ATTACHMENT B

Resolution No. 2015-07-07-1502

STOCKTON CITY COUNCIL

RESOLUTION APPROVING THE DOWNTOWN INFRASTRUCTURE INFILL INCENTIVE PROGRAM

The Stockton City Council identified economic development and downtown revitalization as two key goals for the City; and

The City Council adopted two critical plans, the ULI Report (February 2012) and Economic Development Strategic Plan (February 2015) to guide the City in revitalizing Downtown Stockton, increasing employment opportunities, and attracting private investment throughout the community; and

To further enhance City of Stockton's economic development program and encourage infill mixed-use development in Downtown Stockton, a new Downtown Infrastructure Infill Incentive Program has been developed providing financial incentives to developers that create new market-rate housing and retail/commercial space in Downtown Stockton; and

The Infrastructure Infill Incentive Program will support the city's business expansion efforts, bring private investment to Downtown Stockton, and generate additional jobs and revenue for the City; now, therefore,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF STOCKTON, AS FOLLOWS:

1. The City Council hereby approves the Downtown Infrastructure Infill Incentive Program and Program Guidelines, attached hereto as Exhibit 1 and incorporated herein by this reference.

2. The City Manager is hereby authorized and directed to take all necessary and appropriate action to carry out the purpose and intent of this Resolution.

PASSED, APPROVED, and ADOPTED July 7, 2015.

ANTHONY SILVA
Mayor of the City of Stockton

ATTEST:

Bonnie Paige

BONNIE PAIGE
City Clerk of the City of Stockton

STOCKTON FOUNDED JUNE 1849 INCORPORATED JULY 1850

Moved by: Christina Fugazi, seconded by Anthony Silva.
Vote: Motion carried 6-0

Yes: Christina Fugazi , Elbert Holman, Susan Lofthus, Michael Tubbs, Anthony Silva, and Daniel Wright.
Absent: Moses Zapien.

City of Stockton
ECONOMIC DEVELOPMENT
DOWNTOWN INFRASTRUCTURE INFILL INCENTIVE PROGRAM

Goals and Objectives
The purpose of the Downtown Infrastructure Infill Incentive Program is to serve as an additional tool in the City's economic development efforts to revitalize Downtown Stockton, generate new revenue, attract new business, and create additional jobs. The program provides financial incentives to eligible parties that are looking to develop new market-rate residential or mixed use projects in Downtown Stockton. The project must align with City Council goals, adopted Economic Development Strategic Plan (February 2015) and/or Urban Land Institute report (February 2012) and must help to meet infill development objectives for Downtown Stockton.

Program Guidelines
The Downtown Infrastructure Infill Incentive Program will be used to attract and support market-rate residential, commercial, and mixed use projects in Downtown Stockton. In order to qualify, a project must meet the following guidelines:

1. **Program boundaries**
   Center Street to the west, Park Street to the north, ACE Rail/UPPR to the east, and Washington Street to the south (see Exhibit A - Program Boundary Map).

2. **Eligible Improvements**
   The Downtown Infrastructure Infill Incentive Program would fund public off-site infrastructure associated with eligible Downtown infill projects. Qualifying improvements include, but not are limited to:

   - Sewer
   - Water
   - Storm Drain
   - Street Improvements, including crosswalks, bike lanes, striping, and medians
   - Public Signage
   - Traffic Signals
   - Street Lights
   - Curb, Gutter, Sidewalk
   - Landscaping
   - Other public improvements such as benches, trash receptacles, parklets, planters, and bike racks

3. **Eligible Projects**
   In order to qualify for public infrastructure funding, a project must be located within the program boundaries identified above and consist of a minimum of 35 new market-rate residential units and/or a minimum of 30,000 s.f. of new, or newly renovated, retail or commercial space. In addition, the applicant must make a capital investment of a minimum

of $500,000 and the public improvements eligible for reimbursement must equal a minimum of $100,000 in order to qualify.

4. **Application Process and Funding**

   A request for funding must be submitted to the Economic Development Department for review. Upon project approval by the City Manager, an Infill Infrastructure Reimbursement Agreement will be drafted between the City and applicant for Council consideration. The Reimbursement Agreement will detail the public improvements being constructed, cost, source of funds, and terms of the reimbursement.

   The City will reimburse the applicant within 6 months of completion of public improvements that are eligible and included within the executed Reimbursement Agreement of up to $900,000 annually. If improvements exceed the $900,000 annual cap, reimbursements will occur in subsequent years. The City Council, at its sole discretion, may amend or cancel the program at any time.

   The Downtown Infrastructure Infill Incentive Program will maintain an annual cap of $900,000 and potentially be funded through various sources including, but not limited to, Successor Agency tax increment ("waterfall"), sales tax sharing agreements, Community Development Block Grant (CDBG) funds, Enhanced Infrastructure Finance Districts, Municipal Utilities capital improvement funds, gas tax revenues, and potential grant proceeds. The City will fund a total of $9 million during the life of the program, which will be in effect for a period of 10 years from the date of approval, unless extended by the City Council.

5. **Council Review**

   All Infrastructure Reimbursement Agreements will be presented to the City Council for review and consideration based on the guidelines set forth above.

Adopted by the Stockton City Council
_________, 2015 – Resolution No. _____

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EXHIBIT A

Downtown Infrastructure Infill Incentive Program Boundary Map