Attachment H

REPORT

FISCAL IMPACT ANALYSIS
TRA VIGNE DEVELOPMENT PROJECT

Prepared for MCD-North Stockton, LLC

Prepared by Berkson Associates

January 23, 2020

TABLE OF CONTENTS

APPENDICES

FIGURES AND TABLES

INTRODUCTION

The City of Stockton requires the Tra Vigne development proposal to include a Fiscal Impact Analysis (FIA). The FIA evaluates the proposed Project's impacts on the City of Stockton's annual operating costs and revenues. The FIA demonstrates how public services, and maintenance of public facilities and infrastructure, will be funded without causing an adverse impact on the City's budget. A separate Public Facilities Financing Plan (PFFP) demonstrates that the Project is financially viable and provides strategies for funding infrastructure and public facilities.[1]

The goal of the Fiscal Impact Analysis is to generate sufficient revenues, through a combination of City revenues, special taxes and assessments paid by the Project to fund the Project's increased public service costs. This approach eliminates potential adverse fiscal impacts of the Project on the City's budget and contributes additional fiscal stability, sustainability and diversity to the City of Stockton's fiscal base. The FIA does not allocate or redistribute a share of <u>existing</u> City costs or deficiencies, such as deferred maintenance, except where those costs are <u>increased</u> as a result of the Project, and the Project's contribution to the increased costs is directly attributable to the Project.

Reliable and dedicated sources of funding to provide a high level of public services to the Project help assure a successful and high-value Project, which in turn increases City tax revenues. New development will help the City achieve or exceed its Long-Range Financial Plan revenue forecasts. Planned fiscal mitigations applicable to new development, including Community Facilities District (CFD) special taxes for services, reduce General Fund costs and improve projected net revenues and surpluses that can improve Citywide services and facilities.

New development also provides public facility fees for Citywide infrastructure and to help repay costs of infrastructure capacity serving the Project and the City. Some of this City infrastructure has already been upgraded anticipating growth in the City, incurring debt with expectations of future development revenues and fees (e.g. for water and sanitary sewer facilities); fees paid by the Project will help to pay down these outstanding obligations.

[1] Public Facilities Financing Plan, Berkson Associates.

SUMMARY OF FINDINGS

The FIA finds that additional services and infrastructure maintenance required by the Project can be funded through a combination of General Fund tax revenues generated by the Project, special taxes and assessments paid by new Project residents for site-specific services such as park and landscape maintenance, and other funding sources including a City CFD to pay for various general City services utilized by Tra Vigne residents.

With fiscal mitigations, the Project can generate net revenues in excess of the Project's costs and help fund the City's current deferred maintenance and improve other Citywide facilities and service levels to the benefit of all City residents. New retail development at the Project will capture current and future expenditures by City residents that are "leaking" to Lodi and other cities, thereby further increasing City revenues in excess of costs to serve the Project.

Project development will create several hundred construction jobs, in addition to nearly 300 permanent jobs when the commercial component is operating. These new jobs, construction expenditures, and business spending will support other existing and new businesses and jobs in the region.

A study by the University of the Pacific[2] of housing construction economic impacts found that construction of 1,000 homes resulted in the following annual impacts:

- 3,700 jobs
- $492 million in economic output
- $244 million value added
- $56 million in permit and fee revenue for local governments
- $64 million in tax revenue to federal, state and local governments

Tra Vigne development exceeds 1,000 homes and should generate benefits in excess of those reported. The report further states that 80 percent of the regional impacts listed above would be captured in the City of Stockton. The impacts noted above would be spread over the Tra Vigne construction period of approximately five years, followed by ongoing permanent jobs and related economic benefits.

The Project's fiscal mitigations proposed in this FIA are set to levels that do not create excessive burdens on future homeowners. The mitigation burdens are capped at maximum levels supportable by the Stockton market; additional burdens could adversely affect sales and

[2] Economic Impact Study of the Proposed Housing Development in Stockton, California, March 25, 2015, Center for Business and Policy Research, University of the Pacific.

absorption, thereby reducing or eliminating the potential benefits of the Project to the City, including extending the time required for the City to collect development impact fees if market absorption slows. The fiscal mitigations are required not only to fund the Project's service costs, but also to compensate for the City's tax sharing agreement with the County; the agreement provides the City with property taxes less than half of the City's average General Fund property tax rate.

ORGANIZATION OF REPORT

Subsequent chapters describe the Project and key public service revenues and costs. The final chapters estimate potential fiscal impacts on the City and identify methods to mitigate any fiscal impacts. The appendix includes detailed tables documenting additional assumptions, calculations and methodologies to estimate costs and revenues. The analysis follows the City's guidelines for the preparation of an FIA, with refinements as noted in the text. The report has been revised in response to comments from City staff and their consultants.

1. PROJECT DESCRIPTION

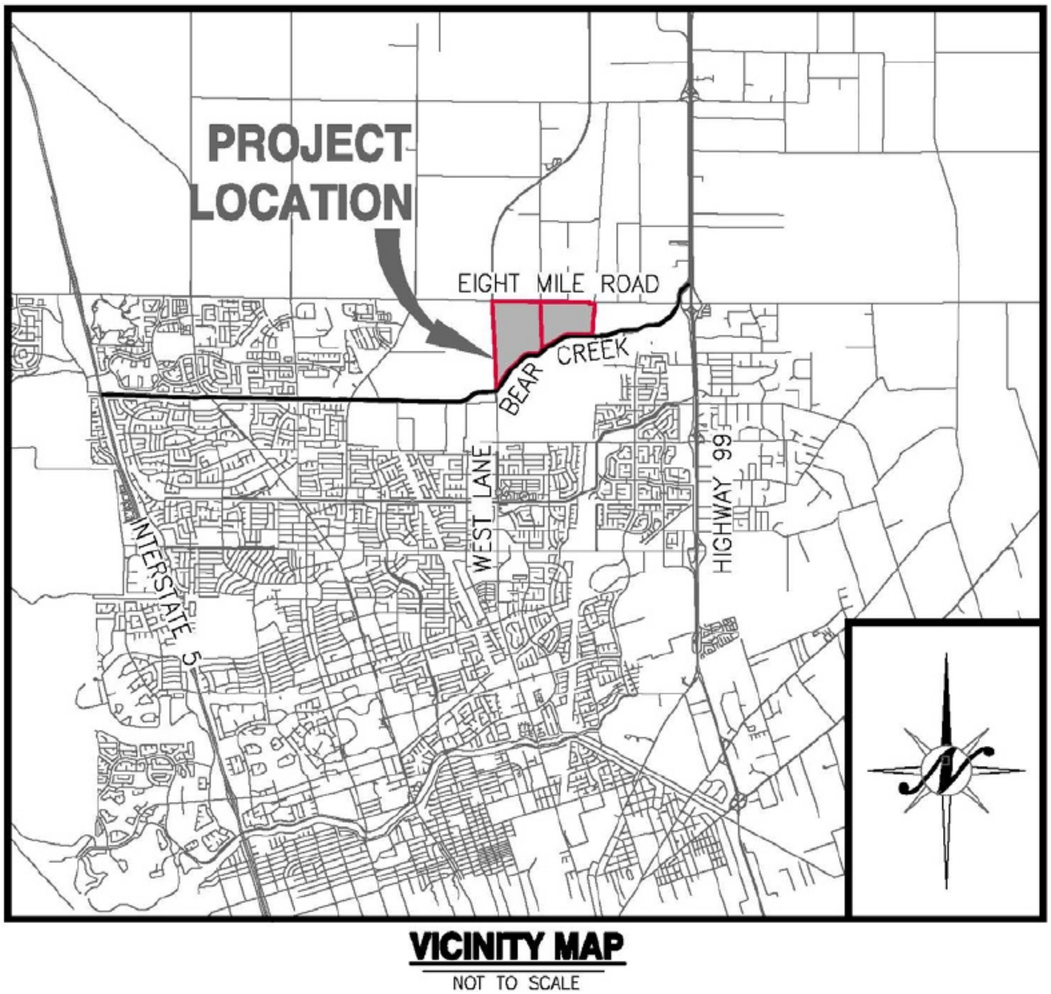
As shown in **Figure 1**, the 314-acre proposed Project site is located in the northeastern portion of the City of Stockton Metropolitan Area, within the unincorporated area of San Joaquin County, and requires annexation into the City's boundaries. The City of Stockton will provide municipal services. Other service providers are described in the Plan for Services prepared for the Project under separate cover.

The Project area is adjacent to the City of Stockton city limits to the east, within the Stockton Sphere of Influence (SOI) as defined in the 2035 Stockton General Plan, and within the City of Stockton Urban Services Boundary.

The Project site consists largely of active agricultural fields (roughly 253 acres in production). The Project site includes 15.57 acres of existing industrial uses in the north-central portion of the Project site; uses within these existing industrial lots include Pacific Bell, and Bragg Investment Company.[3]

[3] NOP, July 7, 2017. See Project Location and Setting, Existing Uses, pg. 3.

Figure 1 Tra Vigne Site Location



LAND USES AND RELATED ASSUMPTIONS

The Project site has been designed with two sub-planning areas, Tra Vigne West and Tra Vigne East. **Figure 2** provides a conceptual site plan that illustrates the development of 1,413 residential units (including 1,073 single-family units and 340 multifamily units), a 15-acre existing Industrial area, a 10.5-acre commercial area, 15 acres of park space, and 20 acres of open space mainly along Bear Creek.[4] The Project has set aside a 14.7-acre site for a K-8 school to be developed by the LUSD.

[4] NOP, July 7, 2017. See Project Description, Project Characteristics, pg. 7.

Figure 2 Tra Vigne Conceptual Site Plan

RESIDENTIAL USES

The FIA analyzes 1,073 single-family units and 340 multifamily rental units, which represents the Proposed Project including a school site. The scenario excluding the school site would increase the total development by 90 units but would not have a significant impact on net revenues since increased costs and revenues would be comparable, assuming fiscal mitigations. **Appendix B** illustrates the fiscal impacts of the scenario without a school site.

Sales Prices and Rents

Sales prices and rental rates are the basis for property taxes and related City revenues. Prices also determine and depend upon household incomes, which in turn generate spending and sales taxes to the City.

The FIA assumes an average price of $425,000 based on a review of sales of new residential units in comparable Stockton projects.[5] Market analysis estimates average multifamily lease rates of $1,380 per month. Continued annual price appreciation is likely through buildout and has been included in the current analysis in assumptions about property tax growing at least equal to inflation; ongoing improvement in prices will improve the fiscal results shown in this FIA and produce greater surplus revenues to the City.

POPULATION

Approximately 4,200 residents will occupy the Project at its completion. The number of persons per household is based on the City's FIA guidelines; the estimate assumes 3.25 persons per single-family unit, and 2.1 persons per multifamily unit.[6] The DEIR does not distinguish population by unit type, using a single average of 3.17 persons per unit for all units.

NON-RESIDENTIAL USES

Commercial

Employees at the 10.5-acre commercial site will require City services and are factored into estimates of the Project's "service population". The analysis assumes 350 square feet of commercial space per employee to estimate 290 employees working at the site's 101,500 sq.ft. of commercial uses.

[5] For example, see the KB Avalon project in Stockton.

[6] City of Stockton FIA Template Update 6/21/2017.

School

The Proposed Project anticipates the construction of a new school facility.[7] The Project has set aside a 14.7-acre site for a K-8 school to be developed by the LUSD.[8] A new school would be funded through a combination of development impact fees charged by the school district to new residential and commercial development, District voter-approved bond funds,[9] and State bond funds as available. If a school is built, maintenance and operations of the school will be the responsibility of the school district and would not affect City finances. School district operations are funded through State revenues including locally generated property taxes.

Other Project Facilities and Uses

The Project will construct infrastructure and public facilities needed to serve new residents, and to accommodate the planned commercial center. The Project's Public Facilities Financing Plan (PFFP) describes construction costs for infrastructure and facilities, and feasible mechanisms for funding construction.[10] The FIA addresses General Fund services and other special fund maintenance and operating costs for infrastructure and facilities; the analysis excludes enterprise-type facilities funded by user fees and charges (e.g., water and sewer).

Parks and Open Space

The Project includes approximately 15 acres of neighborhood parks. The Bear Creek Corridor represents about 20 acres; the majority of the Bear Creek Corridor will be open space intended for passive recreation uses.

Roadways

The Project site includes about 10.35 center-line miles[11] of public roadway, not including offsite roads to be improved by the Project. The analysis estimates annual costs for maintenance, repair and repaving. Annual maintenance costs also will be required for medians and other hardscape and landscaped areas.

---

7 Draft Environmental Impact Report (DEIR) for the Tra Vigne Development Project, Volume II, April 2018, pg. 3.12-23.

8 ibid, DEIR, April 2018, pg. 3.12-7.

9 District bond funds include Measure L $114,000,000 General Obligation Bonds 2006, $60,000,000balance remaining as of March 2017, for rehabilitation and new school facilities; and Measure U, $281,000,000 General Obligation Bonds approved November 8, 2016 for repair expansion, safety and upgrades.

10 Public Facilities Finance Plan, Berkson Associates.

11 "Center-line" miles are the length of a road independent of how many lanes it includes.

Other Public Facilities

The Project is expected to be within the service area of the City's Fire Station #13 at the time of initial development and occupancy of units, meeting City service standards. Should the Developer want to initiate construction of homes prior to the substantial completion of Holman Road Bridge Road Extension it may exercise the provision of the Interim Emergency Services Agreement to fund fire service equipment and staff to assure adequate service.

PROJECT ABSORPTION/PHASING

The City's FIA Guidelines allow the fiscal analysis to be prepared for "building blocks" of development.[12] The "building block" approach segregates impacts of different land uses, which is helpful to the FIA because the timing of commercial and multifamily uses is uncertain.

The first "Single-Family Residential" building block includes development of all single-family residential uses and infrastructure (roads, utilities, parks, open space, etc.). Because the commercial uses partially depend upon support from new residents of the Project and other new residential development in the area, the commercial site is likely to be deferred until sufficient residential development occurs; the commercial center is added to the single-family residential uses to create a "Buildout All Uses" scenario. The multifamily development is also likely to follow development of single-family uses, parks and commercial uses, and is included in "Buildout All Uses".

Absorption

Depending on the strength of the local and regional real estate market at the time that sales begin, absorption of the single-family units could be spread over a 3 to 7-year period. For purposes of analysis, an average of 5 years is assumed. Construction of public facilities and infrastructure to serve the Project generally is assumed concurrent with the residential development.

[12] City of Stockton, Fiscal Impact Analysis (FIA) General Guidelines, June 2017; see Item #2.

2. METHODOLOGY AND ASSUMPTIONS

SCOPE AND METHODOLOGY

The FIA compares tax revenues generated by the Project to estimated additional public service costs incurred by the Project. To the extent that revenues fall short, the FIA includes mitigations to eliminate potential fiscal impacts on the City and create surpluses to benefit Citywide services and facilities. The analysis includes impacts on services and revenues resulting in actual increases to the City's budget; allocations of existing costs or deficiencies, which would exist regardless of whether or not the Project develops, are excluded.

Service costs generally are estimated on a "case study" basis, for example by multiplying costs per acre for park maintenance by the number of new park acres added by the Project. Similarly, "case study" revenues evaluate Project-specific factors, for example, property tax is estimated based on the estimated new assessed value constructed.

Other costs and revenues are based on current City expenditures or revenues calculated as a "per resident" or "per person served" factor multiplied by the population and employment added by the Project. The factors are based on City revenues or expenditures and follow the direction provided by the City's fiscal template.

GENERAL AND MAJOR ASSUMPTIONS

The FIA assumptions follow City guidelines. In certain cases, noted in the text, the FIA uses assumptions more specific and applicable to the Project.

Inflation

All figures in the Fiscal Analysis are expressed in "constant" dollar terms. That is, future amounts represent their 2018 equivalent value. In actuality, all values will be inflated over time, however, inflation won't change their 2018 value as long as costs and revenues inflate at roughly a similar rate, and any differences are offsetting.

Certain items may grow faster than inflation, for example, property values and property tax growth may exceed inflation as real estate markets continue to improve; the City's FIA guidelines indicate property appreciation of 4%, constrained by Prop. 13's limit on property (until it is sold) of 2%. Property tax revenues are likely to be greater than shown in the current analysis as resales occur and property are re-assessed at values increasing greater than inflation.

Population Served (Employee Equivalent Factor)

Estimated “service population” added by the Project is equal to the number of residents plus 50 percent of employees added by the Project’s new residential units and commercial space. The FIA estimates several City costs and revenues based on service population when the service is required to serve residents and employees, and detailed “Case Study” assumptions are unavailable. Fiscal analyses commonly utilize an assumption that employees have less service impacts relative to residents; the FIA guidelines indicate that employees have 50% of the impact of residents.

3. FISCAL IMPACT ANALYSIS

As described above, the FIA assumptions follow City FIA guidelines except where noted in the text. In many cases, costs and revenues depend upon specific characteristics of the Project that may vary from the City's general guidelines. These assumptions are further described below and in the appendices.

CITY REVENUES

The Project will increase various revenues to the City to help fund additional public services required by the Project. The following sections describe these revenues, which are further documented in appendix tables. Additional Project revenues, funding sources and other measures that may be necessary to mitigate fiscal shortfalls are described in **Chapter 5**.

PROPERTY TAX

The FIA assumes an average home price of $425,000 (plus 1% unsecured value).[13] Multifamily values assume approximately $220,000 based on an average monthly rent of $1,380 per unit. Commercial values assume $350 per square foot (plus 10% unsecured value).

The City's share of property tax is specified in a master tax sharing agreement with the County whereby the City receives 20% of the County's current share of property taxes from annexed property. The City also gets a 20% share of the property tax otherwise accruing to the County Road Fund and County Library, the Waterloo Morada Fire District, and the Woodbridge Irrigation District), which amounts to about 7.7 percent of each property tax dollar (each property tax dollar is 1% of assessed value).

As a consequence of the tax sharing agreement, the City's share of property tax from the Project post-annexation is less than half the average amount the City receives throughout the City. This low share of property tax largely explains why some fiscal mitigations may be required from the Project to assure adequate revenues to cover service costs.

[13] See Table B-3a and Tables D-1 through D-3 for additional property tax detail.

Property Tax in lieu of VLF

"Property Tax in lieu of Vehicle License Fees" increases in proportion to City assessed value growth.[14] In other words, if the Project contributes a 2.7 percent increase in City assessed value, then the City's current Property Tax in lieu of VLF is estimated to grow 2.7 percent.

Sales Taxes

The General Fund receives 1% of taxable sales occurring within the City. Expenditures by new households generate sales tax to the City, augmented by sales tax from the commercial center.

According to the City's FIA guidelines, only six percent of onsite commercial taxable sales should be attributed to the Project's fiscal benefits. The six percent is intended to represent the average Citywide share of total taxable sales from non-City residents; the balance of sales at the commercial center are assumed by the City's guidelines to be spent by City residents within the City independent of whether the new center is built due to shifts of sales that would have occurred in the City in any event. However, the Project's commercial center, at the northernmost point of the City, is likely to capture existing and future resident sales that that otherwise be spent by residents driving north to Lodi, which may be closer than many stores in Stockton. Therefore, the sales tax revenues to the City from the Project's commercial center are likely to be much greater than shown as it captures and reduces "leakage" to other cities.

The FIA estimates taxable expenditures from residents as a percent of household income, which in turn is based on average home prices and rents. [15] The guidelines attribute 84.5 percent of new resident sales as a fiscal benefit, assuming that the remaining 15.5 percent would be spent outside the City and represents "leakage". However, as noted above, the Project's commercial center, due to its location and convenience to new residents, is likely to reduce leakage.

The City's guidelines indicate that Measure W (0.25%) sales tax revenues, dedicated to public safety, are restricted and should be excluded from the analysis as those funds will be offset by corresponding expenditures over and above General Fund public safety expenditures. Similarly, Measure M (0.25%) sales tax revenues, dedicated to funding additional recreation and library services, are excluded from the FIA analysis. Measure A, the voter approved sales tax measure described below, is included because it is available "for general purposes".

---

[14] See Table B-3a for additional detail about Property Tax in lieu of VLF.

[15] See Table B-8 for additional information about document transfer tax estimates.

During construction, the City could require that developers obtain a sales tax permit that would specify that the development site, and City of Stockton, be designated as the “point of sale” for purposes of allocating sales taxes. The FIA has not estimated taxable construction sales because of the high degree of uncertainty regarding how much the City can capture.

Measure A

Measure A sales tax (0.75%) is a general tax, which means it is unrestricted; the City has applied portions towards violence prevention, and in the past, to fiscal sustainability actions including reserves.[16] The fiscal analysis calculates Measure A revenues as an additional 75% of the 1% sales tax generated to the General Fund by the Project.

Document Transfer Tax

The fiscal impact analysis includes document transfer tax, at the rate of $0.55/$1,000 of value, generated to the City from the sale of real property.[17]

The analysis assumes that following the initial sale of a new home, the residential units sell, on average, once every ten years, or 10% annually; actual revenues will be sporadic. To the extent that the average homeowner moves more than once in ten years, this revenue will be greater.

Although commercial property sales are sporadic and difficult to predict, the analysis spreads the potential tax over a twenty-year period, or 5% annually. This calculation applies to the multifamily property and the commercial site.

During the initial development and sales period, transfer taxes will be paid on all new homes sold in each year, in addition to transfer taxes paid on the percent of existing homes that are re-sold in a given year.

Utility Users Tax (UUT)

Utility Users Tax is generated by utility consumption in the City. The FIA utilizes a “persons served” factor to estimate revenues generated by the Project.

---

16 Annual Budget Adopted FY2016-17, City of Stockton, approved with revisions June 21, 2016, Reso. 2016-06-21-1605

17 See Table B-8 for additional information about estimates of document transfer tax.

FRANCHISE TAX

Franchise taxes are generated from various utility providers. The analysis applies a “persons served” factor to estimate City revenues.

TRANSIENT OCCUPANCY TAX (HOTEL TAX)

Although the Project does not include a hotel, the new residents and commercial activity will generate additional room-nights in the City. This revenue is estimated using a “per employee” factor based on current City revenues and the Project’s added employment, as recommended by the City’s FIA guidelines.

BUSINESS LICENSE TAX

Business license taxes are estimated using a Citywide amount per employee and applied to the number of new Project employees. The exact amount of tax depends on the types of businesses and may be greater than shown, for example, due to additional revenue collected from home businesses which has not been estimated.

ROAD FUND REVENUES

Road Fund revenues include gas taxes allocated on a “per capita” basis to the City. Road-related expenditures are also funded by the City’s share of County Measure K revenues. Measure K is a half-cent sales tax dedicated to transportation projects in San Joaquin County, adopted in 1990 and extended for an additional 30 years in 2006. Recent approval of Statewide gas taxes, not included in the City’s fiscal template or in the current analysis, will increase projected funds shown for road maintenance.[18]

The Countywide categorical allocations of Measure K include local street repairs and roadway safety (35%), congestion relief projects (32.5%), railroad crossing safety projects (2.5%), and passenger rail, bus, and bicycles (30%), which includes dedicated funding for bus rapid transit and safe routes to schools.[19]

[18] Increased road fund revenues include an additional 12 cent per gallon increase to the gasoline excise tax effective November 1, 2017; a subsequent initiative to eliminate the increases was rejected by voters in November 2018. See CaliforniaCityFinance.com for additional detail re: forecasted revenues.

[19] http://www.sjcog.org/measurek

The analysis applies a "per resident" factor to estimate Measure K revenues, based on the amount of Measure K revenue deposited into the City Road Maintenance Fund relative to the Project's population.

Other "Per Resident" Revenues

The City receives a relatively small amount of revenue from its share of Motor Vehicle License revenue from the State, estimated using a "per resident" factor; the majority of these revenues are now allocated as described previously for Property Tax in lieu of Motor Vehicle Licenses.

Other "Persons Served" and "Per Employee" Revenues

A number of other revenues are estimated, including:

- Licenses and Permits
- Charges for Services
- Fines and Forfeitures

The City's FIA guidelines recommend against including "Indirect Cost Allocations", although the City's budget include these revenues. These revenues are not estimated in the current FIA analysis, but it is likely that some cost allocation revenues transferred to the General Fund from departments serving the Project will occur and generate City revenues greater than shown.

Revenues not Affected by the Project

Other revenues assumed unaffected by the Project include the following:

- Interest Earnings[20]
- Fire Contracts
- Sale of Fixed Assets
- Rents/Leases/Concessions
- Refunds and Reimbursements

[20] Note: the FIA guidelines include certain interest earnings, however, the current analysis excludes these minimal revenues as they are not directly affected by the Project.

CITY EXPENDITURES

The following sections describe City services and City costs that the Project is projected to incur. A combination of new City Project-generated revenues plus any additional Project revenues (e.g., assessments or special taxes, described in **Chapter 5**) needed to mitigate fiscal shortfalls will fund these expenditures.

POLICE

The City of Stockton's police department will take over responsibility from the County Sheriff for serving the Project. The City is in the process of rebuilding its staffing, and currently reports 485 sworn officers,[21] a ratio slightly above 1.5 sworn officers per 1,000 population.[22] This ratio meets the City's General Plan minimum standard of 1.5 sworn officers per 1,000 residents.[23]

The fiscal analysis uses a "persons served" factor to estimate the additional police expenditures required by the Project. Existing service standards are not increased above existing levels since the current City General Plan service standard is being achieved.

It is likely that average police expenditures required by the Project would be less than the Citywide average because of the Project's suburban, master-planned residential character compared existing City conditions. Applying the City's standard of 1.5 sworn officers per 1,000 residents implies the need for a police beat of about 6 sworn officers; this level of additional staff would provide the capacity to patrol the Tra Vigne Project 24 hours/day, 7 days/week. The "persons served" method required by the City's FIA guidelines also factors demands from employees; the Project's employment base is smaller compared to City averages, and therefore the "persons served" method reduces service needs to about four officers.

Even with a calculated need and cost for four officers, this would provide a level of service that is not justified by demand from the largely residential, master planned community. However, the FIA includes this level of service and associated cost. In reality, because it is unlikely that the Project will actually need four officers, the City will realize a net surplus of revenue and/or fund additional officers that can be focused in areas of the City where they are most needed.

The FIA estimates additional police service costs to the commercial center and the multifamily development, although it is likely those uses will employ private security measures.

[21] City of Stockton website, retrieved 5/2/18, http://www.stocktongov.com/government/departments/police/about.html

[22] According to the Cal. State DOF, Stockton's population was 320,554 on January 1, 2017.

[23] City of Stockton General Plan, Public Facilities and Services Element, PFS-7.2.

Fire Protection and Suppression Services

The analysis estimates the additional fire department expenditures required by the Project based on the "persons served" added by the Project, consistent with direction from City staff and its consultants. The City's General Fund provides most of the funding for the fire department.

As a result of the City's property tax sharing agreement with the County, the City will share in property tax revenues currently accruing to the Waterloo-Morada Fire District, which will detach the Project site. The Waterloo-Morada Fire District will receive a mitigation payment from the Project Developer.[24]

Fire protection needs of the Tra Vigne project are likely to be less than Citywide averages due to the requirement that all new development be fully sprinklered inside the buildings. While this safety feature does not reduce medical service calls or the need to respond in the event of a fire, it can reduce the intensity and spread of fires, and thereby ease service burdens on fire departments.

Public Works

Five divisions comprise Public Works: Engineering, Solid Waste/Recycling, Operations and Maintenance, Fiscal and Administration. The Public Works budget consists primarily of restricted funding sources; with the exception of Road Fund revenues, and assessment district revenues, which are described further below, restricted revenues and the services funded are not estimated.

General Fund revenues are used for the following:

- Maintenance, repair and replacement of City buildings and grounds
- Contracted maintenance services at 50 parks
- Maintenance of approximately 98,000 trees along streets and in parks
- Departmental management, fiscal, and administrative support

Costs for Public Works Administration are estimated using a "per persons served factor", in addition to operation and maintenance activities (excluding costs specific to the Project's parks, etc.) and central building (facilities) maintenance.

[24] The mitigation agreement has been negotiated and includes a one-time, upfront payment from the Developer to the District.

State gas tax and County Measure K revenues fund transportation operations, including street maintenance and other street-related services.

Parks and Open Space

The Project's parks and open space corridor along Bear Creek will be maintained by the City (or its contractors). The costs are included in the "Parks and Landscape" cost. Costs are based on estimates provided by the City's FIA guidelines and by the Project's engineers.

Parks, street trees, and landscape and open space are excluded from the General Fund costs and estimated separately based on the Project's acres of parks, number of trees and landscaping maintained by a new zone for the Project within the City's existing Consolidated Landscape Maintenance Assessment District (LMAD) 96-2 Fund. The District will collect assessments from the Project to pay for its corresponding services costs.

Additional City Facility, IT, Fleet, and Equipment Maintenance

The FIA guidelines include costs for "Additional City Facility, IT, Fleet, and Equipment Maintenance". The FIA guidelines indicate that these additional costs "reflect the annual amount required to maintain various city facilities without increasing the deferred maintenance." The City has revised the FIA guidelines, which originally were based on depreciation costs. The revised methodology utilizes a maintenance cost analysis prepared for all City facilities, and deducts existing expenditures included in current budget expenditures to estimate additional needs. The cost analysis adds a cost factor reflecting the current condition of facilities; in effect, the cost factor includes costs caused by past deferred maintenance. The costs include estimated maintenance costs for the new City Hall, which were not included in the City's recent facility cost analysis.

CITY ADMINISTRATION

City administrative costs include:

- Charter Offices (Includes City Council, City Manager, City Attorney, and City Auditor)
- Administrative Services
- Human Resources
- Non-Departmental (Tax Collection & Election, Other Administration)

Costs generated by the Project are estimated using a "persons served" factor. Although it is unlikely that the Project alone would create a need for additional administrative staff, its contribution to cumulative City growth and a future need for increased administration is reflected by the estimate. As indicated by the FIA Guidelines, the Charter Offices are increased by 84.5% of the "persons served" factor since these offices will not increase proportionate to population growth. Administrative Services and Human Resources are increased by 100% of the "persons served" factor as required by the City's guidelines.

ECONOMIC DEVELOPMENT

The FIA guidelines recommend that economic development services be estimated using a "per person served" factor. Although the guidelines indicate that the amount varies, the Guidelines provide an annual average.

COMMUNITY DEVELOPMENT

The FIA estimates the Project's impacts on Community Development services using a "per person served" factor, in accord with FIA guidelines.

PROGRAM SUPPORT TO OTHER FUNDS

The General Fund supports a range of other programs and special funds. The Project's fiscal analysis assumes a "per resident" cost impact on:

- Libraries
- Recreation

As noted in the revenues section, Measure M sales tax revenues are assumed by the FIA guidelines to be offset by additional expenditures over and above existing General Fund expenditures on the items listed above that use a the "per resident" estimate.

A range of other programs not directly affected by new development are excluded, such as entertainment venues, golf courses and marina.

ROAD FUND EXPENDITURES

The City is responsible for road maintenance, which is partially funded by State Gas Taxes and County Measure K. The Project is planned to include about 10.35 center-line miles[25,26] of public roadway onsite, not including offsite improvements to arterial roads by the Project.

The FIA utilizes expenditures factors recommended by the FIA guidelines for items such as curbs, gutters and sidewalks (including landscaping), traffic signals, and street lighting operations and maintenance. Costs for road maintenance are estimated based on a detailed overlay and reconstruction program specific to the Project as developed by the Project's engineers. The maintenance includes an overlay program spread over every 30 years and a reconstruction program spread over 60 years. Together, those costs represent an annual average amount to be set aside or expended on pavement. These cost estimates are averages, and actual costs may vary depending on specific road conditions. In the early years of the Project's roads, minimal costs are likely.

In the event of the formation of a CFD for Tra Vigne infrastructure, issuance of bonds to finance capital infrastructure, and dedication of the financed facilities to the City, a transition event for financing of ongoing maintenance will occur. At the payoff of the bonds financing capital infrastructure, 20% of the annual assessment dedicated to the payment of this debt will continue to be assessed and transition to pay for ongoing maintenance of the capital facilities that were financed.[27]

The road maintenance costs are assigned to the City's Roads Fund, which receives additional revenues from various sources dedicated to road maintenance; other costs, including curbs gutters and sidewalks, and street lighting, are assigned to a maintenance assessment district to be funded by Project assessments. The Project is assumed to be responsible for initial capital improvements to offsite roads (e.g., West Lane and Eight Mile) as shown in the Project's PFFP, but ongoing maintenance for regional roadways is expected to be a City responsibility and is not included in the FIA.

[25] See Table C-3 for additional detail about costs of roads and related maintenance.

[26] "Center-line" miles are the length of a road independent of how many lanes it includes.

[27] Correspondence with City of Stockton, 1/16/19.

EXPENDITURES NOT AFFECTED BY THE PROJECT

The fiscal analysis assumes the Project has no impact on a number of current services:

- Labor Litigation
- Debt Service and Contingency

Expenditures for fiscal sustainability activities and reserves are not explicitly shown; however, it is assumed that the City can use fiscal surpluses generated by the Project for these purposes.

4. CONCLUSIONS

The fiscal analysis indicates a positive net surplus to the City of Stockton after all additional public service costs attributable to the Project have been funded by new public revenues generated by Project development and activity, including fiscal mitigation paid by the Project. **Chapter 5** describes fiscal mitigations, including payments towards parks and landscape maintenance costs, and drainage maintenance costs, e.g., as a new zone of the Citywide assessment districts, that contribute to the positive fiscal outcomes.

The fiscal mitigations also include Project participation in a City CFD special tax for services/ maintenance. The special tax will fund general services to Project residents but does not include park and open space maintenance and drainage on the Project site, which will be funded by Project special assessments. Road maintenance will not be funded by CFD special taxes.

ANNUAL NET FISCAL IMPACTS DURING DEVELOPMENT

During Project development, fiscal impacts of ongoing services and tax revenues should be positive, assuming that Project assessments pay for park and landscape costs and drainage maintenance (including eventual capital replacement) and the Project pays a CFD special tax for services/maintenance as described in the following chapter. Costs are generally proportionate to new development and related revenues. **Appendix B** illustrates similar positive impacts from a slightly larger project without a school site.

Additional One-Time Revenues during Development

Additional one-time General Fund revenues will accrue to the City during development from transfer taxes from the sale of new units, and sales taxes from construction materials used onsite. The latter revenue assumes that the City requires a special sales tax permit specific to onsite construction materials. Because of the uncertainty of these revenues they are not estimated in the FIA but will generate additional revenues during development.

ANNUAL NET FISCAL IMPACTS AFTER BUILDOUT OF SINGLE-FAMILY RESIDENTIAL

The first column in **Table 1**, "Annual Impact: Buildout of Single-Family Residential" indicates General Fund surpluses. As noted above, this result depends upon Project assessments paying park and landscape costs and drainage maintenance (including eventual capital replacement), and payment of CFD special taxes for services/maintenance. After deducting General Fund contributions towards road maintenance (net of dedicated road revenues such as gas taxes), the net annual surplus to the City is $11,000 annually.

Table 1 Summary of Tra Vigne Fiscal Analysis

Item	Annual Impact: Buildout of Single-Family Res.	Annual Impact: Buildout of All Uses
General Fund Expenditures		
Police	$1,119,000	$1,394,000
Fire	$396,000	$493,000
Public Works	$60,000	$75,000
Public Works Additional Maintenance Costs [1]	$183,000	$228,000
Parks & Landscape, Drainage [2]	*assessment*	*assessment*
City Administration	$106,000	$132,000
Community Development	$9,000	$11,000
Economic Development	$19,000	$23,000
Non-Departmental	$74,000	$92,000
Library and Recreation	$98,000	$122,000
Total General Fund Expenditures	**$2,064,000**	**$2,570,000**
CFD Special Tax [2]	**$537,000**	**$649,000**
Net General Fund Expenditures After CFD Special Tax	**$1,527,000**	**$1,921,000**
General Fund Revenues		
Property Taxes	$354,000	$442,000
Property Tax In-Lieu of VLF	$455,000	$568,000
Sales Taxes	$206,000	$259,000
Prop. 172 Sales Tax	$16,000	$20,000
Document Transfer Tax	$25,000	$28,000
Franchise Tax	$119,000	$148,000
Hotel / Motel Tax	-	$7,000
Business License Tax	-	$28,000
Utility Users Tax	$315,000	$393,000
Service Charges, Fines, and Licenses & Permits	$60,000	$75,000
Subtotal General Fund Revenues	**$1,550,000**	**$1,968,000**
Measure A	$154,000	$194,000
Total General Fund Revenues & Measure A	**$1,704,000**	**$2,162,000**
General Fund Operating Surplus/(Deficit)	**$177,000**	**$241,000**
Road Fund [3]		
Road Fund Revenue	$124,000	$150,000
Road Fund Expenditures	($290,000)	($290,000)
Road Fund Operating Surplus/(Deficit)	**($166,000)**	**($140,000)**
Net General Fund and Road Fund Surplus/(Deficit)	**$11,000**	**$101,000**

[1] Add'l Public Works costs from MBI memo to City, 9/17/18 based on Kitchell Report.
[2] The Project will mitigate potential impacts on the General Fund by participation in assessments for Landscape Maintenance and Drainage, in addition to a CFD special tax for General Fund services.
[3] Routine annual road maintenance (including periodic overlays) will not be be funded by the proposed CFD for services. Major capital improvements will be funded by other sources that may include bonds funded by a portion of the Project's CFD for capital after initial CFD bonds are defeased.

1/7/19

ANNUAL NET FISCAL IMPACTS AFTER BUILDOUT OF ALL USES

Table 1 shows a General Fund surplus (including Measure A) annually at buildout of all uses including the commercial center and multifamily uses. After deducting potential road maintenance costs (net of road revenues such as gas taxes), assumed to be a City responsibility, the surplus to the City is $101,000 annually assuming the Project pays assessments and CFD special taxes for maintenance/services.

The fiscal analysis conservatively estimates that most of the commercial center's revenues result from a shift of existing sales in the City resulting in minimal net new sales tax revenues in the FIA estimates; the City's FIA guidelines require this assumption. However, it is likely the new commercial center will capture sales tax leakage that would otherwise occur from existing residents and new residents driving to Lodi to shop, rather than to existing Stockton businesses, resulting in greater City sales tax revenues than shown in **Table 1**.

CHAPTER 5. FUNDING SOURCES TO MITIGATE FISCAL DEFICITS

As described in the prior chapter, fiscal mitigations will be implemented to avoid adverse impacts on the City. **Table 2** estimates additional assessments paid by the Project to fund certain costs. The analysis assumes that the facilities maintained by the assessment districts are entirely constructed prior to buildout of the single-family residential (Phase 1); therefore, there is no increase in the costs or the assessments following buildout of the multifamily and commercial uses. If the latter uses pay assessments, the charges to single-family uses would be reduced.

The table shows surplus revenues to the City after the Project pays the assessments, consistent with the prior **Table 1**.

Table 2 Project Assessments for Parks, Landscape, and Drainage Maintenance

Item	Annual Impact Buildout of Single-Family Res.	 Buildout of All Uses
Landscape Maintenance Assessment District [1]		
Parks/Open Space and Trees	$(503,000)	$(503,000)
Subtotal	**($503,000)**	**($503,000)**
Special Tax/Assessment Revenues [1]	**$503,000**	**$503,000**
Drainage Maintenance District [1]		
Drainage System Maintenance/Capital Replacement [2]	$(84,000)	$(84,000)
Subtotal	**($84,000)**	**($84,000)**
Special Tax/Assessment Revenues [1]	**$84,000**	**$84,000**
Combined Surplus/(Deficit) after Assessments	**$11,000**	**$101,000**

[1] The Project will mitigate potential impacts on the General Fund, and will participate in a Landscape Maintenance District zone, Drainage District, and CSD special tax.

[2] Stormwater system maintenance/replacement costs to be funded through assessment district. Annual costs estimated from $52,300 to $70,000/yr including energy, maintenance and repair, and eventual replacement (West Yost Associates, Technical Memorandum "Operations, Maintenance and Replacement Costs for Detention Basins at Tra Vigne", Aug. 25, 2017). *9/27/18*

DESCRIPTION OF FUNDING SOURCES

In addition to new tax revenues generated by the Project to the City, the fiscal analysis assumes that the Project will pay Landscape Maintenance Assessment District (LMAD) assessments to fund services to the Project, as well as annual drainage maintenance assessments. The assessments and/or special taxes will reduce City costs to a point where net City revenues from the Project will exceed City costs and provide a surplus that can be used for fiscal sustainability or other City purposes. Key funding sources and mechanisms are summarized below.

General and Other Revenues

In addition to General Fund revenues such as property tax and sales tax, revenues include voter-approved sales taxes for public safety, library and recreation, as well as State subventions such as gas tax. These revenues, generated by Project development, will fund a range of City services needed by the Project, supplemented by assessments collected by Tra Vigne zones within existing City maintenance districts. Road maintenance is assumed a City funding responsibility so that gas taxes generated by Project residents can be applied towards road maintenance costs.

Citywide Consolidated Landscape Maintenance Assessment District 96-2

The existing Citywide Consolidated Landscape Maintenance Assessment District (LMAD) services include streetscape and median landscaping and irrigation, painting and repair of walls, landscape/janitorial at 12 parks, and street lighting repair and electricity costs. The Project would annex into the LMAD and create a new zone to maintain lighting and landscaping including street medians, street trees and parks. A 20% factor is added to the costs to provide for district administration.

Drainage Maintenance District 2005-1

The Project would become a new zone within the City's existing Consolidated Storm Drainage Maintenance Assessment District No. 2005-1. Assessments within the District would be established sufficient to fund the specific needs of the Project including operating, maintenance and replacement of the drainage system. A 20% administration factor is added to costs.

CFD Special Tax

The Proposed Project is expected to participate in a Community Facilities District (CFD) formed by the City to fund maintenance and services (excluding road maintenance, parks and open space, and drainage). The specific terms of a CFD for services will be included in the CFD's "Rate and Method". Currently the FIA assumes that single-family units will pay up to a maximum of \$500 per unit, and multi-family units would pay 2/3's of this rate, or about \$330 per unit annually. Actual rates paid may be less than the maximum if funded costs are less than expected. The CFD "Rate and Method" will establish maximum rates and annual adjustments, which may range from 2 to 4 percent annually (to be determined by the City). The City also proposes to utilize CFD special taxes to fund capital costs that may be necessary for major reconstruction of the Project's roads. The special taxes would be 20% of the CFD special taxes utilized to fund Tra Vigne infrastructure; the taxes would be utilized after the initial CFD infrastructure bonds are retired.

Homeowners Association (HOA)

No funding of public services by a Homeowners Association (HOA) is anticipated to be necessary.

ESTIMATE OF ANNUAL AND ONE-TIME BURDENS BY LAND USE

As shown in **Table 3,** the estimated burden per single-family unit is **$1,048** annually per single-family residential unit. As described below, these burdens represent an additional 25 percent in addition to basic property taxes and other taxes and payments that vary from 1.05 to 1.15 percent of assessed value. The impact on overall project feasibility is considered in the Public Facilities Financing Plan (PFFP).

The burden is approximately 0.25 percent of the assessed value of a single-family unit priced at $425,000. The cumulative tax burden including other tax overrides assumed at 0.15% would be 1.40% of assessed value. Market conditions and relatively low tax burdens at competing projects in the area limit the ability to create more than a cumulative 1.50 percent combined tax burden without adversely affecting home prices and corresponding tax revenues to the City. The 1.40 percent cumulative tax burden limits the ability to utilize a CFD for additional special taxes to also fund infrastructure, given a maximum burden of 1.50 percent.

Table 3 Summary of Tra Vigne Fiscal Mitigation Burden Analysis

	Annual Impact	
Item	**Buildout of Single-Family Res.**	**Buildout of All Uses**
Development		
Single-Family Units	1,073	1,073
Multifamily Units		340
Commercial Sq.Ft.		101,500
Mitigation per Single-Family Unit [1]		
CFD Special Tax per SF Unit [2]	$500	$500
Parks and Landscape	$469	$469
Drainage Maintenance	$78	$78
Total per SF Unit	**$1,048**	**$1,048**
% of Assessed Value per SF unit of $425,000	0.25%	0.25%
Existing Cumulative Rate [3]	1.15%	1.15%
Total	1.40%	1.40%
Mitigation Revenues		
CFD Special Tax [2]	$537,000	$649,000
Parks and Landscape	$503,000	$503,000
Drainage Maintenance	$84,000	$84,000
Total Special Taxes/Assessments/HOA	**$1,124,000**	**$1,236,000**
Net City Fiscal Impact after Mitigation [4]	**$11,000**	**$101,000**

[1] The Project will participate in Landscape Maintenance District & Drainage District, & CFD special tax. Road maintenance assumed funded by General Fund, including Project-generated surpluses. Gas taxes generated by the Project will also help to fund road costs.
[2] MF rates assumed $330/unit.
[3] Current rates vary from 1.05 to 1.15 within the area.
[4] Construction sales taxes and transfer taxes during construction not shown.

9/27/18

APPENDIX A

FISCAL ANALYSIS DETAILED TABLES

Table A-1
Tra Vigne Fiscal Impact Analysis
General Assumptions

Item	Assumption
General Assumptions	
Property Turnover Rate (% per year) [2]	
Residential - Owner Occupied	10.0%
Residential - Apts.	5.0%
Commercial	5.0%
General Demographic Characteristics [2]	
Stockton Population (DOF)	320,554
Stockton Jobs	112,225
City of Stockton Persons Served [3]	376,667
Employee/Resident Factor (to estimate "Service Population")	50%
Persons Served for estimating Police Services	376,667

[1] Revenues and expenditures from FY17 budget except where noted.
[2] City of Stockton FIA Template Update (6/21/2017).
[3] Persons served is defined as total population plus half of total employees.

Table A-2
Tra Vigne Fiscal Impact Analysis
Land Use Summary

Land Use	Phase 1 Dwelling Units	Phase 1 Non-Residential Bldg. Sq. Ft.	Other Phases Dwelling Units	Other Phases Non-Residential Bldg. Sq. Ft.	Buildout Dwelling Units	Buildout Non-Residential Bldg. Sq. Ft.
Residential Land Uses						
Single-Family	1,073		0		1,073	-
HDR - Renter Occupied	0		340		340	-
Subtotal Residential	**1,073**		**340**		**1,413**	**-**
Nonresidential Land Uses						
Commercial		0		101,500	-	101,500
Office Park					-	0
Light Industrial					-	0
Subtotal Nonresidential Land Uses				**101,500**		**101,500**
Total All Land Uses					**1,413**	**101,500**

Table A-3
Tra Vigne Fiscal Impact Analysis
Value, Demographic, and Service Population Assumptions

Land Use	Est. Avg. Market Values [1]	Annual Turnover Rate	Buildout Units or Bldg Sq. Ft.	Persons per Dwelling Unit [2]	Service Population Phase 1	Service Population Other Phases	Service Population Buildout
Residential Land Uses	*Per Unit*		*Units*	*Persons/ HH*	*Residents*	*Residents*	*Residents*
Single-Family	$425,000	10%	1,073	3.25	3,487	0	3,487
HDR - Renter Occupied	$220,000	5%	340	2.10	0	714	714
Subtotal Residential			**1,413**	-	**3,487**	**714**	**4,201**
Average [2]							**2.97**
Nonresidential Land Uses	*Per Sq. Ft.*		*Bldg Sq. Ft.*	*Sq. Ft. / Employee*	*Employees*		*Employees*
Commercial [3]	$350	5%	101,500	350	0	290	290
Subtotal Nonresidential Land Uses			**101,500**		**0**	**290**	**290**
Nonresidential Service Population [4]					**0**	**145**	**145**
Persons Served [4]					**3,487**	**859**	**4,346**

[1] Based on Whitney Gp, 9/16, Table I-14, weighted avg., 2ndQ 2016, appreciated at 2%/yr real increase (above inflation) to 2019 open. HDR value based on monthly rents of $1,380, occupancy rate of 95%, expenses of 30% of net revenues, and 5% cap rate. Commercial development values based on Berkson Associates' experience.

[2] Residential persons per household factors based on FIA Template, Update from City 6/21/2017. Nonresidential square feet per employee factors based on Berkson Associates estimates.

[3] Assumed to include a grocery store, retail/restaurants, convenience/gas, and wine tasting. See Table B-7 for detail by commercial use.

[4] Total persons served is sum of total residents plus 50% of employees.

Table B-1
Tra Vigne Fiscal Impact Analysis
Revenue-Estimating Procedures

Item	Estimating Procedure	Case Study Reference	FY16-17 Adopted Budget Revenues	Offsetting Revenues [1]	Net Annual Revenues	Service Population	Revenue Multiplier
General Fund							
Property Taxes	Case Study	**Table B-3a**	$31,670,000		$31,670,000	N/A	-
Property Tax In-Lieu of VLF	Case Study	**Table B-3a**	$21,416,000		$21,416,000	N/A	-
Sales Taxes	Case Study	-	$45,706,000		$45,706,000	N/A	-
Prop. 172 Sales Tax	Per Capita	-	$1,517,000		$1,517,000	320,554	$4.73
Utility Users Tax	Persons Served	-	$34,070,000		$34,070,000	376,667	$90.45
Franchise Tax	Persons Served	-	$12,808,000		$12,808,000	376,667	$34.00
Business License Tax	Per Employee	-	$10,955,000		$10,955,000	112,225	$97.62
Hotel / Motel Tax	Per Employee	-	$2,700,000		$2,700,000	112,225	$24.06
Document Transfer Tax	Case Study	**Table B-8**	$720,000		$720,000	N/A	-
Motor Vehicle License	Persons Served	-	$140,000		$140,000	376,667	$0.37
Interest	[4]		$560,200				
Fire Contracts	[4]	-	$3,566,855		$3,566,855	N/A	-
Code Enforcement	[4]	-	$3,602,719		$3,602,719	N/A	-
Charges for Services [3]	Persons Served	-	$5,209,532		$5,209,532	376,667	$13.83
Fines & Forfeitures	Persons Served	-	$858,507		$858,507	376,667	$2.28
Revenues from Other Agencies	[4]	-	$1,811,128		$1,811,128	N/A	-
Licenses & Permits	Persons Served	-	$422,693		$422,693	376,667	$1.12
Sale of Fixed Assets	[4]		$500,000				
Misc. Other Revenues	[4]	-	($37,320)		($37,320)	N/A	-
Indirect Cost Allocation	[4]	-	$4,518,606		$4,518,606	N/A	-
Refunds and Reimbursements	[4]	-	$1,771,373		$1,771,373	N/A	-
Rents/Leases/Concessions [2]	No Impact		$2,498,433				
Total General Fund Operating Revenues			**$186,984,726**		**$177,136,114**		
Measure W	Case Study						
Police		-	$4,960,500		$4,960,500	N/A	-
Fire		-	$4,960,500		$4,960,500	N/A	-
Total Measure W Revenues			**$9,921,000**		**$9,921,000**		
Measure A							
Total Measure A Revenues	Per Capita		**$30,161,000**		**$30,161,000**	320,554	$94.09
Road Funds							
Gas Tax Fund	Per Capita	-	$6,778,218		$6,778,218	320,554	$21.15
Measure K	Per Capita	-	$4,649,262		$4,649,262	320,554	$14.50
Total Road Funds	Per Capita		**$11,427,480**		**$11,427,480**		**$35.65**

Source: FIA Template, Update from City 6/21/2017; City of Stockton Adopted 2016-17 Annual Budget (pg. C-3, C-4).
[1] Revenues including fees and charges that offset costs are estimated in the revenue table and not shown here, consistent with the FIA Templates.
[2] No significant impact assumed.
[3] See Note 1.
[4] Not expected to be significantly affected by the Project and therefore no revenue multipliers are estimated in this analysis.

Table B-2
Tra Vigne Fiscal Impact Analysis
Estimated Annual Revenues

Revenues [1]	Phase 1	Other Phases	Annual Revenue at Buildout
General Fund Revenues			
Property Taxes	$354,208	$88,152	$442,360
Property Tax In-Lieu of VLF	$454,649	$113,148	$567,797
Sales Taxes	$205,887	$53,389	$259,277
Prop. 172 Sales Tax	$16,495	$3,377	$19,872
Document Transfer Tax	$25,081	$3,034	$28,115
Franchise Tax	$118,567	$29,206	$147,773
Hotel / Motel Tax	$0	$6,977	$6,977
Business License Tax	$0	$28,310	$28,310
Utility Users Tax	$315,422	$77,697	$393,118
Charges for Services	$48,229	$11,880	$60,109
Fines & Forfeitures	$7,951	$1,959	$9,909
Licenses & Permits	$3,906	$962	$4,868
Subtotal General Fund Revenues	**$1,550,394**	**$418,090**	**$1,968,485**
Measure W [2] (shown for informational purposes)			
Police	$25,736	$6,674	$32,410
Fire	$25,736	$6,674	$32,410
Subtotal Measure W Revenue	**$51,472**	**$13,347**	**$64,819**
Measure A (0.75%)			
Total Measure A Revenues	**$154,415**	**$40,042**	**$194,457**
Measure M (not included in GF; shown for informational purposes)			
Total Measure A Revenues	**$51,472**	**$13,347**	**$64,819**
Road Funds Revenue	**$124,320**	**$25,454**	**$149,775**

[1] Includes only net revenues affected by development. See Table B-1 for estimating assumptio
[2] Measures W and M not included in GF, per FIA Template, Update from City 6/21/2017.

Table B-3a
Tra Vigne Fiscal Impact Analysis
Estimated Annual Property Tax Revenues

Item	Assumptions	Formula	Phase 1	Other Phases	Annual Revenue at Buildout
1-Percent Property Tax					
Buildout Assessed Value (2017$) [1]		*a*	$460,585,250	$114,625,500	$575,210,750
(less) existing value [1]					
Net			$460,585,250	$114,625,500	$575,210,750
Property Tax Revenue (1% of Assessec	1.0%	*b = a * 1.00%*	**$4,605,853**	**$1,146,255**	**$5,752,108**
Estimated Property Tax Allocation [2]					
City of Stockton (Post-ERAF)	7.7%	*c = b * 7.7%*	$354,208	$88,152	$442,360
San Joaquin County (Post-ERAF)	30.8%	*d = b * 30.8%*	$1,416,834	$352,606	$1,769,440
Other Agencies/ERAF	61.5%	*e= b * 61.5%*	$2,834,810	$705,497	$3,540,307
Property Tax In-Lieu of Motor Vehicle In-Lieu Fee Revenue (VLF)					
Total Citywide Assessed Value [3]		*f*	$21,695,634,803	$21,695,634,803	$21,695,634,803
Net Assessed Value Added by Project		*g = a*	$460,585,250	$114,625,500	$575,210,750
Total Assessed Value		*h = f + g*	**$22,156,220,053**	**$21,810,260,303**	**$22,270,845,553**
Percent Change in AV		*i = (h - f) / f*	2.1%	0.5%	2.7%
Property Tax In-Lieu of VLF	**$21,416,000**	*j = i * $21,416,000*	**$454,649**	**$113,148**	**$567,797**

[1] For assumptions and calculation of assessed value, see Table D-3.
See Table D-1 for existing values.
Existing value added by annexation is not shown, and assumed offset by development.

[2] City receives a share of existing tax rates: County GF (21.1%), Library (1.7%), Road Fund (4%), Fire District (9.9%), Woodbridge Irrigation (1.7%) avg TRAs 99198 and 99406, (County Auditor, ATIs FY16).
Factors net of Educational Revenue Augmentation Fund (ERAF).

[3] County Auditor, 2017-18 roll.

Table B-3b
Allocation of Property Tax, Transfer Tax, and Property Tax In Lieu of VLF

Item		City	County	Total
Property Tax				
Assessed Value Added				$575,210,750
(less) Existing Value (4)				na
Net				$575,210,750
Property Tax	1%			$5,752,108
County Rate, pre-annexation [1]			38.5%	$2,211,800
Tax Shares of County Rate		20.00%	80.00%	
Rates post-annexation		7.69%	30.76%	
Allocated Property Tax (post-ERAF)		$442,360	$1,769,440	$2,211,800
Property Tax in Lieu of VLF				
Citywide Assessed Value [2]		$21,695,634,803		
Assessed Value Added by Project		$575,210,750		
(less) Existing Value		-$14,523,907		
Net Increase due to Development		$560,686,843		
% Increase		2.58%		
Base Property Tax in Lieu of VLF [3]		$21,416,000		
Increase in Property Tax in Lieu of VLF		$553,460	$0	$553,460
Property Transfer Tax				
Turnover A.V.		$46,028,000		$46,028,000
Transfer Tax pre-annexation rate/$1,000 a.v.			$1.10	$50,631
Transfer Tax Rate post-annexation/$1,000a.v.		$0.55	$0.55	
Transfer Tax		$25,315	$25,315	$50,631

(1) Tax rate avg. includes County GF (21.1%), Library (1.7%), Road Fund (4%), Fire District (9.9%)
Woodbridge Irrigation (1.7%) avg TRAs 99198 and 99406, (County Auditor, ATIs FY16).
Factors net of Educational Revenue Augmentation Fund (ERAF).
(2) County Auditor, 2017-18 roll.
(3) City of Stockton General Fund - 010 FY 2015-16 Adopted Budget Revenues.
(4) Existing value added by annexation is not shown, and assumed offset by development.

Table B-4
Tra Vigne Fiscal Impact Analysis
Estimated Annual Sales and Use Tax Revenues

Item	Source/ Assumption	Phase 1	Other Phases	Annual Revenue at Buildout
Estimated Annual Taxable Sales				
Annual City Taxable Sales from New HH Expenditures		$20,588,724	$4,126,240	$24,714,964
Taxable Sales from Onsite Commercial Uses			$20,211,500	$20,211,500
(less) non-Regional sales at Onsite Retail [1]	**94%**	$0	($18,998,810)	($18,998,810)
Total Annual Taxable Sales		**$20,588,724**	**$5,338,930**	**$25,927,654**
Annual Sales Tax Revenue				
Bradley Burns (Local) Sales Tax Rate	1.0000%			
Total Annual Local Sales Tax Revenue	***1.0000%***	**$205,887**	**$53,389**	**$259,277**
Measure A Sales Tax Revenue	**0.7500%**	**$154,415**	**$40,042**	**$194,457**
calculated based on percentage; guidelines provide a per resident multiplier.				
Gross Prop 172 Public Safety Sales Tax Revenue				
City of Stockton Allocation	**Estimated using a multiplier assumption**			
Measure W Sales Tax Revenue	**0.2500%**	**$51,472**	**$13,347**	**$64,819**
Police Allocation	50.0000%	$25,736	$6,674	$32,410
Fire Allocation	50.0000%	$25,736	$6,674	$32,410
Measure M Sales Tax Revenue	**0.2500%**	**$51,472**	**$13,347**	**$64,819**

[1] According to the City's FIA guidelines, only net new revenues from regional sources outside the City can be counted towards commercial taxable sales. The guidelines indicate that the City gains 6% overall from regional sources.

Table B-5
Tra Vigne Fiscal Impact Analysis
Estimated Annual Taxable Sales, Capture, and Onsite Expenditures

		Annual Total		
Item	**Factor [1]**	**Phase 1**	**Other Phases**	**Buildout**
Annual Taxable Sales from New Households				
Single-Family		1,073	0	1,073
Retail Expenditures	$23,400	$25,108,200	$0	$25,108,200
HDR - Renter-Occupied		0	340	340
Retail Expenditures	$14,800	$0	$5,032,000	$5,032,000
Total Household Taxable Expenditures		**$25,108,200**	**$5,032,000**	**$30,140,200**
Estimated City Retail Capture Rate [2]	82.0%			
Estimated City Capture from New Residents		**$20,588,724**	**$4,126,240**	**$24,714,964**
Estimated Taxable Sales at Onsite Retail	20%	$0	$825,248	$4,942,993
Estimated Taxable Sales in City, outside Proje	80%	$20,588,724	$3,300,992	$19,771,971

[1] Taxable sales per household from Table B-6.
[2] Based on FIA Template, Update from City 6/21/2017

Table B-6
Tra Vigne Fiscal Impact Analysis
Taxable Sales, New Households

Item	Residential Land Uses: Single-Family	Residential Land Uses: Renter-Occupied
Annual Taxable Sales from New Households		
Average Annual Household Income [1]	$88,485	$52,000
Taxable Retail Expenditures as a % of Household Income [2]	26.45%	28.55%
Taxable Retail Expenditures per Household (Rounded)	**$23,400**	**$14,800**

[1] See Table D-4a and Table D-4b.
[2] Based on FIA Template, Update from City 6/21/2017

Table B-7
Summary of Onsite Commercial Sales Tax

				Taxable Sales		
Item	**Sq.Ft.**	**Total Sales/sq.ft.**		**Taxable Sales/sq.ft.**	**Total**	**1% Sales Tax**
Retail						
Grocery Store (2)	70,000	$305	$21,350,000	$122	$8,540,000	$85,400
Retail Shops	22,000	$306	$6,732,000	$306	$6,732,000	$67,320
Restaurant	3,500	$317	$1,109,500	$317	$1,109,500	$11,095
Convenience Store/gas	3,500	$305	$1,067,500	$305	$1,067,500	$10,675
Wine Tasting	2,500	$1,105	$2,762,500	$1,105	$2,762,500	$27,625
Total	101,500		$33,021,500		$20,211,500	$202,115
		avg. sales /sq.ft.	$325	avg. taxable /sq.ft.	$200	

(1) Sales/sq.ft. from Tra Vigne Commercial Market Analysis, 12/12/2016
(2) Grocery sales assumed to be 40% taxable.

Table B-8
Tra Vigne Fiscal Impact Analysis
Document Transfer Tax Revenues [1]

Description	Factor	Phase 1	Other Phases	Buildout
Transfer Tax per $1,000 of Assessed Value [2	$0.55			
Transfer Fee per $1,000 of A.V. [3]	$2.50			
Assumed Annual Turnover Rates				
Residential - Owner Occupied	10%			
Residential - Renter Occupied	5%			
Nonresidential	5%			
Residential Land Uses - Owner Occupied				
Total Estimated Assessed Value [1]		$456,025,000	$0	$456,025,000
Turnover of Property		$45,602,500	$0	$45,602,500
Estimated Document Transfer Tax [2]		**$25,081**	**$0**	**$25,081**
Estimated Document Transfer Fee [3]		**$114,006**	**$0**	**$114,006**
Residential Land Uses - Renter Occupied				
Total Estimated Assessed Value [1]		$0	$74,800,000	$74,800,000
Turnover of Property		$0	$3,740,000	$3,740,000
Estimated Document Transfer Tax [2]		**$0**	**$2,057**	**$2,057**
Nonresidential Land Uses				
Total Estimated Assessed Value [1]		$0	$35,525,000	$35,525,000
Turnover of Property		$0	$1,776,250	$1,776,250
Estimated Document Transfer Tax [2]		**$0**	**$977**	**$977**
Total Document Transfer Tax		**$25,081**	**$3,034**	**$28,115**

[1] Assessed value for residential and commercial land uses calculated in Table D-3.
[2] Formula for Transfer Tax = Assessed Value/1000 * Rate per $1,000 of Assessed Value * Turnover rate.

Table C-1
Tra Vigne Fiscal Impact Analysis
Expenditure-Estimating Procedures

Item		Estimating Procedure	FY16-17 Annual Expenditures	Net City Cost	Service Population	Avg. Cost Per Person Served	Adjustment Factor [2]	Expenditure Multiplier
General Fund Expenditures								
Police		person served (res=jobs	$120,834,147	$120,834,147	376,667	$320.80	1.00	$320.80
Fire		per person served	$42,750,972	$42,750,972	376,667	$113.50	1.00	$113.50
Public Works	[3]	per person served	$6,515,026	$6,515,026	376,667	$17.30	1.00	$17.30
Parks & Street Trees	[3]	case study	$5,217,326	$5,217,326	NA	NA	1.00	NA
Community Development		per person served	$928,363	$928,363	376,667	$2.46	1.00	$2.46
Economic Development		per person served	$2,000,000	$2,000,000	376,667	$5.31	1.00	$5.31
Office of Violence Prevention		inc. in non-dept'l	$1,475,682	$1,475,682	NA	NA	1.00	NA
			$179,721,516					
City Administration								
Charter Offices	[4]	per person served	$4,895,639	$4,895,639	376,667	$13.00	0.845	$10.98
Administrative Services		per person served	$4,997,605	$4,997,605	376,667	$13.27	1.00	$13.27
Human Resources		per person served	$2,333,149	$2,333,149	376,667	$6.19	1.00	$6.19
Tax Collection & Election		inc. in non-dept'l	$3,451,300	$3,451,300	NA	NA	0.845	NA
Other Administration		inc. in non-dept'l	$1,081,945	$1,081,945	NA	NA	0.845	NA
Total City Administration			$16,759,638			**$32.46**		**$30.44**
Labor Litigation		inc. in non-dept'l	$2,000,000	$2,000,000	NA	NA	1.00	NA
Program Support to Other Funds		per capita	$16,062,000					
Library		per capita	$4,489,000					
Recreation		per capita	$4,525,000					
Other	[5]	no impact	$7,048,000					
Net Library and Recreation	[5]	per capita	**$9,014,000**	$9,014,000	320,554	**$28.12**	1.00	**$28.12**
Debt Service		no impact	$1,443,873	$1,443,873	NA	NA	1.00	NA
Non-Departmental [6]		per person served	$8,008,927	$8,008,927	376,667	$21.26	1.00	$21.26
Contingency		no impact	$2,000,000	$2,000,000	NA	NA	1.00	NA

[1] Offsetting revenues are estimated in Table B-1 per FIA Templates and Guidelines.
[2] Efficiency factors assume that economies of scale are realized (factors per FIA Templates and Guidelines).
[3] Parks and Street Trees is a Public Works activity. For purposes of this analysis, this activity is analyzed as a separate line item, and estimated in Table C-3.
[4] Includes City Council, City Manager, City Attorney, and City Auditor.
[5] Excludes Entertainment Venues, Development Services, RDA, Downtown Marina, Grant Match, and capital improvements.
Included are library and recreation. Project impacts on Development Services assumed to be funded by fees and charges to Tra Vigne developers.
[6] Non-departmental includes Other Administration, Violence Prevention/Marshall Plan Office of Violence Prevention, Tax Collection/Elections, Labor Litigation.

Table C-2
Tra Vigne Fiscal Impact Analysis
Estimated Annual Expenditures

Expenditures	Phase 1	Other Phases	Annual Expenditures at Buildout
General Fund Expenditures			
Police [1]	$1,118,705	$275,566	$1,394,272
Fire	$395,797	$97,495	$493,292
Public Works	$60,317	$14,858	$75,175
Public Works Additional Maintenance Costs [2]	$183,290	$45,149	$228,439
Parks & Landscape	$502,980	$0	$502,980
City Administration	$106,169	$26,152	$132,321
Community Development	$8,595	$2,117	$10,712
Economic Development	$18,516	$4,561	$23,077
Non-Departmental	$74,148	$18,265	$92,413
Library and Recreation	$98,062	$24,155	$122,217
Total General Fund Expenditures	**$2,566,580**	**$508,318**	**$3,074,898**
Road Fund Expenditures	**$289,858**		**$289,858**

[1] Private security at MF and commercial is also assumed, which could reduce costs shown.
[2] Add'l Public Works costs from MBI memo to City, 9/17/18 based on Kitchell Report.

Table C-3
Tra Vigne Fiscal Impact Analysis
Estimated Park and Street Annual Costs at Buildout

Item	Factor	Area (sf) [6]	Acres or Quantity	Cost/Acre or per Quantity	Annual Total at Buildout
Parks/Open Space (LMAD) [1]					
Neighborhood Parks - traditional [2]	acres		15.07	$16,267	$245,144
Basin [3]	acres		8.85		
Bear Creek Corridor Open Space [4	acres		20.36	$1,627	$33,120
Street light maintenance & energy	centerline mi.		10.35	$3,500	$36,232
Street Trees [5]	trees		1,073	$30	$32,190
Curb, gutter and sidewalks	centerline mi.		10.35	$7,000	$72,465
District Administration	20%				$83,830
Subtotal, Parks/Open Space					**$502,980**
Avg. per Unit/yr			**1,073**		**$469**
Collector Roads [6]					
Pavement Maintenance	Overlays and Reconstruction				$289,858
Subtotal, Roads					**$289,858**
Avg. per Unit/yr			**1,073**	**units**	**$270**
Major Arterials (West Ln/Eight Mile) [6]					
Pavement Maintenance	Overlays and Reconstruction				$94,443
Curb, gutter and sidewalks	centerline mi.		1.74	$7,000	$12,170
Street light maintenance & energy	centerline mi.		1.74	$7,000	$12,170
Traffic Signals maint. & energy	centerline mi.		1.74	$2,000	$3,477
Subtotal, Roads					**$122,261**
Avg. per Unit/yr			**1,073**	**units**	**$114**
Drainage					
Drainage System (maint, capital)					**$70,000**
District Administration	20%				$14,000
Subtotal, Drainage [7]					**$84,000**
Other					
Backup Walls [8]	lineal ft.	avg. 8-10' tall	2,650		**NA**

[1] Park, basin, and corridor acres from Northstar, 2017-07-05, Alt. 43.a.2 (no bridge, no school).

[2] Maintenance cost for active parks from FIA Template, Update from City 6/21/2017, Table 5.
Cost per acre for maintenance of open space assumes 10% of cost for active parks, applied to total area.
Note: capital cost for Bear Creek Corridor Open Space is approximately 7-10% of park costs.

[3] Basin maintenance costs included in drainage maintenance cost estimates.

[4] Cost per acre for maintenance of open space assumes 10% of cost for active parks, applied to total area.
Note: capital cost for Bear Creek Corridor Open Space is approximately 7-10% of park costs.

[5] Street trees assume one per single-family unit.
Landscape maintenance costs for multifamily and commercial assumed to be property owner responsibility.

[6] Road miles per Northstar Engineering Group, 7/5/17, Alt. 43.a.2 (no bridge, no school)..
Maintenance costs per NorthStar Engineering Group, Inc., 9/27/17 includes overlays & replacement.
Sidewalk and median landscape assumed included in "Curb, gutter, sidewalks"

	Centerline		Centerline Miles	Lanes	Lane Miles
Residential entry 96’	1,405	lineal ft.	0.27	2	0.53
Local street 54’ R/W (all internal rds)	51,270	lineal ft.	9.71	2	19.42
Local Street 56’ R/W (Road C portion)	1,050	lineal ft.	0.20	2	0.40
Residential Entry 68 (West Rd A portion)	934	lineal ft.	0.18	2	0.35
			10.35		20.70
West Lane and Eight Mile Rd. (8 lanes)	9,180	lineal ft.	1.74	4	6.95

[7] Stormwater system maintenance/replacement costs to be funded through assessment district.
Annual costs estimated to range from $52,300 to $70,000/yr including energy, maintenance and repair, and eventual replacement (West Yost Associates, Technical Memorandum "Operations, Maintenance and Replacement Costs for Detention Basins at Tra Vigne", Aug. 25, 2017).

[8] Backup walls per NorthStar Engineering, 7/5/17. Cost assumed part of assessment district.

Table D-1
Parcels within the Tra Vigne Project Area

APN	Owner	Acres	Tax Rate Area	FY17-18 Land Value	FY17-18 Improve-ments	Other	Net Taxable
120-020-01	MCD South Parcel, LLC	0.75	099-198	$0	$0	$0	$0
120-020-02	MCD North Parcel, LLC	80.50	099-406	$4,329,019			$4,329,019
120-020-03	Western States Land, LLC	38.34	099-406	$958,500			$958,500
120-020-13	Pacific Bell	5.29	099-406	not taxable			
120-020-14	Bragg Investment Compa	10.28	099-406	$1,948,050	$1,677,488		$3,625,538
120-020-15	Woodside Teresi LLC	98.02	099-406	$2,450,000		$331,500	$2,781,500
120-020-17	MCD South Parcel, LLC	25.53	099-198	$939,344			$939,344
120-020-18	MCD South Parcel, LLC	5.68	099-406	$209,372			$209,372
120-020-19	MCD South Parcel, LLC	12.66	099-198	$464,013			$464,013
120-020-20	MCD South Parcel, LLC	3.52	099-198	$0			$0
120-020-22	MCD South Parcel, LLC	20.21	099-406	$741,290			$741,290
120-020-23	MCD South Parcel, LLC	12.97	099-406	$475,331			$475,331
122-010-002	UPRR	2.84		not taxable			
122-010-004	UPRR	2.23		not taxable			
Subtotal		318.82		$12,514,919	$1,677,488		$14,523,907
Rights of Way (existing County ROW)		22.35					
Total		341.17	Total Annexation Area				

Source: Notice of Preparation (NOP), July 7, 2017. See Table 1 (pg. 3); http://www.sjgov.org/assessor/roll.asp:

Table D-2
Tra Vigne Fiscal Impact Analysis
Preliminary Property Tax Allocations Pre- and Post- Annexation

	Tax Rate Areas		Average	Post Annexation Property Tax Allocation [2]	
			Post-ERAF	City	County
Fund/ Agency	**099-198**	**099-406**	**Tax Increment [1]**	20.0%	80.0%
COUNTY GENERAL FUND	21.16040%	21.13710%	21.14875%	4.2297500%	16.9190000%
WATERLOO-MORADA RURAL FIRE [3]	9.88810%	9.88570%	9.88690%	1.9773800%	7.9095200%
ROAD DISTRICT NO 4	4.01270%	3.99290%	4.00280%	0.8005600%	3.2022400%
COUNTY LIBRARY	1.71130%	1.71080%	1.71105%	0.3422100%	1.3688400%
LODI UNIFIED SCHOOLS	27.04580%	27.03960%	27.04270%		
SAN JOAQUIN DELTA COM COLLEGE	3.80740%	3.80630%	3.80685%		
COUNTY OFFICE OF EDUCATION	1.40240%	1.42030%	1.41135%		
SAN JOAQUIN CNTY FLOOD CONTROL	0.16700%	0.16690%	0.16695%		
SJ CNTY FLOOD CNTRL-ZN NO 9	0.34370%	0.34360%	0.34365%		
SJ CO MOSQUITO ABATE	0.74940%	0.74920%	0.74930%		
WOODBRIDGE IRRIGATION	1.70270%	1.70230%	1.70250%	0.3405000%	1.3620000%
ED REVENUE AUGMENTATION FUND	28.00910%	28.04530%	28.02720%		
TOTAL	**100.00000%**	**100.00000%**	**100.00000%**		
Percentage of Gross Property Tax	**100.00000%**	**100.00000%**	**100.00000%**	**7.6904%**	**30.7616%**

[1] Represents the average percentage allocation of the 1% ad valorem property tax for the Tax Rate Areas in the project.
[2] Assumes a 20.0% and 80.0% split of the County General Fund and Fire District allocation to City and County, respectively
[3] Fire protection services for the project site are currently provided by the Waterloo-Morada Rural Fire District; upon annexation Stockton Fire Department will provide this service to the residents of the Project.

Table D-3
Tra Vigne Fiscal Impact Analysis
Estimated Assessed Valuation

Land Use	Units, Sq. Ft. at Buildout	Estimated Market Value per Unit [1]	Estimated Assessed Valuation		
			Phase 1	Other Phases	Buildout
Residential Land Uses		*Per Unit*			
Owner-Occupied					
Single-Family	1,073	$425,000	$456,025,000	$0	$456,025,000
Subtotal, Owner-Occupied	**1,073**		**$456,025,000**	**$0**	**$456,025,000**
Renter-Occupied					
HDR - Renter Occupied	340	$220,000	$0	$74,800,000	$74,800,000
Subtotal Residential Uses	**1,413**		**$456,025,000**	**$74,800,000**	**$530,825,000**
Unsecured Value		1.0%	$4,560,250	$748,000	$5,308,250
Total Residential			**$460,585,250**	**$75,548,000**	**$536,133,250**
Nonresidential Land Uses		*Per Sq. Ft.*			
Commercial	101,500	$350	$0	$35,525,000	$35,525,000
Subtotal, Nonresidential	**101,500**		**$0**	**$35,525,000**	**$35,525,000**
Unsecured Value		10.0%	$0	$3,552,500	$3,552,500
Total Nonresidential			**$0**	**$39,077,500**	**$39,077,500**
Total Assessed Value			**$460,585,250**	**$114,625,500**	**$575,210,750**

[1] See Table A-3 for detail on estimated values.

Table D-4a
Tra Vigne Fiscal Impact Analysis
Average Income for Owner Occupied Residential Units

Residential Land Use	Number of Units	Estimated Home Value [1]	Total Annual Mortgage, Insurance, and Tax Payments [2]	Estimated Household Income [3]
Single-Family	1,073	$425,000	$29,200	**$88,485**
Total Households	**1,073**	**-**	**-**	**-**
Weighted Average Value	**-**	**$425,000**	**$29,200**	**$88,500**

[1] See Table A-3 for detail on estimated values.
[2] Based on a 4%, 30-year fixed-rate mortgage, 15% down payment, 2.0% taxes, insurance, HOA fees.
[3] Assumes 35.0% of income to mortgage payments, taxes, and insurance plus 2.0% other debt payments

Table D-4b
Tra Vigne Fiscal Impact Analysis
Average Income Calculation - Renter-Occupied Units

		For-Rent Units		
Residential Land Use	**Units**	Estimated Monthly Rent	Estimated Annual Rent	**Estimated Annual Income**
				[1]
Renter-Occupied				
HDR	340	$1,300	$15,600	**$52,000**

[1] The share of household income allocated to rent is estimated at 30%.

APPENDIX B

FISCAL SUMMARY - 1,503 UNITS & NO SCHOOL SITE

Table 1
Tra Vigne Fiscal Impact Analysis
General Fund & Road Fund Fiscal Impacts

NO SCHOOL SITE
1,503 Total Units

Item	Annual Impact Buildout of Single-Family Res.	 Buildout of All Uses
General Fund Expenditures		
Police	$1,213,000	$1,488,000
Fire	$429,000	$526,000
Public Works	$65,000	$80,000
Public Works Additional Maintenance Costs [1]	$199,000	$244,000
Parks & Landscape, Drainage [2]	*assessment*	*assessment*
City Administration	$115,000	$141,000
Community Development	$9,000	$11,000
Economic Development	$20,000	$25,000
Non-Departmental	$80,000	$99,000
Library and Recreation	$106,000	$130,000
Total General Fund Expenditures	**$2,236,000**	**$2,744,000**
CFD Special Tax [2]	**$582,000**	**$694,000**
Net General Fund Expenditures After CFD Special Tax	**$1,654,000**	**$2,050,000**
General Fund Revenues		
Property Taxes	$384,000	$472,000
Property Tax In-Lieu of VLF	$493,000	$606,000
Sales Taxes	$223,000	$277,000
Prop. 172 Sales Tax	$18,000	$21,000
Document Transfer Tax	$27,000	$30,000
Franchise Tax	$129,000	$158,000
Hotel / Motel Tax	-	$7,000
Business License Tax	-	$28,000
Utility Users Tax	$342,000	$420,000
Service Charges, Fines, and Licenses & Permits	$65,000	$80,000
Subtotal General Fund Revenues	**$1,681,000**	**$2,099,000**
Measure A	$167,000	$207,000
Total General Fund Revenues & Measure A	**$1,848,000**	**$2,306,000**
General Fund Operating Surplus/(Deficit)	**$194,000**	**$256,000**
Road Fund [3]		
Road Fund Revenue	$135,000	$160,000
Road Fund Expenditures	($290,000)	($290,000)
Road Fund Operating Surplus/(Deficit)	**($155,000)**	**($130,000)**
Net General Fund and Road Fund Surplus/(Deficit)	**$39,000**	**$126,000**

[1] Add'l Public Works costs from MBI memo to City, 9/17/18 based on Kitchell Report.
[2] The Project will mitigate potential impacts on the General Fund by participation in assessments for Landscape Maintenance and Drainage, in addition to a CFD special tax for General Fund services.
[3] Routine annual road maintenance (including periodic overlays) will not be be funded by the proposed CFD for services. Major capital improvements will be funded by other sources that may include bonds funded by a portion of the Project's CFD for capital after initial CFD bonds are defeased.

1/7/19

APPENDIX B

FISCAL SUMMARY - 1,503 UNITS & NO SCHOOL SITE

Table 1
Tra Vigne Fiscal Impact Analysis
General Fund & Road Fund Fiscal Impacts

NO SCHOOL SITE
1,503 Total Units

Item	**Annual Impact** Buildout of Single-Family Res.	**Annual Impact** Buildout of All Uses
General Fund Expenditures		
Police	$1,213,000	$1,488,000
Fire	$429,000	$526,000
Public Works	$65,000	$80,000
Public Works Additional Maintenance Costs [1]	$199,000	$244,000
Parks & Landscape, Drainage [2]	*assessment*	*assessment*
City Administration	$115,000	$141,000
Community Development	$9,000	$11,000
Economic Development	$20,000	$25,000
Non-Departmental	$80,000	$99,000
Library and Recreation	$106,000	$130,000
Total General Fund Expenditures	**$2,236,000**	**$2,744,000**
CFD Special Tax [2]	**$582,000**	**$694,000**
Net General Fund Expenditures After CFD Special Tax	**$1,654,000**	**$2,050,000**
General Fund Revenues		
Property Taxes	$384,000	$472,000
Property Tax In-Lieu of VLF	$493,000	$606,000
Sales Taxes	$223,000	$277,000
Prop. 172 Sales Tax	$18,000	$21,000
Document Transfer Tax	$27,000	$30,000
Franchise Tax	$129,000	$158,000
Hotel / Motel Tax	-	$7,000
Business License Tax	-	$28,000
Utility Users Tax	$342,000	$420,000
Service Charges, Fines, and Licenses & Permits	$65,000	$80,000
Subtotal General Fund Revenues	**$1,681,000**	**$2,099,000**
Measure A	$167,000	$207,000
Total General Fund Revenues & Measure A	**$1,848,000**	**$2,306,000**
General Fund Operating Surplus/(Deficit)	**$194,000**	**$256,000**
Road Fund [3]		
Road Fund Revenue	$135,000	$160,000
Road Fund Expenditures	($290,000)	($290,000)
Road Fund Operating Surplus/(Deficit)	**($155,000)**	**($130,000)**
Net General Fund and Road Fund Surplus/(Deficit)	**$39,000**	**$126,000**

[1] Add'l Public Works costs from MBI memo to City, 9/17/18 based on Kitchell Report.
[2] The Project will mitigate potential impacts on the General Fund by participation in assessments for Landscape Maintenance and Drainage, in addition to a CFD special tax for General Fund services.
[3] Routine annual road maintenance (including periodic overlays) will not be be funded by the proposed CFD for services. Major capital improvements will be funded by other sources that may include bonds funded by a portion of the Project's CFD for capital after initial CFD bonds are defeased.

1/7/19