Joaquin Delta through the City's Delta Water Supply Project (DWSP). Water from DWSP is treated at the Delta Water Treatment Plant, operated by COSMUD and located north of Stockton. SEWD water is treated at its water treatment plant east of Stockton. The City currently plans to use 6,000 acre-feet per year from SEWD. By agreement, the City purchases 6,500 acre-feet of water per year from the Woodbridge Irrigation District for municipal and industrial use. This water will augment the DWSP supply.

The DWSP provides most of the potable water supply for the City's service areas, including North Stockton. The Delta Water Treatment Plant currently treats an average of 15 million gallons per day (mgd) of water, and it currently has the capacity to treat 30 mgd. The projected 2035 capacity of the DWSP is 90 mgd, with an annual production of approximately 50,000 acre-feet per year. The City's supply from the San Joaquin River is curtailed annually from February through June of each year due to restrictions imposed by the U.S. Fish and Wildlife Service and the California Department of Fish and Wildlife.

The DWSP has the objectives of reducing groundwater overdraft and of protecting the underlying groundwater basin from further saltwater intrusion and water quality degradation. Extensive groundwater pumping in the past has caused movement of the saline waters eastward from under the Delta. With the DWSP now online, the City uses less groundwater in wet and average years, but it increases groundwater use in dry years to make up for reductions in surface water deliveries. The City has determined that the sustainable groundwater yield is 0.75 acre-feet per acre per year, equivalent to a groundwater yield of approximately 50,000 acre-feet per year. Based on available monitoring data, extraction rates appear to be below the maximum sustainable yield of the groundwater basin.

The North Stockton water system distributes water from the DWSP, SEWD, and groundwater wells. The DWSP provides most of the service area's drinking water. There are eight groundwater wells in active service (Okubo pers. comm.), with pump design flows ranging from 550 to 2,800 gallons per minute. The entire system is one pressure zone with the lowest ground surface elevation (5 feet above mean sea level) on the western side of the system and the highest elevation (35 feet above mean sea level) on the eastern side of the system. Additionally, there are two 3-million-gallon storage tanks near 14-Mile Slough and three 3.4-million-gallon storage tanks near the Northwest Reservoir. These tanks deliver water through 18-, 24-, and 30-inch diameter mains. A 48-inch diameter



pipeline connects the North Stockton system to SEWD. The remainder of the distribution system consists primarily of mains of 12 inches diameter or less.

The subject site is currently within the service area of the North Stockton potable water system, and an existing water line runs along Grider Way. The two developed parcels are already connected to the City's water system; connection by the currently vacant parcels would occur upon annexation. On-site lines would be installed to provide water to future development, and the on-site water system would connect to the Grider Way line. The developer(s) will comply with plumbing, metering, and other water conservation measures in effect in the City of Stockton, including the policies in the City's current Urban Water Management Plan (UWMP).

The existing water connection fee charged by COSMUD for non-residential development varies from approximately \$2,264 to \$156,828 or higher, depending on the size of the water meter. For purposes of the fiscal analysis shown in Section 4.0, a water meter size of one inch is assumed, as only the office/on-site manager's residence building is anticipated to use water. The connection fee for a one-inch meter is approximately \$4,266. In addition, a DWSP surface water fee is applied, ranging from approximately \$5,441 to \$290,178 or higher, again depending on water meter size. For a one-inch water meter, the DWSP fee would be \$5,441. Water connection fees are payable upon issuance of a building permit. In addition, the City bills the property owner for water service on a monthly basis.

The City is requiring an additional water connection for the subject site for firefighting purposes. The proposed connection would have an eight-inch meter. The connection fee for an eight-inch meter is approximately \$158,828. The DWSP surface water fee also would apply to this connection. For an eight-inch water meter, the DWSP fee would be approximately \$290,178. As with the other proposed connection, these fees are payable upon issuance of a building permit.

### 3.2 WASTEWATER

The proposed development site is not presently connected to a wastewater collection and treatment system and contains no individual wastewater disposal systems. Should the annexation be approved, the subject site would be served by the City's existing wastewater and collection system currently installed in Grider Way.

The Stockton Regional Wastewater Control Facility (RWCF) provides primary, secondary, and tertiary treatment of municipal wastewater gathered from the city as a whole. The RWCF has a designed flow capacity of 55 mgd and had an average daily flow rate of 27 mgd in 2017. Treated effluent from the RWCF is dechlorinated and discharged to the San Joaquin River. The RWCF operations are regulated by the City's National Pollutant Discharge Elimination System (NPDES) Permit, through Central Valley Regional Water Quality Control Board Order No. R5-2015-0142, NPDES CA0079138.

The City's wastewater collection system is divided into 14 designated subareas or "systems." Upon annexation, the subject site would be incorporated within Wastewater Collection System No. 10. Pump stations are located throughout Stockton and are integral

to the sanitary sewer collection system. Most of the pump stations discharge to pressure lines that convey flow directly to the RWCF or to an available gravity sewer.

An existing sewer main is located along Grider Way, and the two developed parcels are already connected to the City's wastewater system. Connection by the currently vacant parcels would occur upon annexation. The subject site is within the North of Calaveras Sanitary Connection fee area. The existing sewer connection fee in that area is \$3,634 per single family residential unit equivalent. For this project, the sewer connection fee, based on a residential unit equivalency of 1.38 units, would be approximately \$5,015 (see Exhibit 7 for how estimate was derived). Sanitary sewer connection fees are payable upon issuance of a building permit. As with potable water, the City bills the property owner for sanitary sewer service on a monthly basis.

### 3.3 STORM DRAINAGE

The City of Stockton is situated just east of the Sacramento–San Joaquin Delta, a low-lying region of sloughs and channels connecting local waterways with the Suisun and San Francisco Bays. The city and surrounding areas depend on creeks, rivers, and sloughs to collect and convey storm runoff to the San Joaquin River and the Delta. The primary watercourses include the San Joaquin River, Bear Creek, Mosher Slough, Five Mile Slough, Fourteen Mile Slough, Calaveras River and Stockton Diverting Canal, Smith Canal, and French Camp and Walker Sloughs. The subject site is within the Bear Creek watershed. Bear Creek, approximately 900 feet south of the subject site, is tributary to the San Joaquin River.

The Stormwater Utility Division of COSMUD operates and maintains 620 miles of storm drains, 72 pump stations, and over 100 discharge pipes that collect and route runoff from the streets and gutters to local rivers, creeks, and sloughs. Most storm drains and pump stations have adequate capacity to collect stormwater. Runoff within the Bear Creek watershed is collected in three major storm drains with diameters of 36, 42, and 84 inches, and it is pumped into Bear Creek from these drains at Interstate 5, Iron Canyon Court, and Thornton Road, respectively. Within the City, the Bear Creek channel is up to 175 feet wide and has a capacity of 7,600 cubic feet per second. Bear Creek has capacity to carry the 100-year peak runoff from City lands within its banks and has the additional capacity to carry runoff from developing lands south of Eight Mile Road, an area within which the subject site is located.

Stormwater discharges from the Stockton urbanized area contain substantial urban runoff pollution. Five Mile Slough, Mosher Slough, the Stockton Deep Water Channel, and the San Joaquin River are listed as “water quality impaired”. The City of Stockton provides local management of the federal and state programs for implementation of the Clean Water Act's NPDES program. Stormwater quality is governed by the Central Valley Regional Water Quality Control Board (RWQCB) Order No. R5-2016-0040, NPDES No. CAS0085324. The regulations of the City's Grading and Erosion Control Ordinance and the Storm Water Management and Discharge Control Ordinance establish local oversight of the general permit system and effective control of storm water quality impacts. The design of drainage facilities is regulated by the City. The City Department of Public Works Standard Specifications Section 71, Sanitary Sewers and Storm Sewers, and Section 79,

Storm Water Basins, cover much of the design criteria for these facilities. The City's General Plan commits the City to maintaining the existing storm drain and flood management facilities.

The City's General Plan includes policies that ensure and require that stormwater drainage planning be addressed in conjunction with new development, including requirements for inclusion of Best Management Practices (BMPs) that reduce stormwater runoff pollution and runoff volume. Any costs associated with new facilities must be met or offset by the project, including costs of storm water BMP maintenance.

### **3.4 SOLID WASTE DISPOSAL**

City ordinance requires collection of municipal refuse. This ordinance would apply to development on the subject site upon annexation. The City's franchise haulers provide solid waste collection in Stockton. The waste provider bills the property owner monthly for collection service, based on the size of collection container utilized. Industrial waste – including construction and demolition debris and manufacturing waste – may only be collected and hauled with a valid City-issued Industrial Waste Collector Permit. There are currently two waste haulers permitted to collect and transport industrial waste within the City of Stockton limits: Republic Services and Waste Management. The subject site is within the Waste Management collection boundaries.

Solid waste generated in the City of Stockton is disposed at existing County-owned and private landfill facilities. There is currently no shortage of space available at the County-owned landfills, with one estimated to have available capacity to 2048 and another to 2082.

Recent information regarding individual jurisdiction diversion of solid waste from landfills is no longer available. The most recent information from 2006 indicates that about 33% of the City of Stockton's solid waste is landfilled while the remainder is handled by one or more of the City's waste diversion (recycling) programs. To increase construction and demolition debris recycling, the City adopted a Construction and Demolition Debris Ordinance in 2008; the ordinance requires construction and demolition contractors to divert from the landfill 50% of all waste generated, by weight, and to document these reductions in written reports filed with the City. Upon annexation of the subject site, construction associated with future development will be subject to this ordinance.

### **3.5 NATURAL GAS, ELECTRIC, TELEPHONE, AND CATV SERVICES**

Pacific Gas and Electric Company (PG&E) currently provides both natural gas and electricity services to the vicinity of the subject site. Local telephone service is provided by AT&T, and cable television service is provided by Comcast. These systems are obligated to extend service to the subject site on request. Developer/utility company cost-sharing agreements to provide these services will be executed as required.

### **3.6 POLICE PROTECTION**

Law enforcement services to the subject site currently are provided by the San Joaquin County Sheriff's Department. Upon annexation, law enforcement would be the responsibility of the Stockton Police Department. The Police Department serves the area

within City limits, covering more than 65 square miles. As of February 2021, the Police Department consists of 486 sworn officers, 47 police telecommunicators, and 179 civilian staff. The staffing level is determined each year by the Stockton City Council and is subject to change as the Council, City Manager, and Chief of Police determine the needs of the city.

The service area is organized into six Community Policing Districts, one of which (Bear Creek) is adjacent to the subject site. It is the Police Department's policy to respond to all emergency calls within three to five minutes. Currently, there are no adopted service levels for the Police Department; however, it is understood that a higher level of service may be required as population increases. The project would receive law enforcement service during construction as well as upon completion of development.

Capital costs of Police Department expansion are accounted for by the City's Public Facilities Fee program. The City of Stockton has adopted a Public Facility Fee for police facilities payable upon issuance of a building permit. For warehouse/low density land uses, the adopted fee is \$62 per 1,000 square feet. However, as part of the City's Economic Stimulus Package currently in effect, this fee has been reduced by 50 percent. Assuming 100,850 square feet of future self-storage development on the subject site, an estimated \$3,126 in Public Facility Fees for police facilities would be generated. Additionally, in November 2014, Stockton's voters approved Measure A, which instituted a three-quarter cent (0.75%) sales tax to provide funding for law enforcement, crime prevention services, and other essential City services.

### 3.7 FIRE PROTECTION

The subject site is currently within the Lincoln Rural County Fire Protection District, which serves 8,084 acres within unincorporated San Joaquin County throughout the northern Stockton area. The Lincoln Fire Protection District currently provides fire protection services under contract with the Stockton Fire Department.

Upon annexation, the subject site would be detached from the Lincoln Fire Protection District, and fire protection would be the direct responsibility of the Stockton Fire Department. The Fire Department provides fire protection, fire prevention, paramedic emergency medical, and other related services to all areas of the City of Stockton, as well as on a contract basis to the Lincoln, Eastside, Boggs Tract, and Country Club Fire Districts. Specific services provided include fire hydrant maintenance, training, fire dispatch, hazardous materials intervention, and weed abatement services. The Fire Department currently serves an area of about 86 square miles and has about 181 total personnel.

The Fire Department has twelve stations located throughout the greater Stockton metropolitan area. The closest station to the subject site is Station 14 at 3019 McNabb Street, approximately 1.7 miles to the west. Station 14 is equipped with one engine and one grass rig. The standards for response time for all stations are between three and four minutes for a structural fire call and four minutes for an emergency medical service call. Average response times from Station 14 to both types of calls have been approximately six minutes.

To provide adequate fire protection services, future development will coordinate with the Stockton Fire Department during planning and design phases to ensure site access, response time, sprinkler requirements, water system design, and hydrant placement are acceptable. Improvements to the City of Stockton water system will also be constructed in conformance with the Uniform Fire Code fire flow standards, and hydrants will be placed in accordance with Fire Department standards. As noted in Section 3.1 above, the City will require an additional water connection to the subject site for firefighting purposes.

In addition, the Stockton Fire Department participates in the California Disaster and Civil Defense Master Mutual Aid Agreement. This agreement allows the City to share resources with all fire department agencies in San Joaquin County and request assistance from the County fire districts when additional services are required. The existing mutual aid agreement allows the City and County agencies to share resources when needed. The City currently provides most of the fire services within and around the City limits, since some of the County fire districts have reduced staffing, supply shortages, or operations on a temporary basis.

As with police facilities, capital costs of fire station expansion are accounted for by the City's Public Facilities Fee program. The City of Stockton has adopted a Public Facility Fee for fire stations payable upon issuance of a building permit. For warehouse/low density land uses, the fee is \$54 per 1,000 square feet. As part of the City's Economic Stimulus Package currently in effect, this fee has been reduced by 50 percent. Using the same development assumptions for police facility expansion, approximately \$2,723 in Public Facility Fees for fire stations would be generated by future development.

### 3.8 SCHOOLS

The subject site is within the boundaries of the Stockton Unified School District (SUSD). The nearest public school to the subject site is Podesta Ranch Elementary School, a SUSD facility located approximately one-quarter mile to the west. SUSD experiences overcrowding in its schools, but it collects required school impact fees and coordinates with residential developers to ensure that sufficient capacity exists within the school system to accommodate residential-related student generation.

The subject site is proposed for commercial development and would not result in residential-related student generation. Nevertheless, the project would contribute development impact fees from commercial development in accordance with State law. Based on a non-residential development rate of \$0.61 per square foot, the project would generate approximately \$61,519 in total school impact fees. Project development will contribute to these fees in conjunction with building permit issuance.

### 3.9 PARKS AND RECREATION FACILITIES

The City of Stockton provides park and recreational services. The nearest City park to the subject site is Dentoni Park, approximately one mile to the southwest. Dentoni Park, a 9.5-acre neighborhood park, is equipped with picnic tables, a barbeque facility, a tot lot, horseshoe pits, two tennis courts, a softball field, and a basketball court. The Stockton General Plan establishes policies and standards for the size and siting of parklands.

San Joaquin County also provides parks and recreational facilities available to the public. The nearest County park is Oak Grove Park, a regional park located along Eight Mile Road approximately 2.5 miles northwest of the subject site. Oak Grove Park contains 10-acre Oak Grove Lake, a nature center, two nature trails, and a youth campground.

No new residential development is proposed on the subject site. Public Facility Fees for parklands are only assessed on new residential development; commercial development is exempt from parkland fees. However, commercial development would be subject to the payment of Public Facility Fees for community recreation centers. For warehouse/low density land uses, this fee would be \$23.25 per 1,000 square feet. As part of the City's Economic Stimulus Package currently in effect, this fee has been reduced by 50 percent. Based on this, the project would generate approximately \$1,172 in Public Facility Fees for community recreation centers. As with other Public Facility Fees, these fees would be payable upon issuance of a building permit.

### 3.10 LIBRARIES

The public library system in the Stockton area is operated jointly by the City and San Joaquin County. The nearest branch to the subject site is the Margaret K. Troke Library at 502 West Benjamin Holt Drive, approximately 2.3 miles to the south. A new library and community center is under construction in northeast Stockton adjacent to Ronald McNair High School on West Lane.

Capital costs of library expansion are accounted for by the City's Public Facilities Fee program. The City of Stockton has adopted a Public Facility Fee for libraries payable upon issuance of a building permit. For warehouse/low density land uses, the fee is \$56 per 1,000 square feet. As part of the City's Economic Stimulus Package currently in effect, this fee has been reduced by 50 percent. An estimated \$2,824 in Public Facility Fees for libraries would be generated by future development on the subject site.

### 3.11 MAINTENANCE OF PUBLIC FACILITIES/OTHER GOVERNMENTAL SERVICES

Two public roads are adjacent to the subject site, both currently maintained by San Joaquin County. Grider Way is along the southwest boundary of the subject site. This two-lane road is paved but does not have street improvements such as curb, gutter, and sidewalk along the subject site frontage. Lower Sacramento Road abuts the northeast corner of the subject site. This road is an arterial road with two lanes on the segment adjacent to the subject site. It is paved and has curb, gutter, and sidewalk improvements on both sides of the road. Grider Way and Lower Sacramento Road intersect southeast of the subject site. A four-way traffic signal has been installed at the intersection.

Proposed development on the subject site will require street improvements along the Grider Way frontage, including curb, gutter, and sidewalk. These improvements would be designed and constructed by the developer pursuant to City of Stockton standards. No such improvements would be necessary for the Lower Sacramento Road frontage, which already has been improved.

With increased vehicular traffic resulting from the development of the subject site, the need for road maintenance will increase. Future development will be responsible for payment of

adopted Public Facility Fees for street improvements and traffic signals to fund intersection and roadway segment improvements identified in the City's Street Improvement Plan. The City requires that these fees be paid prior to building permit issuance. For warehouse/low density land uses, street improvement fees are \$931.50 per 1,000 square feet. However, as part of the City's Economic Stimulus Package currently in effect, this fee has been reduced by 50 percent. Therefore, the project would generate approximately \$46,971 in street improvement fees. Traffic signal fees are \$30.75 per 1,000 square feet, so the project would generate approximately \$3,101 in traffic signal fees. The traffic signal fee is required even though a traffic signal already exists at the Grider Way/Lower Sacramento Road intersection.

A Regional Transportation Impact Fee (RTIF) also will be required of future development on the subject site. The RTIF's objectives are to generate funding from new development projects that impact the Regional Transportation Network and to integrate these funds with federal, state, and other local funding to make transportation improvements identified in the RTIF Program. Proposed improvements in the RTIF Program that are in the vicinity of the subject site include Eight Mile Road interchange improvements at both Interstate 5 and State Route 99, widening of both Lower Sacramento Road and Eight Mile Road, and improvements at the intersection of Lower Sacramento Road and Thornton Road. The Regional Transportation Impact Fee for the proposed commercial development is \$460 per 1,000 square feet, so future development would generate approximately \$46,391 in RTIF.

Measure K was passed by voters in 1990 and extended for another 30 years by voter approval in 2006. This measure instituted a 1/2-cent sales tax dedicated to transportation improvement projects in San Joaquin County. Measure K funding is allocated to specific projects including improved highways and local streets, new passenger rail service, regional and interregional bus routes, park-and-ride lots, new bicycle facilities, and railroad crossings by the San Joaquin Council of Governments. San Joaquin County and cities within the County share thirty-five percent (35%) of the sales tax revenue for local street repair. The local jurisdictions receive an annual funding allocation for local street repairs and safety and operations improvements. The local share of Measure K funds is distributed by formula based primarily on the City's proportionate share of the overall County population. Since the proposed annexation and development would not change the City's population, there would be no change in Measure K revenue directed to the City.

#### 4.0 FINANCING OF CITY SERVICES AND FISCAL EFFECTS

California Government Code Section 56653 requires that the required plan for services to a subject site include information on how the extension services would be financed. For the purposes of this analysis, services extensions are classified as 1) public road improvements and utility services such as water, wastewater, storm water, electrical, gas and communication systems that require construction of new pipelines, power lines, pump stations or other physical facilities needed to extend urban services to the subject site, and 2) general City services such as police and fire protection would, generally speaking, be provided without major improvements to capital facilities. These concerns are addressed in the following Sections 4.1 and 4.2, respectively.

#### 4.1 FINANCING OF ROADS AND UTILITY IMPROVEMENTS

Improvements needed to extend public road and utility services to the site would be constructed in conjunction with the development of proposed commercial storage structures, access, parking and other on-site improvements. These improvements would include off-site improvements to the frontage of Grider Way, any improvements to water and wastewater lines and electrical, gas and communication lines, if required.

As prescribed in the project conditions of approval, the project will be responsible for design and construction of required improvements to City roads and utility systems in accordance with adopted City standards. Unless improvements are deferred per a specific agreement with the City, they will be constructed prior to occupancy of the project site. The costs of extending electrical, gas and communication facilities will be borne by the project and the responsible franchise utility as prescribed in adopted rules and regulations. Costs of operating public infrastructure for the benefit of the project will be met through existing monthly service fee systems established by the City and franchise utilities.

Long-term capital improvement needs associated with new development, including the proposed project, are met through the City's adopted Public Facility Fees, which provide for expansion of City offices, libraries, community recreation centers, fire and police stations, street improvements, park land, surface water resource development improvement, air quality, and related administrative costs as these needs are identified. Similarly, the City has also adopted development fees for sanitary sewer and water connections, traffic signals, and street trees, and various local benefit district fees. Public Facility Fees and connection fee payments are required when building permits are issued, in accordance with the City's adopted fee schedule that is annually updated to keep pace with infrastructure and public facility costs. As a result, the City operates from year to year with a fee structure that reasonably anticipates and collects fees sufficient to meet capital improvement needs associated with new development.

Estimated Public Facility Fees and connection fees for proposed development of the self-storage facility are summarized in Table 1 below. As noted, some of the Public Facility Fees have been reduced by 50 percent as part of the City's Economic Stimulus Package currently in effect. The two parcels within the subject site that are already developed and connected to the City's water and wastewater systems would not be subject to these fees. For more information on how the estimates were developed, please see the attached Exhibit 7.



**TABLE 1**  
**ESTIMATED PUBLIC FACILITY AND CONNECTION FEES**  
**FOR PROPOSED SELF-STORAGE FACILITY**

<b>FEE CATEGORY</b>	<b>ESTIMATED PROJECT FEES</b>
<b>City of Stockton Public Facility Fees</b>	
Community Recreation Center	\$1,172
City Office Space	\$1,286
Fire Stations	\$2,723
Libraries	\$2,824
Parkland	\$0
Police Stations	\$3,126
Regional Transportation	\$46,391
Street Improvement	\$46,971
Traffic Signal	\$3,101
<i>Subtotal</i>	<i>\$107,594</i>
<b>City of Stockton Utility Connection Fees</b>	
Sewer Connection	\$5,015
Water Connection (2 connections)	\$161,094
Delta Water Supply Project (2 connections)	\$295,619
<i>Subtotal</i>	<i>\$461,728</i>
<b>TOTAL CITY CAPITAL FEES</b>	<b>\$569,322</b>

Along with the Public Facility Fees and connection fees, the City also collects development-related fees for the following:

- Agricultural Land Mitigation Program (not applicable, as no agricultural land as defined by the City ordinance is within the subject site)
- Air quality
- County facilities
- Habitat/Open Space for San Joaquin Council of Governments (SJCOG) (no further payment due; SJCOG fees for the site have already been paid)
- Surface water for SEWD (\$0.228 per square feet of retail/0.60)
- Related administrative costs

Table 2 summarizes the estimated development-related fees for the proposed self-storage facility. These also include development impact fees collected by other agencies, such as the SUSD and SJCOG. Exhibit 7 provides more information on how the fee estimates were developed. The two parcels within the subject site that are already developed would not be subject to these fees.

**TABLE 2**  
**ESTIMATED OTHER DEVELOPMENT-RELATED FEES**  
**FOR PROPOSED SELF-STORAGE FACILITY**

<b>FEE</b>	<b>ESTIMATED PROJECT FEES</b>
Agricultural Land Mitigation	\$0
Air Quality	\$40,844
County Facilities	\$12,405
Surface Water	\$38,323
Administration	\$19,902
<i>Subtotal</i>	<i>\$111,474</i>
School Impact Fees (SUSD)	\$61,519
Habitat/Open Space (SJCOG)	\$75,393*
<b>TOTAL OTHER FEES</b>	<b>\$248,386</b>

\* Fee has been paid by project applicant to SJCOG.

## 4.2 FINANCING OF GENERAL SERVICES

This section describes the anticipated revenues to the City of Stockton, which would be the main provider of services. As noted above, the design, engineering, and construction of these services and infrastructure improvements will be financed by developers of the subject site, subject to approval by the City. This section also analyzes financial impacts on the Lincoln Rural County Fire Protection District, which currently provides fire protection services to the subject site and from which the subject site would be detached upon annexation to the City.

### 4.2.1 Estimated Change in Annual Revenue for City of Stockton

As a Charter City, the City of Stockton benefits from the same revenue sources as general law cities, as well as a utility user tax. The City receives a portion of the property tax collected within the City limits, and it receives franchise payments from electrical distribution, cable television and solid waste collection franchises. The City operates its public utilities (i.e., water and sanitary sewer) as enterprise functions, and it engages in public recreation activities on a quasi-enterprise basis, subsidized by its General Fund (e.g., golf courses, ice arena, civic auditorium).

The major sources of revenue that will be generated by the proposed future development for the City of Stockton General Fund are summarized in Table 3 below. Revenue estimates were generated primarily on a person-served basis, which accounts for project-related population and employee growth. Please see the attached Exhibits 1-6 for more information regarding the derivation of Table 3 calculations. More detailed information regarding specific sources of revenues is provided below.

**TABLE 3**  
**ESTIMATED RECURRING CITY OF STOCKTON GENERAL REVENUES**  
**RESULTING FROM ANNEXATION AND BUILDOUT OF THE SUBJECT SITE**

<b>CATEGORY</b>	<b>AMOUNT</b>
<b>Property Taxes</b>	
Secured Property Tax	\$3,910
Unsecured Property Tax	\$391
Property Transfer Tax	\$161
Property Tax in-Lieu of Motor Vehicle Fees	\$5,110
<b>Sales Tax</b>	
Direct Sales Tax	\$44,901
<b>Other Revenue Sources</b>	
Utility Users Tax	\$2,036
Franchises	\$984
Business Licenses	\$2,956
Document Transfer	\$51
Investment Proceeds	\$119
Fire Contracts	\$278
Code Enforcement	\$207
Charges for Services	\$187
Fines & Forfeitures	\$30
Revenues from Other Agencies	\$193
Licenses & Permits	\$34
Sale of Fixed Assets	\$1
Indirect Cost Allocations	\$350
Refunds & Reimbursements	\$14
Rents/Leases/Concessions	\$181
<b>TOTAL</b>	<b>\$62,094</b>

### Property Tax

Property tax rates are set at 1% of assessed property value. The potential property tax revenues resulting from the project were based on information provided by the project applicant and the current City/County Revenue Sharing Agreement for annexations. As shown in Exhibit 3, the estimated assessed valuation on the subject site with both proposed and existing development is \$4,443,507.

Based on information from the San Joaquin County Auditor-Controller, approximately 59.5% of every property tax dollar from the subject site is allocated among the Stockton Unified School District, San Joaquin Delta Community College, and the State's educational fund. This leaves an "available share" of approximately 40.5% of the overall property tax revenue, which is divided between the County General Fund, the Lincoln Rural County Fire District, and other County agencies. This division of the property tax is the basis for estimating the property tax the City will receive upon annexation and development of the subject site (see Exhibit 3).

#### *Secured Property Tax*

Based upon information from the San Joaquin County Auditor-Controller, upon annexation, approximately 8.8% of total property tax revenue from the subject site would go to the City. Based on this and the anticipated valuation of the subject site once fully developed, the secured property tax amount that would be collected by the City would be approximately \$3,910 (see Exhibit 3).

#### *Unsecured Property Taxes*

Unsecured property taxes are derived from property that is not real estate such as business equipment, boats, aircraft, and possessory interests. For this analysis, it is assumed that the unsecured property tax is 10% of the secured property tax and that the amount of unsecured property tax the City would receive after annexation and development of the subject site would be \$391 (see Exhibit 3).

#### *Other Property Taxes*

Property transfer taxes are taxes charged as a percentage of the value of property that has a transfer of title. It is estimated that the amount of property transfer tax the City would receive after annexation of the subject site would be \$161. Exhibit 3 provides details on the property transfer tax estimate.

In 2004, the State Legislature and the Governor agreed to a swap of city and county vehicle license fee revenue for an additional share of property tax revenue to be provided to the local governments. This Property Tax in-Lieu of Motor Vehicle Fees is a substantial source of revenue based on property taxes. It is estimated that the amount of property tax in-lieu of motor vehicle fees associated with the subject site would be \$5,110. See Exhibit 3 for development of this estimate.

#### Sales Tax

The current sales tax rate in the City of Stockton is 9.00%, with the City receiving 2.25% of taxable sales, 1.25% of which is a result of measures approved by City voters (Measure A – 0.75%, Measure W (police and fire) – 0.25%, Measure M (library and recreation) – 0.25%). A portion of the subject site has been developed with commercial uses, so it is expected that sales tax revenues would be generated by this development. A rough estimate of the sales tax revenue generated from this existing development is provided in Exhibit 4. The estimated direct sales tax revenue is \$44,901. It is expected that sales tax revenue from the proposed self-storage facility would be minimal, since few taxable items are expected

to be sold. Therefore, no estimate of sales tax revenue was developed for the self-storage facility.

#### Utility User Tax

A utility user tax is levied against utility charges for all non-public users of gas, electric, water, telephone, and cable television services. This tax is 6% of a customer's monthly bill. As noted in Table 3 above, development on the subject site, both existing and future, would generate an estimated \$2,036 annually in utility user tax revenues. See Exhibits 1 and 5 for how the estimate of utility user tax revenue was developed.

#### Franchise Tax

Franchise taxes are levied upon the providers of natural gas, electric, refuse removal and cable television service. The franchise tax, which is 2% for most utilities and 3% for cable TV, is levied upon the provider rather than the customer and is charged against all utility revenues. Development on the subject site would generate approximately \$984 in franchise tax revenue annually (see Exhibits 1 and 5).

#### Business License Tax

The City of Stockton assesses a business registration fee and a license tax on any person engaged in or carrying on any profession, trade, calling, occupation, or business in the City. Beyond a registration fee of \$24, businesses are assessed at varying rates based typically on their gross receipts. However, as gross receipts information for the annexation area is unknown, business license tax revenues were estimated using City budget information and estimated number of employees. Development on the subject site is estimated to yield an annual revenue of \$2,956 (see Exhibits 1 and 5).

#### Other Revenue Sources

The City has a variety of other revenue sources, which are listed in the City's budget. These include document transfer fees, licenses and permits, fines and forfeitures, rents/leases and concessions, sales of fixed assets, investment proceeds, and revenues from fire service contracts and from other agencies, among others. Exhibits 1 and 5 list these other sources. Not all these revenue sources would be associated with annexation and development of the subject site. However, to simplify the analysis, revenues from each of these sources have been estimated based upon the service population anticipated to be on the subject site at full development. Estimated revenues from these other sources would be \$1,645.

#### 4.2.2 Estimated Change in Annual Expenditures for City of Stockton

As discussed in Section 4.1, immediate and future capital costs of the project would be met through developer improvements to public road and utility systems and through payment of the City's Public Facility Fees and connection fees. The project is commercial in nature and would not result in increases in the resident population of Stockton, with concurrent costs in providing City services. However, the addition of project-related employees may contribute to the "service population" of the City, which would contribute to service costs.

Preliminary work done for the IS/MND indicates that impacts of proposed future development on the City's water, sanitary sewer, and storm drainage systems would be less than significant. The City's sanitary sewer system has adequate capacity to accommodate additional wastewater from the project, and existing sewer lines in the area can carry the anticipated flow. The City's water system has sufficient supplies to satisfy potential project demand, and no new supplies would need to be obtained. In accordance with City requirements, the project developer would construct the necessary improvements and connections to the City's water and sewer systems and storm drainage facilities to accommodate runoff in accordance with City standards. Expenses to operate the required City utilities to the subject site are expected to be minimal and would be covered by monthly utility billing to the project activities.

The IS/MND also concluded that impacts of the proposed development on public services provided by the City, primarily fire and police protection, would be less than significant. Expenses to provide City fire and police services to the subject site are also expected to be minimal. While the project would place an incremental demand for City fire and police services, no new or expanded services would be required because of the project. In fact, the Stockton Fire Department already provides service to the subject site, under contract with the Lincoln Rural County Fire Protection District. Future capital costs for these services would be met through payment of Public Facility Fees.

The proposed annexation would include approximately 350 feet of Grider Way right-of-way. Improvements would be installed along the north side of Grider Way and are likely to include curb, gutter, sidewalk, and street lighting. The frontage improvements would be funded by the developer. However, the annexed right-of-way of both Grider Way and Lower Sacramento Road (the latter approximately 240 feet) would increase costs to the City for ongoing maintenance. A rough approximation of the increased maintenance cost was obtained by dividing the total miles currently maintained by the City of Stockton into total street maintenance cost, then applying the results to the segments to be annexed. According to the FY 2021/22 budget for the City of Stockton, the City maintains 770 miles of streets at a cost of \$22,687,975. Based on these figures, the additional cost to maintain the annexed streets would be approximately \$3,851 annually. Road maintenance costs are met from a variety of sources.

The project is not expected to result in additional costs for schools or parks and recreation, as the project would not increase the resident population. Nonetheless, the project would contribute to future school and community center capital needs through payment of school mitigation fees and community center Public Facility Fees.

An approximation of maximum potential increases in City services costs associated with the project was calculated by dividing total general fund expenditures by the City service population, and by multiplying that factor by the increase in service population on the subject site. The per-unit cost factor would be \$653.81. The expected increase in service population would be 23 (see Exhibit 2). Therefore, potential service costs to the City would be approximately \$15,038. See Exhibit 8 for a development of the expenditure estimate for the subject site.

#### 4.2.3 Overall Impact of Project on City Budget

As indicated in Table 3 and in Exhibit 6, existing and proposed future development of the subject site is expected to generate approximately \$62,094 in annual revenues to the City. With estimated annual expenditures of \$15,038, the City would have adequate annual revenues to provide services to the subject site. In addition, as indicated in Tables 1 and 2 and in Exhibit 7, proposed future development would generate approximately \$680,796 in one-time Public Facility Fees and connection fees to the City to cover expenses associated with new or expanded public facilities and services. Additional fees would be paid to SUSD and SJCOG.

In summary, the City would be expected to expect to receive revenues from both existing and proposed development of the subject site that would exceed the expenses incurred in providing City services. Thus, at the project level, the City would likely operate at a budget surplus.

#### 4.3 PROPERTY TAX IMPACT TO THE LINCOLN FIRE PROTECTION DISTRICT

Based on information provided by the County Auditor-Controller, the Lincoln Rural County Fire Protection District currently receives approximately 22.8 percent of the general one-percent property tax levy from the subject site. This currently generates approximately \$958 of property tax revenue for the Fire District. Upon annexation and development of the subject site, the assessed valuation of the site would increase substantially. However, as a part of the annexation process, the subject site would be detached from the Fire District, and the Fire District would no longer receive tax revenue from the site.

LAFCo policy dictates that adverse fiscal impacts resulting from detachments from special districts or annexations that fail to provide adequate mitigation of the adverse impact on the district will not be approved would apply to this proposed detachment. It is expected that the City and the Fire District will reach an agreement that recognizes the revenue impacts on the Fire District resulting from the proposed annexation. LAFCo may determine an appropriate temporary mitigation, if needed, and impose that temporary mitigation to the extent it is within its powers.

As previously noted, the Lincoln Rural County Fire Protection District currently provides fire protection services through a contract with the Stockton Fire Department. Therefore, while the Fire District would lose some revenue with the annexation, existing services provided within the Fire District boundaries would not change, as the Stockton Fire Department already provides such services and would continue to do so under the terms of the contract.

#### 5.0 AVAILABILITY OF ADEQUATE WATER SUPPLY

As noted, California Government Code Section 56668(l) requires an assessment of the timely availability of water supplies for an annexation area. The UWMP for the City of Stockton's water system, updated in 2020, assessed the reliability of its water supply for its service area, which includes the subject site. The UWMP includes a description of the

water supply sources, projected water use, and a comparison of water supply water demands during normal, single-dry, and multiple-dry years. The definitions of the three water year scenarios, as described by the State Department of Water Resources, are provided below.

1. Average year is a year, or an averaged range of years in the historical sequence that most closely represents median water supply availability to the agency. Normal and average are used interchangeably within the Department of Water Resources guidebook.
2. Single dry year is the year with the lowest water supply availability to the agency.
3. Multiple dry year is the lowest average water supply availability to the agency for a consecutive multiple-year period for a watershed since 1903. For the City of Stockton, a five-year period was used in the analysis.

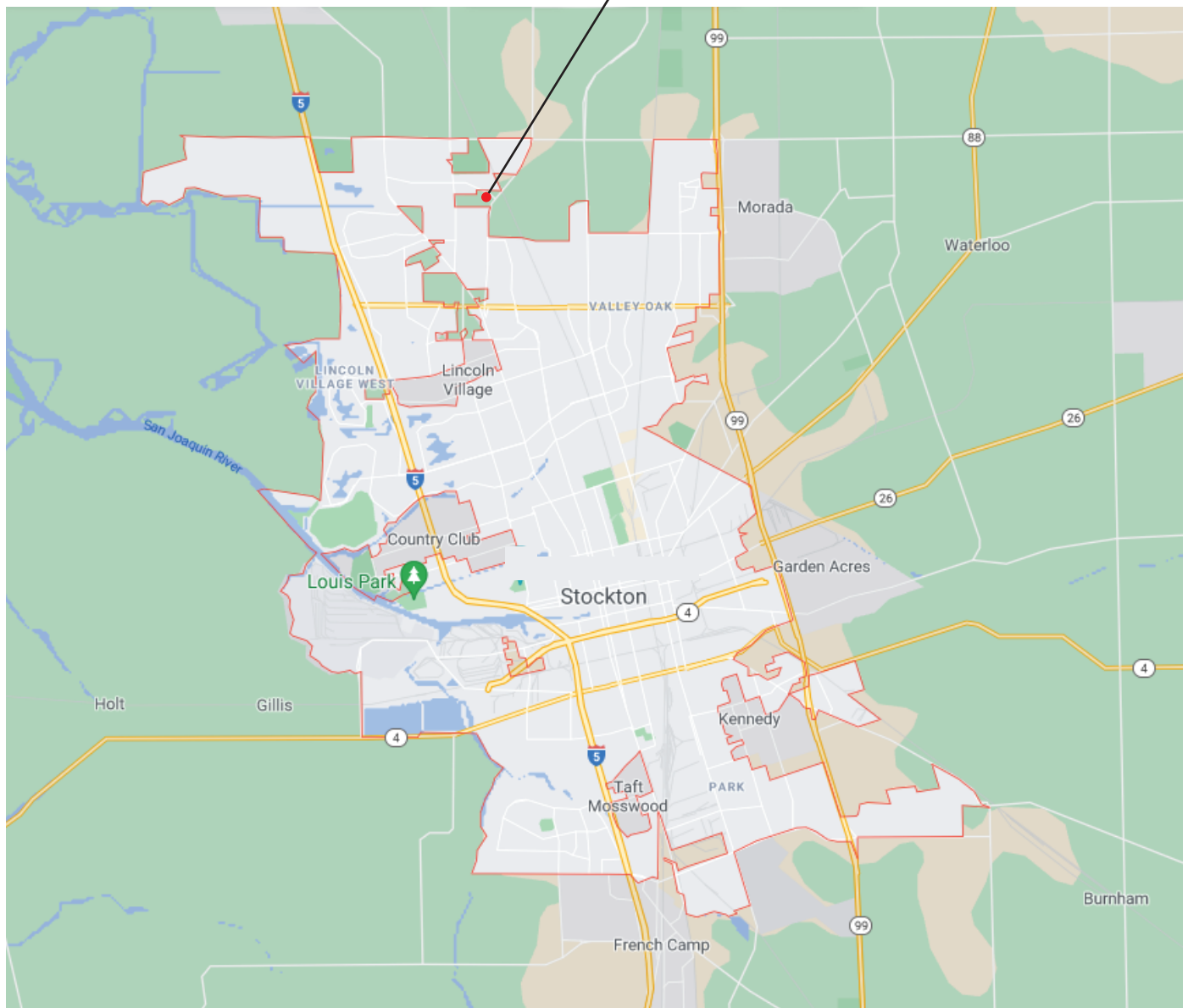
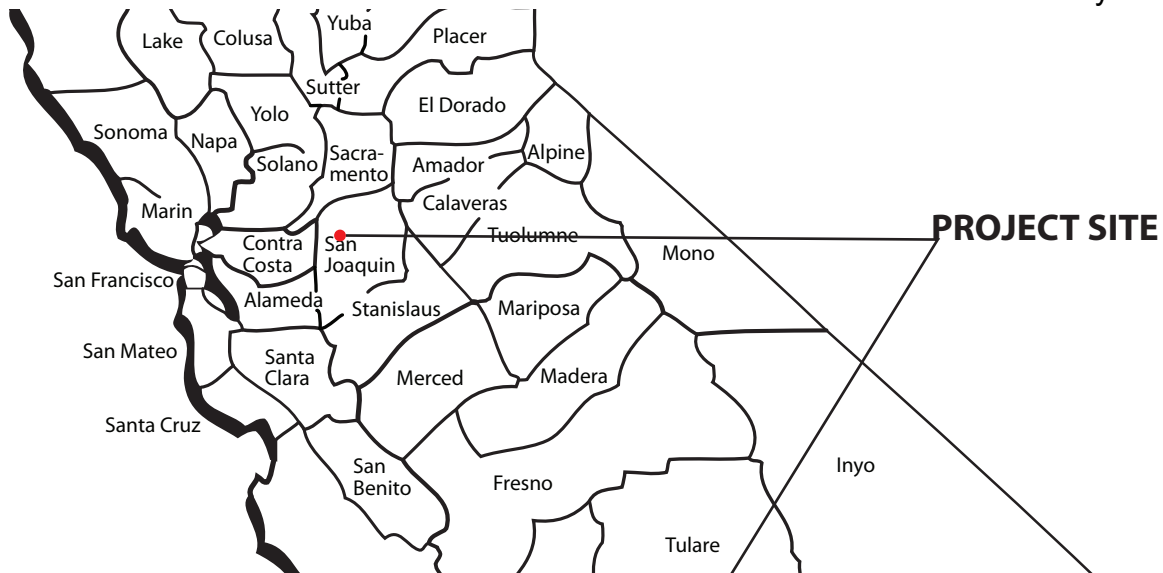
As part of the 2020 UWMP, a Water Supply Reliability Assessment was conducted to determine the reliability of the City's water supply for all three water year scenarios from 2025 to 2045. Under the normal water year scenario, water supply would exceed demand by 36,596 to 47,322 acre-feet per year. Under the single dry water year scenario, supply would exceed demand by 13,656 to 24,022 acre-feet per year. Under the multiple dry year scenario, supply would exceed demand in a range from 12,456 acre-feet per year in the fourth dry year in 2040 and 2045 to 44,196 acre-feet per year in the fifth dry year in 2030.

A Water Master Plan Update prepared by the City in 2021 indicated that commercial activities use approximately 1.62 acre-feet of water per year. While water usage can vary greatly among commercial activities, for this analysis it is assumed that commercial water usage on the subject site would be the same. This is considered a conservative assumption, as self-storage facilities generally do not use as much water as other types of commercial activities. Based on the assumed water use, water demand from development on the subject site, both existing and proposed, would be approximately 14.2 acre-feet per year. Again, this is considered a conservative estimate; actual water use would likely be less. When compared with the difference in water supply and demand described above, the City would have sufficient water supply for proposed future development on the subject site, even in multiple dry years. Water can be readily provided from existing sources, without the need to acquire additional supplies or water rights.

It should be noted that the demand figures used in this analysis do not consider the amount of water that may be saved by active and passive water conservation programs, which are described in the City Service Plan. The COSMUD has met, and expects to be able to continue to meet, annual water demands within its service area during differing hydrologic periods with surface water, groundwater, water conservation, and other potential water supplies such as non-potable supplies from local communities, raw surface water from local irrigation districts, and water from active groundwater storage projects.



## **FIGURES**





SOURCE: Google Earth



POR. SECS. 4 & 9, T.2N. R.6E., M.D.B.&M.  
- POR. WINDMILL PARK, UNIT NO. 1

THIS MAP IS FOR  
ASSESSMENT USE ONLY

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R. S. Bk. 25 Pg. 066  
P. M. Bk. 02 Pg. 190  
P. M. Bk. 04 Pg. 051  
R. S. Bk. 03 Pg. 065  
R. M. Bk. 39 Pg. 005  
P. M. Bk. 25 Pg. 034

HIGHEST A.P.N. USED				
YEAR	PAR. #	PAR. #	PAR. #	PAR. #
92-93	20			
01-02	22			
02-03	24			
02-03	27			
04-05	29			
05-06	31			
06-07	33			
10-11	36			

CITY OF STOCKTON  
Assessor's Map Bk.070 Pg.14  
County of San Joaquin, Calif.

96-97

NOTE: Assessor's Parcel Numbers Shown in Circles.  
Assessor's Block Numbers Shown in Ellipses.

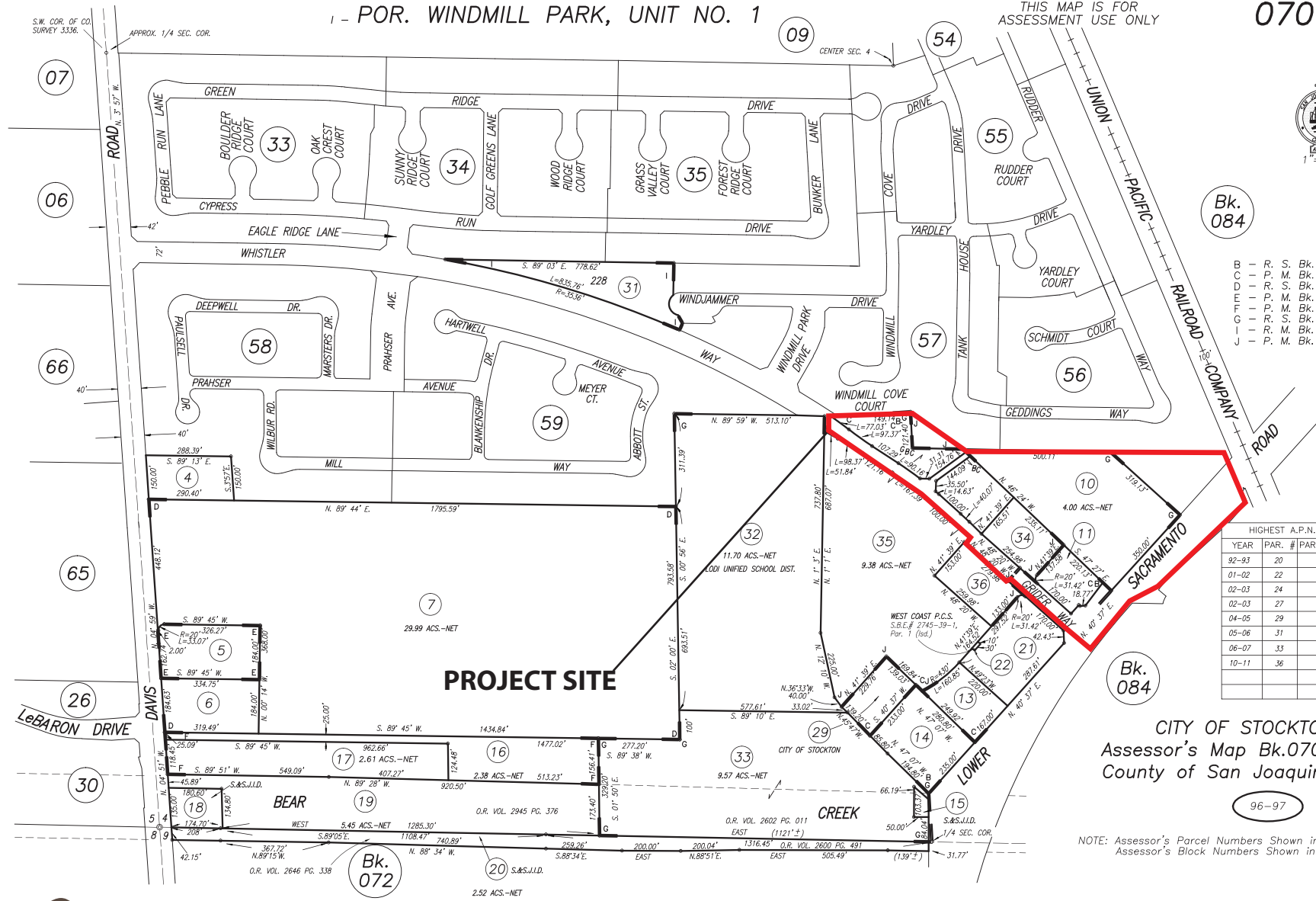
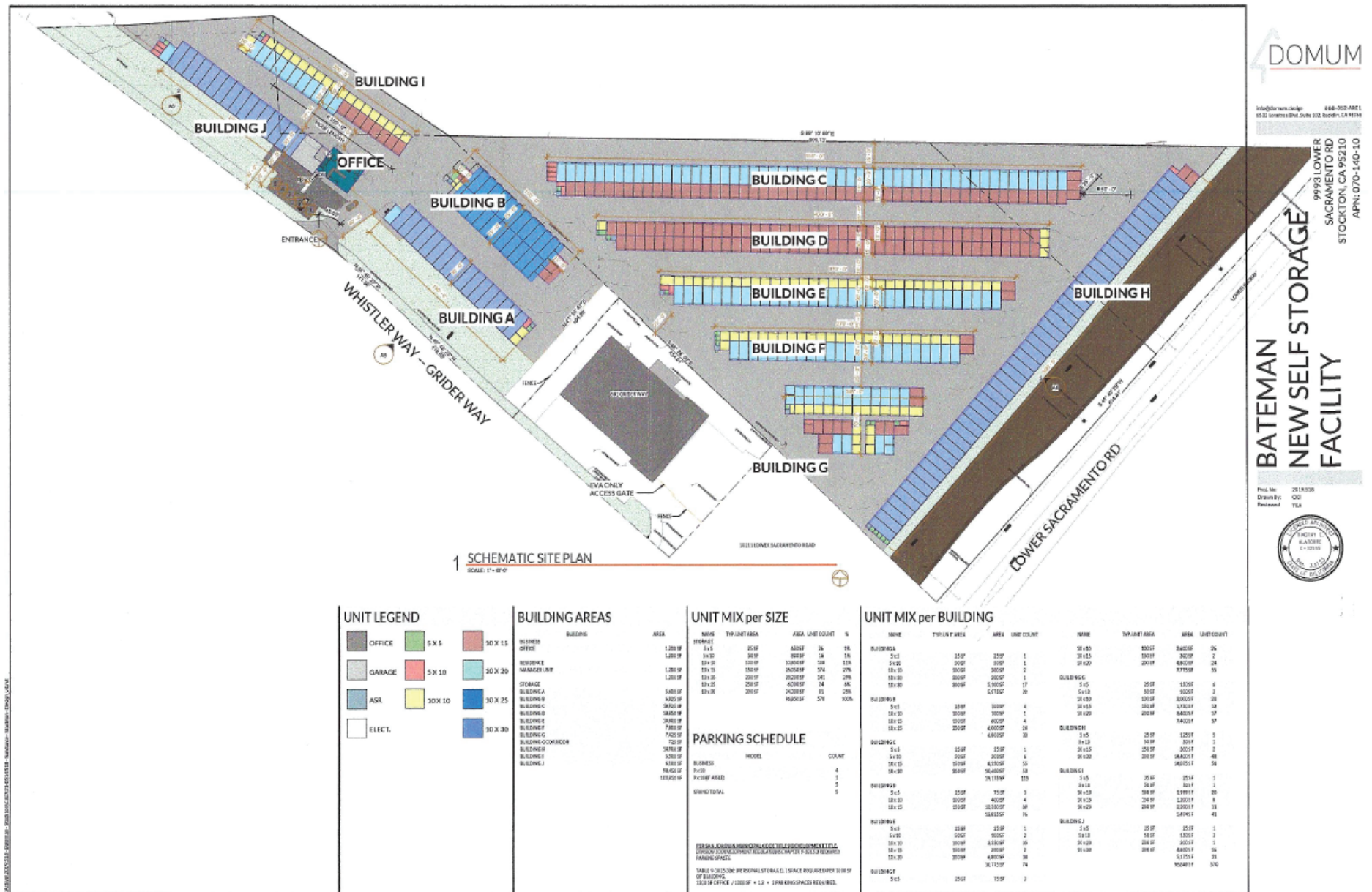




Figure 4  
PROPOSED ANNEXATION AREA & PREZONING



## **EXHIBITS**

EXHIBIT 1  
CITY OF STOCKTON – PROPOSED GRIDER WAY ANNEXATION  
CITY OF STOCKTON GENERAL FUND REVENUE SUMMARY

**I. CITY DEMOGRAPHIC DATA**

2020 Estimated City Population [1]	318,522
2020 Estimated City Employees [2]	121,350
2020 Persons Served Population [3]	391,332

**II. CITY REVENUE SOURCES**

General Fund Revenue Type	City Budget [4]	Recurring or Non-Recurring	Multiplier Type	Multiplier
Property Tax	\$38,416,000	Recurring	AV/square foot	NA
Utility Users Tax	34,342,000	Recurring	Persons Served	\$87.76
Sales and Use Tax	94,587,000	Recurring	NA	NA
Franchises	16,595,630	Recurring	Persons Served	\$42.41
Business Licenses	9,695,000	Recurring	Per Employee	\$79.89
Document Transfer	852,000	Recurring	Persons Served	\$2.18
Hotel/Motel Tax	2,648,000	Non-Recurring	NA	NA
In-Lieu of Motor Vehicle Fees	26,791,495	Recurring	AV Proportion	NA
Motor Vehicle License	200,000	Recurring	Per Capita	\$0.49
Investment Proceeds	2,011,693	Recurring	Persons Served	\$5.14
Fire Contracts	4,691,240	Recurring	Persons Served	\$11.99
Code Enforcement	3,498,413	Recurring	Persons Served	\$8.94
Charges for Services	3,150,079	Recurring	Persons Served	\$8.05
Fines & Forfeitures	501,694	Recurring	Persons Served	\$1.28
Revenues from Other Agencies	3,253,496	Recurring	Persons Served	\$8.31
Licenses & Permits	577,014	Recurring	Persons Served	\$1.47
Sale of Fixed Assets	22,000	Recurring	Persons Served	\$0.06
Districts/Area of Benefit Contribution	0	Non-Recurring	Persons Served	NA
Misc. Other Revenues	(171,781)	Recurring	Persons Served	\$0
Indirect Cost Allocation	5,904,220	Recurring	Persons Served	\$15.09
Refunds & Reimbursements	230,309	Recurring	Persons Served	\$0.59
Rents/Leases/Concessions	3,052,448	Recurring	Persons Served	\$7.80
Loan Repayment	0	Recurring	Persons Served	NA
<b>TOTALS</b>	<b>\$250,847,950</b>	<b>--</b>	<b>--</b>	<b>--</b>

**NOTES:**

[1] California Department of Finance, E-5 City/County Population and Housing Estimates, 1-1-2020.

[2] *San Joaquin County Forecast Summary*, Center for Business and Policy Research, Eberhardt School of Business, University of the Pacific, July 7, 2016.

[3] Assumes City population plus 60% of employees.

[4] Source: City of Stockton Fiscal Year 2021/22 Budget.

AV – Assessed Valuation; NA – Not applicable



EXHIBIT 2  
CITY OF STOCKTON – PROPOSED GRIDER WAY ANNEXATION  
LAND USE AND DEMOGRAPHICS SUMMARY

**I. RESIDENTIAL LAND USES**

<b>Residential Land Uses</b>	<b>Number of Units</b>	<b>Persons per Household [1]</b>	<b>Residential Population</b>
Residential	0	3.26	0

**II. NON-RESIDENTIAL LAND USES**

<b>Non-Residential Land Uses</b>	<b>Square Feet</b>	<b>Number of Employees</b>
Commercial – Proposed	100,850	3[2]
Commercial – Existing	20,000	34[3]

**III. PROJECT DEMOGRAPHICS**

Residential Population	0
Direct Employees	37
Persons Served Population [4]	22

**NOTES:**

[1] Source: California Department of Finance, E-5 City/County Population and Housing Estimates, 1-1-2020.

[2] Based on review of postings on selfstoragetalk.com: “How many employees work at your facility?” Most respondents indicated 2 or 3; larger number used. Review conducted September 8, 2021.

[3] Based on factor of one employee per 588 square feet of neighborhood retail (source USGBS).

[4] Assumes population plus 60 percent of number of employees.

EXHIBIT 3  
CITY OF STOCKTON – PROPOSED GRIDER WAY ANNEXATION  
PROPERTY TAX REVENUE

**I. GENERAL PROPERTY TAX ASSUMPTIONS**

**Pre-Annexation** - 1% General Property Tax Breakdown [1]

<b>Public Agency</b>	<b>Property Tax Breakdown</b>
County General Fund	17.7%
Lincoln Fire Protection District	22.8%
School districts and other agencies	59.5%
<b>TOTAL</b>	<b>100.00%</b>

Property Tax Allocation **Upon Annexation** [1]

<b>Public Agency</b>	<b>Property Tax Breakdown</b>
County General Fund	31.7%
City of Stockton	8.8%
School districts and other agencies	59.5%
<b>TOTAL</b>	<b>100.00%</b>

**II. SECURED PROPERTY TAX ANALYSIS**

<b>Nonresidential Land Use Type</b>	<b>Square Feet</b>	<b>Valuation per Square Foot [2]</b>	<b>Estimated Assessed Valuation</b>	<b>Total Secured Property Tax</b>
Commercial – Proposed	100,850	\$40.00	\$4,034,000	\$3,550
Commercial – Existing	20,000	-	\$409,507[3]	\$360
<b>TOTAL</b>			<b>\$4,443,507</b>	<b>\$3,910</b>

**III. UNSECURED PROPERTY TAX ANALYSIS**

<b>Nonresidential Land Use Type</b>	<b>Square Feet</b>	<b>Unsecured Tax (as % of Secured Tax)</b>	<b>Total Secured Property Tax</b>	<b>Total Unsecured Property Tax</b>
Commercial – Proposed	100,850	10.00%	\$3,550	\$355
Commercial – Existing	20,000	10.00%	\$360	\$36
<b>TOTAL</b>				<b>\$391</b>

**IV. PROPERTY TAX TRANSFER ANALYSIS**

<b>Nonresidential Land Use Type</b>	<b>Square Feet</b>	<b>Property Turnover Rate [4]</b>	<b>Property Transfer Tax to City [5]</b>	<b>Total Property Transfer Tax</b>
Commercial – Proposed	100,850	5.00%	0.055%	\$111
Commercial – Existing	20,000	5.00%	0.055%	\$50
<b>TOTAL</b>				<b>\$161</b>

**V. PROPERTY TAX IN-LIEU OF MOTOR VEHICLE FEE (MVF) ANALYSIS**

<b>Nonresidential Land Use Type</b>	<b>Square Feet</b>	<b>Total Assessed Valuation</b>	<b>Property Tax In-Lieu of MVF per \$1,000 Assessed Value [6]</b>	<b>Total Property Tax In-Lieu of MVF</b>
Commercial – Proposed	100,850	\$4,034,000	\$1.15	\$4,639
Commercial – Existing	20,000	\$409,507	\$1.15	\$471
<b>TOTAL</b>		<b>\$4,443,507</b>		<b>\$5,110</b>

**NOTES:**

[1] Source: San Joaquin County Auditor-Controller Office.

[2] Source: ISS, "How to Value, Price and Sell Your Facility," October 1, 2000. Actual values range from \$20-80 per square foot; \$40 per square foot most common.

[3] Actual valuation from San Joaquin County Assessor's Office.

[4] Based on typical OTA baseline assumptions.

[5] Source: California Revenue and Taxation Code Section 11911-11929.

[6] Based on City of Stockton Assessed Valuation and In-Lieu of MVF revenue items in City of Stockton Fiscal Year 2019/20 Budget, the most recent fiscal year assessed valuation data are available. See Exhibit 1 for In-Lieu of MVF.

*\* All figures subject to rounding.*

EXHIBIT 4  
CITY OF STOCKTON – PROPOSED GRIDER WAY ANNEXATION  
SALES TAX REVENUE ANALYSIS

**I.      DIRECT SALES TAX ANALYSIS**

<b>Nonresidential Land Use Type</b>	<b>Taxable Sales per Acre [1]</b>	<b>Acres</b>	<b>Total Sales Tax Revenue</b>
Commercial – Existing	\$29,934	1.5	\$44,901

**NOTES:**

[1] Based on City of Stockton FY 2021/22 sales tax revenue of \$94,587,000 divided by 3,160 commercial acres in Stockton (source: 2040 General Plan Update and Utility Master Plan Supplements Draft EIR, June 2018).

EXHIBIT 5  
CITY OF STOCKTON – PROPOSED GRIDER WAY ANNEXATION  
MULTIPLE REVENUE ANALYSIS

General Fund Revenue Type	Revenue Projection Basis [1]	Multiplier Factor [2]	Estimated Project Revenue
Utility Users Tax	Persons Served	\$87.76	\$1,948
Franchises	Persons Served	42.41	941
Business Licenses	Per Employee	79.89	2,956
Document Transfer	Persons Served	2.18	48
Motor Vehicle License	Per Capita	0.49	0
Investment Proceeds	Persons Served	5.14	114
Fire Contracts	Persons Served	11.99	266
Code Enforcement	Persons Served	8.94	198
Charges for Services	Persons Served	8.05	179
Fines & Forfeitures	Persons Served	1.28	28
Revenues from Other Agencies	Persons Served	8.31	185
Licenses & Permits	Persons Served	1.47	33
Sale of Fixed Assets	Persons Served	0.06	1
Miscellaneous Other Revenues	Persons Served	0	0
Indirect Cost Allocation	Persons Served	15.09	335
Refunds & Reimbursements	Persons Served	0.59	13
Rents/Leases/Concessions	Persons Served	7.80	173
Loan Repayment	Persons Served	0	0
<b>TOTAL</b>	--	--	<b>\$7,420</b>

**NOTES:**

[1] See Exhibit 2.

[2] See Exhibit 1.

*\* All figures subject to rounding.*

EXHIBIT 6  
CITY OF STOCKTON – PROPOSED GRIDER WAY ANNEXATION  
PROJECTED RECURRING GENERAL FUND REVENUE

CATEGORY	AMOUNT
Secured Property Tax	\$3,111
Unsecured Property Tax	\$311
Property Transfer Tax	\$161
Property Tax in-Lieu of Motor Vehicle Fees	\$5,110
Direct Sales Tax	\$44,901
Utility Users Tax	\$1,948
Franchises	\$941
Business Licenses	\$2,956
Document Transfer	\$48
Motor Vehicle Licenses	0
Investment Proceeds	\$114
Fire Contracts	\$266
Code Enforcement	\$198
Charges for Services	\$179
Fines & Forfeitures	\$28
Revenues from Other Agencies	\$185
Licenses & Permits	\$33
Sale of Fixed Assets	\$1
Miscellaneous Other Revenues	0
Indirect Cost Allocations	\$335
Refunds & Reimbursements	\$13
Rents/Leases/Concessions	\$173
Loan Repayment	0
<b>TOTAL</b>	<b>\$61,891</b>

**NOTES:**

[1] See Exhibit 3.

[2] See Exhibit 4.

[3] See Exhibit 5.

*\* All figures subject to rounding.*

NA – information not available

EXHIBIT 7  
CITY OF STOCKTON – PROPOSED GRIDER WAY ANNEXATION  
PUBLIC FACILITY AND IMPACT FEE SUMMARY  
(PROPOSED SELF-STORAGE FACILITY)

FEE CATEGORY	FEE RATE	ESTIMATED PROJECT FEES
<b>City of Stockton Fees [1]</b>		
Agricultural Land Mitigation	\$10,494/acre of ag land	\$0
Air Quality	\$405/1,000 sq. ft.	\$40,844
City Office Space*	\$25.50/1,000 sq. ft.	\$1,286
Community Recreation Center*	\$23.25/1,000 sq. ft.	\$1,172
County Facilities	\$123/1,000 sq. ft.	\$12,405
Fire Stations*	\$54/1,000 sq. ft.	\$2,723
Libraries*	\$56/1,000 sq. ft.	\$2,824
Parkland	N/A	\$0
Police Stations*	\$62/1,000 sq. ft.	\$3,126
Street Improvement*	\$931.50/1,000 sq. ft.	\$46,971
Surface Water	\$0.228/(sq. ft./0.6)	\$38,323
Administration (2.5% of total fees above)	--	\$3,742
<b>SUBTOTAL</b>		<b>\$153,416</b>
Sewer Connection	\$3,634/SFU equivalent [2]	\$5,015
Water Connection	1-inch meter	\$4,266
Delta Water Supply	1-inch meter	\$5,441
Administration (3.5% of total fees above)	--	\$515
<b>SUBTOTAL</b>		<b>\$15,237</b>
Regional Transportation	\$460/1,000 sq. ft.	\$46,391
Traffic Signal	\$30.75/1,000 sq. ft.	\$3,101
<b>SUBTOTAL</b>		<b>\$49,492</b>
<b>TOTAL CITY PUBLIC FACILITY AND IMPACT FEES</b>		<b>\$218,145</b>
<b>Fees by Other Agencies</b>		
School Impact Fees (SUSD)	\$0.61/square foot	\$61,519
Habitat/Open Space (SJCOG)	\$17,363/acre	\$75,393[3]
<b>TOTAL PUBLIC FACILITY AND IMPACT FEES</b>		<b>\$355,057</b>

**NOTES:**

[1] Source: City of Stockton FY 2020-21 Fee Schedule.

[2] For warehouse land use &gt;50,000 sq. ft., single-family unit (SFU) equivalent is square footage times 0.01 gallons/day divided by 300.

[3] Fee has been paid by project applicant to SJCOG.

\* 50% reduction in adopted fee as part of Stockton Economic Stimulus Package, to be eliminated once nexus study is completed and General Plan is updated.

*All figures subject to rounding.*

EXHIBIT 8  
CITY OF STOCKTON – PROPOSED GRIDER WAY ANNEXATION  
ESTIMATED PROJECT EXPENDITURES

**I. CITY EXPENDITURES**

<b>Program Appropriations</b>	<b>City Budget [1]</b>
Police	\$143,771,046
Fire	50,152,050
Administration	18,762,286
Public Works	17,498,458
Community Services	7,915,150
Economic Development	5,606,034
Capital Improvements	5,000,000
Debt Service	4,174,175
Other Programs	2,978,111
<b>TOTAL</b>	<b>\$255,857,310</b>

**II. PROJECT EXPENDITURE ANALYSIS**

2020 City of Stockton Persons Served Population [2]: 391,332

City Expenditures per Person Served: \$653.81

Persons Served Population on Subject Site [3]: 22

**Total Subject Site Expenditures: \$14,384**

**NOTES:**

[1] Source: City of Stockton Fiscal Year 2021/22 Budget

[2] See Exhibit 1.

[3] See Exhibit 2.

*\* All figures subject to rounding.*