

ADMINISTRATIVE REVIEW DRAFT
ANNEXATION REPORT
GO INDUSTRIAL ANNEXATION
ANNEXATION FILE NO. _____

JANUARY 18, 2024

1.0 INTRODUCTION AND PROJECT INFORMATION

This report provides background information and analysis in support of the proposed George Oliver (GO) Industrial 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 George Oliver (GO) Industrial Annexation project proposes the annexation of one parcel, APN 193-02-034, into the City of Stockton (City). The proposed annexation area, hereinafter referred to as the “subject site,” is located on 6505 South McKinley Avenue south of Stockton (Figures 1 through 5). The Stockton city limits are on the northern boundary of the subject site. The subject site is approximately 11.7 acres.

The subject site is currently within the land use jurisdiction of San Joaquin County; it has a County General Plan designation of Limited Industrial (I/L) and a zoning designation of AU-20 (Agriculture-Urban Reserve; 20-acre minimum parcel size). The subject site is designated Industrial in the City of Stockton General Plan, as is much of the surrounding area. The subject site is within the City of Stockton's existing Sphere of Influence but is outside the 10-year planning horizon.

The City has received and is processing an application for annexation, pre-zoning, and industrial development of the subject site, including preparation of an environmental review document in accordance with the California Environmental Quality Act (CEQA). The project proposes to pre-zone the subject site as IL – Industrial, Limited. The City approvals, which will take effect upon annexation of the subject site to the City, would permit proposed development of a warehouse building approximately 184,200 square feet

in floor area (Figure 6), along with associated on-site utility services, site improvements (Figure 7) and an extension of a City sewer line to the subject site (Figure 8). Proposed pre-zoning and development are consistent with the existing Industrial designation under the City's General Plan.

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 56668. Evaluation for the necessary findings of consistency of the proposed annexation with Section 56668 is shown in the following narrative. The narrative provides information in support of each of the subject findings for the proposed annexation as summarized in Table 1 below.

TABLE 1
PROJECT CONSISTENCY WITH SECTION 56668

Factors Considered	Consistency Finding
(a) Population and population density; land area and land use; assessed valuation; topography, natural boundaries, and drainage basins; proximity to other populated areas; and the likelihood of significant growth in the area, and in adjacent incorporated and unincorporated areas, during the next 10 years.	The project is consistent with this factor. The subject site is designated for Industrial use under the Stockton General Plan. The project site is adjacent to the Stockton City limits to the north and east, and French Camp Slough forms a natural boundary between City and County. Significant industrial/warehouse development has occurred in the area, and the proposed development on the subject site would be consistent with this. The Stockton Municipal Services Review (MSR) is expected to be modified to include the subject site in the 10-year planning horizon.
(b) The need for organized community services; the present cost and adequacy of governmental services and controls in the	The project is consistent with this factor. This document contains the City Services Plan for the subject site, which describes

Factors Considered	Consistency Finding
area; probable future needs for those services and controls; and probable effect of the proposed incorporation, formation, annexation, or exclusion and of alternative courses of action on the cost and adequacy of services and controls in the area and adjacent areas.	services that will be available to the subject site, the means which these services will be provided, and project impacts on affected public agencies. The subject site can be provided with public services by the City of Stockton and other existing agencies.
(c) The effect of the proposed action and of alternative actions, on adjacent areas, on mutual social and economic interests, and on the local governmental structure of the county.	The project is in a developing industrial area, and the site is designated for industrial development. The site would be transferred from the jurisdiction of San Joaquin County to the City of Stockton. This would have no significant impact on either entity. The site would be detached from the French Camp-McKinley Fire District. However, as described in Section 4.3, it is expected that adverse revenue impacts to the Fire District would be avoided.
(d) The conformity of both the proposal and its anticipated effects with both the adopted commission policies on providing planned, orderly, efficient patterns of urban development, and the policies and priorities in Section 56377.	The project is in a developing industrial area, and the site is designated for industrial development. The proposed annexation would permit a logical extension of existing ongoing industrial development in the southeast Stockton region.
(e) The effect of the proposal on maintaining the physical and economic integrity of agricultural lands, as defined by Section 56016.	The project is consistent with this factor. An Agricultural Conversion Statement prepared for the project found that no agricultural land, as defined by CEQA Guidelines Appendix G or by the Cortese-Knox-Hertzberg Act, exists on the subject site.
(f) The definiteness and certainty of the boundaries of the territory, the nonconformance of proposed boundaries with lines of assessment or ownership, the creation of islands or corridors of	The project is consistent with this factor. The subject site is adjacent to the City boundary to the north and east and represents a logical extension of those boundaries. No islands or corridors of unincorporated territory would be created.

Factors Considered	Consistency Finding
unincorporated territory, and other similar matters affecting the proposed boundaries.	
(g) A regional transportation plan adopted pursuant to Section 65080.	The project is consistent with this factor. The SJCOG adopted a Regional Transportation Plan in 2022, and the project would not conflict with the goals and projects in the adopted Regional Transportation Plan.
(h) The proposal's consistency with city or county general and specific plans.	The project is consistent with this factor. The subject site has been designated for Industrial use by the Stockton General Plan and has been zoned Agriculture-Urban Reserve by San Joaquin County, indicating anticipated future urban development.
(i) The sphere of influence of any local agency that may be applicable to the proposal being reviewed.	The project is consistent with this factor. The subject site is within the City of Stockton Sphere of Influence, as indicated in the Stockton MSR.
(j) The comments of any affected local agency or other public agency.	To date, no comments from local agencies have been received. A CEQA document for the project is in preparation and will be released for review by local agencies.
(k) The ability of the newly formed or receiving entity to provide the services that are the subject of the application to the area, including the sufficiency of revenues for those services following the proposed boundary change.	The project is consistent with this factor. This document contains the City Services Plan for the subject site, which describes services that will be available to the subject site, the means by which these services will be provided, and impacts on affected public agencies. The subject site can be provided with public services by the City of Stockton and other agencies.
(l) Timely availability of water supplies adequate for projected needs as specified in Section 65352.5.	The project is consistent with this factor. Sections 3.1 and 5.0 of this document evaluate water supplies and their adequacy to support the proposed development.

Factors Considered	Consistency Finding
(m) The extent to which the proposal will affect a city or cities and the county in achieving their respective fair shares of the regional housing needs as determined by the appropriate council of governments consistent with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7.	As the proposed development of the subject site would be for industrial use, the project would have no impact on shares of regional housing needs.
(n) Any information or comments from the landowner or landowners, voters, or residents of the affected territory.	No comments have been received from landowners, voters, or residents on the proposed annexation.
(o) Any information relating to existing land use designations.	The project is consistent with this factor. The subject site has been designated for Industrial use by the Stockton General Plan and has been zoned Agriculture-Urban Reserve by San Joaquin County, indicating anticipated future urban development.
(p) The extent to which the proposal will promote environmental justice.	The CEQA document for the project will discuss environmental justice issues associated with the proposed development. The project is expected to provide additional jobs that would be available to lower-income residents. The project is in an industrial area with no nearby residential communities; as such, it is not expected to impose environmental burdens on such communities.
(q) Information contained in a local hazard mitigation plan, information contained in a safety element of a general plan, and any maps that identify land as a very high fire hazard zone pursuant to Section 51178 or maps that identify land determined to be in a state responsibility area pursuant to Section 4102 of the	The subject site is not within a State Responsibility Area as indicated by the Fire Hazard Severity Zone map prepared for State Responsibility Areas in San Joaquin County by CalFire.

Factors Considered	Consistency Finding
Public Resources Code, if it is determined that such information is relevant to the area that is the subject of the proposal.	

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 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 will be 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, paramedics, building), 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 South Stockton service area.

Sources of water provided by COSMUD include purchases from the Stockton East Water District (SEWD) and the Woodbridge Irrigation District (WID), groundwater wells, and surface water from the Sacramento-San Joaquin Delta through the City's Delta Water Supply Project (DWSP). Water from SEWD is treated at its water treatment plant east of Stockton. Prior to operation of the DWSP in 2012, the City's planned delivery and allocation of SEWD treated water was 17,500 acre-feet per year, which was 37.6 percent of SEWD's total supplies. As of 2020, the City used 6,939 acre-feet from SEWD. The City augments this water supply with purchases from the WID. By agreement, the City purchases 6,500 acre-feet of water annually from the WID for municipal and industrial use, with another 6,500 acre-feet to become potentially available annually by 2030.

The DWSP provides the majority of the potable water supply for the City's service areas. It draws water from the San Joaquin River and treats the water at a plant in north Stockton. This plant currently treats an average of 30 million gallons per day (mgd). The projected 2035 capacity of the DWSP is 60 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. Table 2 below shows the available water supply and projected demand with the project.

The South Stockton water system pumps from groundwater wells and receives surface water from the SEWD Water Treatment Plant, supplied in large part by the DWTP. There are seven active groundwater wells, with pump design flows ranging from 900 to 2,500 gallons per minute. Surface water from the SEWD Water Treatment Plant is supplied to the South Stockton water distribution system via a 42-inch diameter pipeline from the plant known as the South Stockton Aqueduct.

TABLE 2
WATER SUPPLY AND PROJECT WATER DEMAND

	2025	2035	2045
Projected City Water Supply (acre-feet)	77,300	85,200	85,400
Projected Water Demand (acre-feet)	34,789	43,161	48,444
Project Demand (acre-feet)*	16	16	16
Water Surplus (acre-feet)	42,495	42,023	36,940

Source: City of Stockton 2020 Urban Water Management Plan.

* See Section 5.0 of this document for how this demand was estimated.

The South Stockton water system distributes water from the DWSP, SEWD, and groundwater wells. The entire system is one pressure zone with the lowest elevation (5 feet above mean sea level) on the western side of the system and the highest elevation (30 feet above mean sea level) on the eastern side. Additionally, there are two tanks, each with a capacity of three million gallons, located near the Weston Ranch Subdivision in southwest Stockton. City distribution lines provide water service to development in the South Stockton area.

The subject site is currently within the service area for the Stockton potable water system, and connection to the system will be available upon annexation. On-site lines would be installed to provide water to future development, and the on-site water system would connect to the City's system through a new water main extension. 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 2020 Urban Water Management Plan (UWMP). The existing water connection fee charged by COSMUD for non-residential development varies from approximately \$2,264 to \$293,754 or higher, depending on the size of the water meter.

3.2 WASTEWATER

The subject 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 collection and treatment system.

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 average daily flow rate of 31.7 mgd. 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.

The City's wastewater collection system is divided into 14 designated subareas or "systems." The subject site would upon annexation be incorporated within Wastewater Collection System No. 8. 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.

There are currently no sewer mains on or adjacent to the project site. The developer proposes an extension of a 10-inch sewer line along McKinley Avenue to the subject site from an existing 10-inch sanitary sewer main located in McKinley Avenue, near Sperry Road to the north. On-site sewer lines will be installed to provide service to future development, and the on-site system would connect to the proposed sewer extension. An onsite pump station would be necessary with the proposed extension.

The subject site is within the South of Calaveras River Sanitary Connection fee area. The existing sewer connection fee in that area is \$2,850 per single family residential unit equivalent.

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 near the confluence of the Sacramento and San Joaquin Rivers. Waters in the Delta region eventually discharge into Suisun Bay. 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 adjacent to French Camp Slough, which is a tributary of 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. There are currently no storm drainage mains on or adjacent to the project site.

Like other industrial development in the vicinity, subject site development will include new onsite stormwater collection and detention facilities. On-site runoff, along with runoff from the adjacent segment of McKinley Avenue, would be collected by storm drains and conveyed to two parallel underground storage pipes, each approximately 750 feet long by 8 feet wide. The runoff would be held in these pipes until it can be discharged to a ditch along the northern boundary of the subject site. Runoff discharged into this ditch would eventually reach French Camp Slough, which has not been identified as a stream with issues regarding capacity to accept storm drainage. On this basis, potential project impacts related to flooding are considered less than significant with implementation of proposed

on-site storm drainage features and compliance with the City's water quality permit, described below.

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 is responsible for controlling storm water pollution and protecting water quality. This is accomplished through 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 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 includes policies that 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 in new development. Any costs associated with new facilities, including ongoing maintenance of these facilities, must be met or offset by the project.

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 – such as construction and demolition debris and waste generated by industrial operations – 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.

Solid waste generated in the City of Stockton is disposed of 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 Xfinity. These systems are obligated to extend service to the subject site on request. Developer/utility company cost-sharing agreements for improvements needed to provide these services will be executed during the design and construction process as required by franchise agreements.

3.6 POLICE PROTECTION

Law enforcement services to the subject site currently are provided by the San Joaquin County Sheriff's Department. Should the subject site be annexed, law enforcement would become 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 (Park) 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 fee is \$62 per 1,000 square feet. Additionally, 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. City voters also approved Measure W, which instituted a one-quarter cent (0.25%) sales tax to provide funding for law enforcement and fire protection services.

3.7 FIRE PROTECTION

The subject site is currently within the French Camp-McKinley Fire Protection District, which serves approximately 16 square miles of unincorporated San Joaquin County centered around the community of French Camp south of Stockton. The Fire District serves the unincorporated area of San Joaquin County between Stockton and Lathrop, and it provides service to the Mountain House community under contract. The nearest Fire District station to the subject site is French Camp Fire Station 11-1 in the community of French Camp at 310 French Camp Road, approximately one-half mile to the south.

Should annexation occur, the subject site would be detached from the French Camp-McKinley Fire District, and fire protection services would become the 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 and 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 currently has twelve stations located throughout the greater Stockton metropolitan area. The closest station to the subject site is Station 5, located on 3499 Manthey Road, approximately two miles to the northwest. The station is equipped with one engine and one grass rig, and is staffed by a captain, an engineer, and a firefighter. Two of the staff are also paramedics. The Stockton General Plan has set a goal of a response time between three and of four minutes to a fire suppression incident. The average response time from Station 5 to a fire call is approximately 6.5 minutes, which is typical for stations located on the City's periphery.

The City is currently exploring the options for construction and staffing of an additional fire station along Mariposa Road to improve Fire Department services and response times to the south Stockton area, including new industrial and warehouse development. The station is proposed to be financed by a Community Facilities District, under which a special tax would be imposed upon new development within the district boundaries. Though it is not known at this time, it is possible that the subject site would be part of this Community Facilities District. The property owner and the district would need an agreement for the subject site to become part of the district.

To provide adequate fire protection services, future development will coordinate with the 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 City standards and the Uniform Fire Code fire flow standards, and hydrants will be placed in accordance with Fire Department standards. Also, 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 to request assistance from the County fire districts when additional services are required. 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. The existing mutual aid agreement allows the City and County agencies to share resources when needed.

The City has required new warehouse developments to install Early Suppression Fast Response (ESFR) fire sprinkler systems. The purpose of the ESFR systems is to allow for a variety of commodities stored within the structure to be capable of meeting high-bay storage up to five feet below roof deck. They are considered the best engineered fire protection system that the National Fire Protection Association recognizes, capable of flowing up to 100 gallons per minute per nozzle. Their design purpose is to completely

extinguish the fire rather than controlling the spread of fire. Testing results from nationally recognized testing agencies have proven this. It is expected that the City will require the installation of an ESFR system as part of CEQA mitigation or conditions of approval for the project.

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 with other Public Facility Fees, these fees would be payable upon issuance of a building permit. In addition, as noted, City voters approved Measure W, which instituted a one-quarter cent (0.25%) sales tax to provide funding for law enforcement and fire protection services.

3.8 SCHOOLS

The subject site is within the boundaries of the Manteca Unified School District (MUSD). The nearest MUSD school to the subject site is French Camp Elementary School in the community of French Camp to the south. District-wide, MUSD student enrollment in kindergarten to 6th grade exceeds available capacity, but the high school enrollment does not do so. The MUSD collects required school impact fees and coordinates with residential developers to ensure that sufficient capacity exists within the school system to accommodate the indirect student population generated by development of the project.

The subject site is proposed for industrial development and the project would result in no residential development or student generation. Indirect student population is expected to be minimal as the majority of jobs created are anticipated to be filled by residents already living within the MUSD or other nearby areas. Nevertheless, the project would contribute developer fees from industrial development in accordance with State law. The MUSD assesses a development impact fee of \$0.56 per square foot for warehouses; therefore, the project would generate an estimated \$103,152 in impact fees. Project development will contribute to these fees in conjunction with building permit issuance.

3.9 PARKS AND RECREATION FACILITIES

Both San Joaquin County and the City of Stockton provide park and recreational services. The nearest City Park to the subject site is Long Park, on Woodchase Lane approximately two miles to the west of the site. Long Park, a neighborhood park, is equipped with picnic tables, a tot lot, a tennis court, a basketball court, and a softball diamond. 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 to the subject site is the Regional Sports Complex, a facility with softball and soccer fields adjacent to Stockton Metropolitan Airport, approximately 2.5 miles east of the site.

No new residential development is proposed on the subject site. Public Facility Fees for parklands are only assessed on new residential development; industrial development as proposed is exempt from parkland fees. However, industrial development would be subject to the payment of Public Facility Fees for community recreation centers. For

warehouse/low density land uses, this fee is \$23.25 per 1,000 square feet. As with other Public Facility Fees, these fees would be payable upon issuance of a building permit. Additionally, Stockton's voters approved Measure M, which instituted a one-quarter cent (0.25%) sales tax to provide funding for recreation and library services.

3.10 LIBRARIES

The public library system in the Stockton area is operated jointly by the City and San Joaquin County. The nearest library branch to the subject site is the Weston Ranch Branch Library at 1453 West French Camp Road in Stockton, approximately two miles to the west.

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. Additionally, as noted, Stockton's voters approved Measure M, which instituted a one-quarter cent (0.25%) sales tax to provide funding for recreation and library services.

3.11 MAINTENANCE OF PUBLIC FACILITIES/OTHER GOVERNMENTAL SERVICES

McKinley Avenue, a public road abutting the northeastern boundary of the subject site, is currently maintained by San Joaquin County. This road is paved but does not have street improvements such as curb, gutter, and sidewalk. Proposed industrial development will require street improvements along the subject site frontage of McKinley Avenue, including additional pavement width, curb, gutter, and sidewalk, all of which would be designed and constructed by the applicant pursuant to City of Stockton standards.

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 capital street improvements and traffic signals to fund intersection and roadway segment improvements identified in the City's Street Improvement Plan. For warehouse/low density land uses, street improvement fees are \$931.50 per 1,000 square feet, and traffic signal fees would be \$83.25 per 1,000 square feet. The City requires that these fees be paid prior to building permit issuance.

Future development on the subject site will also be required to pay a Regional Transportation Impact Fee (RTIF). 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 widening Interstate 5 from French Camp Road to State Route 120. Assuming future development involves a warehouse as anticipated, the Regional Transportation Impact Fee would be \$500 per 1,000 square feet.

Measure K was passed by voters in 1990 and extended for another 30 years by voter approval in 2006. This measure instituted a one-half cent (0.50%) 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 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.

4.0 FINANCING OF CITY SERVICES AND FISCAL EFFECTS

California Government Code Section 56653 requires that the plan for services to a subject site include information on how the extension of 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 industrial structures, access, parking and other on-site improvements. These improvements would include off-site improvements to the frontage of McKinley Avenue, any required extension of water and wastewater lines and electrical, gas and communication lines.

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 PFFs, 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. PFF and connection fee payments are required when building permits are issued, in accordance with the City's adopted fee schedule, which 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.

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

- Agricultural Land Mitigation Program
- Air quality
- County facilities
- Surface water for SEWD (\$0.228 per square feet of warehouse/0.60)
- Related administrative costs

Table 3 summarizes the estimated development-related fees for the proposed development of the subject site. These include the City impact fees listed above, along with development impact fees collected by other agencies, such as the Manteca Unified School District and SJCOG. This information is also in Exhibit 7 of this City Services Plan.

TABLE 3
ESTIMATED PUBLIC FACILITY FEES

FEE CATEGORY	ESTIMATED PROJECT FEES
City Impact Fees	\$937,251
Habitat/Open Space (SJCOG)	\$225,284
School District Fees (MUSD)	\$103,152
TOTAL	\$1,265,687

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 French Camp-McKinley Fire 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. As discussed in Section 4.1, 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 4 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 4 calculations. More detailed information regarding specific sources of revenues is provided below.

TABLE 4
ESTIMATED CITY OF STOCKTON REVENUES
RESULTING FROM ANNEXATION AND BUILDOUT OF THE SUBJECT SITE

General Fund Revenue Category	Total Project
Property Tax	\$17,269
Property Tax: In-Lieu MVF	\$36,150
Sales Tax	\$5,369
Measure A Transaction Tax	\$4,207
Prop. 172 Sales Tax	\$1,342
Document Transfer Tax	\$11,295
Franchise Tax	\$6,414
Hotel/Motel Tax	\$1,203
Business License	\$5,375
Utility Users Tax	\$14,507
Other Revenues	\$2,654
Voter-Approved Revenues (except Measure A)	\$5,369
TOTAL	\$111,154

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 proposed development is \$23,025,000.

Approximately 61% of every property tax dollar from the subject site is currently allocated among the Manteca Unified School District, San Joaquin Delta Community College, and the State's educational fund. This leaves an "available share" of approximately 39% of the overall property tax revenue, which is divided between the County General Fund, the French Camp-McKinley 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).

Based upon information from the San Joaquin County Auditor-Controller's Office, upon annexation, approximately 20% 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 property tax amount that would be collected by the City would be approximately \$17,269 (see Exhibit 3). Current property taxes on the subject site that go to the County General Fund are approximately \$596.

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 \$11,295. Exhibit 3 provides details on the property transfer tax estimate. This assumes the property would be sold; no tax revenues from this source would be realized if the property does not change ownership.

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 \$36,150. 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%), as well as from the Measure K sales tax imposed throughout San Joaquin County. The proposed development is not a commercial land use and therefore would not directly generate sales tax. However, employees working at the proposed development would generate sales tax revenue through local spending. It is estimated that sales tax generated by employee spending would be approximately \$5,369. See Exhibit 4 for development of this estimate.

In addition, the City collects sales tax revenue from Proposition 172, approved by California voters in 1993. Proposition 172 imposes a one-half cent sales tax to provide revenues for public safety services. It is estimated that sales tax generated by Proposition 172 would be approximately \$1,342. Additional sales tax revenues would be provided by Measure A for law enforcement services. The project is estimated to generate approximately \$4,207. See Exhibits 4 and 6 for development of these estimates.

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 2 above, future development on the subject site would generate an estimated \$14,507 annually in utility user tax revenues. See Exhibit 5 for development of the utility user tax revenue estimate.

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. The anticipated future development on the subject site would generate approximately \$6,414 in franchise tax revenue annually (see Exhibit 1).

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; gross receipts information for the annexation area is unknown. Future development on the subject site is estimated to yield an annual business license tax revenue of \$5,375 (see Exhibit 1).

Other Revenue Sources

The City has a variety of other revenue sources, which are listed in the City's budget. These include charges for services, motor vehicle fees, and revenues from other agencies. Table 2 and Exhibit 1 list these other sources. Future development on the subject site is estimated to yield revenue of \$2,654 from these other sources.

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 PFFs and connection fees. The project is industrial 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 would contribute to the "service population" of the City, which could contribute to service costs.

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, as discussed in Section 5.0, 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 project would place an incremental demand on the City for future fire and police services. Impacts of the project on public services provided by the City, primarily fire and police protection, would be less than significant with the installation of the fire sprinkler systems required by the City. The project in and of itself would not result in a need for new or expanded fire facilities and services, but as noted, a new fire station is planned in the south Stockton area. Future capital costs for these facilities and services would be met through payment of PFFs, CFD revenues and developer contributions.

The proposed annexation would likely include approximately 850 feet of McKinley Avenue frontage. Improvements would be installed along this frontage and are likely to include widening, turn lanes, acceleration and/or deceleration lanes, shoulders, and intersection improvements at the proposed entry, including street lighting and signage. The frontage improvements would be funded by the developer. The annexed frontage 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 2022/23 budget for the City of Stockton, the City maintains 781 miles of roads at a cost of \$14,090,651. Based on these figures, the additional cost to maintain the annexed frontage would be approximately \$2,904 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 park capital needs through payment of school mitigation fees and community recreation center PFFs.

An approximation of maximum potential increases in City services costs associated with the project was calculated by dividing total general fund expenditures per category by the City service population, and by multiplying that factor by the increase in service population on the subject site. Based on the expected increase in service population of 148 (see Exhibit 2), potential service costs to the City would be approximately \$105,128. With an additional estimated expenditure of \$4,957 related to Measure W services, total City expenditures associated with the proposed development would be \$110,085. 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 4, proposed development of the subject site is expected to generate approximately \$111,154 in annual revenues to the City. With estimated annual expenditures of \$110,085, the City would have adequate annual revenues to provide services to the subject site. In addition, as indicated in Table 3, proposed future development would generate \$937,251 in one-time impact fees to the City to cover expenses associated with new or expanded public facilities and services. Additional fees would be paid to MUSD and SJCOG.

In summary, the City would expect to receive substantial revenues from proposed development of the subject site, while the expenses incurred in providing City services to the subject site would be less than the anticipated revenues. Thus, at the project level, the City would likely operate at a budget surplus.

4.3 PROPERTY TAX IMPACT TO THE FRENCH CAMP-MCKINLEY FIRE DISTRICT

Based on information provided by the County Auditor-Controller's Office, the French Camp-McKinley Fire District currently receives approximately 9.4 percent of the general one-percent property tax levy from the subject site. This currently generates approximately \$251 of property tax revenue for the Fire District, based on current valuation of the property. 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 such detachments from special districts or annexations that fail to provide adequate mitigation of the adverse impact on the district will not be approved. It is expected that the City and the Fire District will reach an agreement that will reduce adverse revenue impacts on the Fire District resulting from the proposed annexation. The City has accepted such agreements with the Montezuma Fire District for annexation projects in the southeast Stockton area. LAFCo may determine an appropriate temporary mitigation, if any, and impose that temporary mitigation to the extent it is within its powers.

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 2020 UWMP for the City of Stockton's water system 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 (three years or more) for a watershed since 1903.

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. This Water Supply Reliability Assessment is currently the most up-to-date and reliable source of information regarding the City's long-term water supplies and their reliability. Under the normal water year scenario, water supply would exceed demand by 36,956 to 47,322 acre-feet per year. Under the single dry water year scenario, supply would exceed demand by 13,656 to 21,311 acre-feet per year. Under the fourth year of a multiple dry year scenario, the differences between supply and demand would be at their lowest, with supply exceeding demand by 12,456 to 19,652 acre-feet per year. In a fifth consecutive dry year, the differences between supply and demand are anticipated to increase as SEWD water supply is expected to return to a normal year volume at that time.

The City of Stockton adopted a Water Master Plan Update in 2021. The update included water use factors used in determined water usage by future development in Stockton. The water use factor for industrial uses was 1.4 acre-feet per year per acre. Based on this factor, the anticipated water usage by the proposed development on the subject site would be 16.38 acre-feet per year. As shown in Table 2, the City would have adequate water supplies to accommodate the use by proposed development on the subject site.

EXHIBITS 1-6

ESTIMATED PROJECT REVENUE SOURCES

EXHIBIT 1
CITY OF STOCKTON – PROPOSED GO INDUSTRIAL ANNEXATION
CITY OF STOCKTON GENERAL FUND REVENUE SUMMARY

Revenue Category	2022-23 City Budget	Revenue per Person Served	Service Population	Total Project
Property Tax	\$41,490,000	-	-	\$17,269
Property Tax: In-Lieu MVF	\$29,165,000	-	-	\$36,150
Sales Tax	\$66,824,000	-	-	\$5,369
Measure A Transaction Tax	\$42,080,000	-	-	\$4,207
Prop. 172 Sales Tax	\$3,109,000	-	-	\$1,342
Document Transfer Tax	\$1,200,000	-	-	\$11,295
Franchise Tax	\$17,124,630	\$43.34	148	\$6,414
Hotel/Motel Tax	\$3,211,540	\$8.13	148	\$1,203
Business License	\$14,350,000	\$36.32	148	\$5,375
Utility Users Tax	\$38,731,176	\$98.02	148	\$14,507
Licenses and Permits	\$401,331	-	-	-
Revenue from Other Agencies	\$3,903,325	\$9.88	148	\$1,462
Motor Vehicle License	\$200,000	\$0.51	148	\$75
Charges for Services	\$2,981,472	\$7.55	148	\$1,117
Fire Contracts	\$4,705,270	-	-	-
Code Enforcement	\$3,959,457	-	-	-
Fines and Forfeitures	\$548,863	-	-	-
Sale of Fixed Assets	\$60,000	-	-	-
Interfund Reimbursements	\$9,091,873	-	-	-
Transfers In	\$0	-	-	-
Subtotal - General Fund Revenues	\$285,410,685			\$105,785

EXHIBIT 1

Measures M, W Revenues	\$28,027,000	-	-	\$2,684
Measure K Revenues	\$8,842,461	-	-	\$2,685
TOTAL REVENUES	\$320,280,146	--	--	\$111,154

Source: DPGF, *Economic Benefit Report, Mariposa Industrial Park, City of Stockton, CA*, February 4, 2022.

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

I. NON-RESIDENTIAL LAND USES

Non-Residential Land Uses	Square Feet	Average Value (square foot)[1]
Industrial/Warehouse	184,200	\$125
TOTAL	184,200	–

II. CITY DEMOGRAPHIC DATA

City of Stockton Population [2]	322,489
City of Stockton Employees [3]	145,271
City of Stockton Persons Served [4]	395,125

III. PROJECT DEMOGRAPHICS

Employees [5]	295
Total Employees	295
Persons Served Population [6]	148

Sources:

[1] DPGF, *Economic Benefit Report, Mariposa Industrial Park, City of Stockton, CA*, February 4, 2022.

[2] California Department of Finance, E-5 City/County Population and Housing Estimates, 1-1-2022.

[3] City of Stockton Fiscal Year 2023/23 Budget.

[4] City population plus 50% of employees.

[5] Assumes 625 square feet per employee, per USGBC.

[6] Assumes 50% of employees.

EXHIBIT 3
CITY OF STOCKTON – PROPOSED GOINDUSTRIAL ANNEXATION
PROPERTY TAX REVENUE

I. GENERAL PROPERTY TAX ASSUMPTIONS

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

Public Agency	Property Tax Breakdown
County General Fund	22.3%
French Camp-McKinley Fire Protection District	9.4%
School districts and other agencies	68.3%
TOTAL	100.00%

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

Public Agency	Property Tax Breakdown
County General Fund	30.2%
City of Stockton	7.5%
School districts and other agencies	62.3%
TOTAL	100.00%

II. SECURED PROPERTY TAX ANALYSIS

Nonresidential Land Use Type	Square Feet	Estimated Valuation	1% General Property Tax	Property Tax to City
Industrial	184,200	\$23,025,000	\$230,025	\$17,269

III. PROPERTY TAX TRANSFER ANALYSIS

Nonresidential Land Use Type	Property Turnover Rate	Estimated Assessed Valuation Turnover	Property Transfer Tax to City	Total Estimated Transfer Tax
Industrial	5.00%	\$20,535,000	0.055%	\$11,295

IV. PROPERTY TAX VEHICLE LICENSE FEE ANALYSIS

Nonresidential Land Use Type	Total City Assessed Valuation with Project[1]	Percent Change in Assessed Valuation	Total Property Tax In-Lieu of VLF Adopted Revenue[1]	Estimated Property Tax In-Lieu of MVF
Industrial	\$26,167,715,583	1.57%	\$26,791,495	\$36,150

Source: DPGF, *Economic Benefit Report, Mariposa Industrial Park, City of Stockton, CA*, February 4, 2022.

[1] Fiscal Year 2021-22. Breakdown of public agency revenue shares provided by San Joaquin County Assessor's Office.

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

I. DIRECT SALES TAX ANALYSIS

Nonresidential Land Use Type	Taxable Spending per Employee per Day [1]	Employees	Total Taxable Spending[2]
Industrial	\$10	295	\$767,000
TOTAL	--	295	\$767,000
Leakage (30%)			\$230,100
City of Stockton Capture (70%)			\$536,900
City of Stockton General Fund Sales and Use Tax Revenues:			
City Taxable Spending Capture			\$536,900
City Share of Sales Tax		1.00%	\$5,369
Project-Derived Sales Tax Revenue to City			\$5,369
Prop. 172 Sales Tax		0.25%	\$1,342

[1] Source: DPGF, *Economic Benefit Report, Mariposa Industrial Park, City of Stockton, CA*, February 4, 2022.

[2] Assumes 260 working days per year.

EXHIBIT 5
CITY OF STOCKTON – PROPOSED GO INDUSTRIAL ANNEXATION
UTILITY USERS TAX REVENUE ANALYSIS

	Revenue per Person[1]	Service Population[2]	Total Project Revenue
Utility Users Tax	\$98.02	148	\$14,507

[1] See Exhibit 1.

[2] See Exhibit 2.

EXHIBIT 6
CITY OF STOCKTON – PROPOSED GOINDUSTRIAL ANNEXATION
VOTER APPROVED REVENUE ANALYSIS

	Project Taxable Spending [1]	Tax Rate	Project Revenue
San Joaquin County (Measure K) Sales Tax	\$536,900	0.500%	\$2,685
Stockton Safe Neighborhood Gang and Drug Prevention Police & Fire (Measure W)	\$536,900	0.250%	\$1,342
Law Enforcement, Crime Prevention, Essential City Services (Measure A)	\$536,900	0.750%	\$4,027
Library and Recreation - Strong Communities Special Tax (Measure M)	\$536,900	0.250%	\$1,342
TOTAL			\$9,396

[1] See Exhibit 4.

EXHIBIT 7

PUBLIC FACILITY AND IMPACT FEE SUMMARY

EXHIBIT 7
CITY OF STOCKTON – PROPOSED GO INDUSTRIAL ANNEXATION
PUBLIC FACILITY AND IMPACT FEE SUMMARY

Fee Category	Estimated Project Fees
City Impact Fees	\$937,251
School District Fees (MUSD)	\$103,152
Habitat/Open Space (SJCOG)	\$225,284
TOTAL	\$1,265,687

EXHIBIT 8
ESTIMATED PROJECT EXPENDITURES

EXHIBIT 8
CITY OF STOCKTON – PROPOSED GO INDUSTRIAL ANNEXATION
ESTIMATED PROJECT EXPENDITURES

I. CITY EXPENDITURES

Program Appropriations	City Budget [1]	Expense Per Person	Service Population	Total Project
Police	\$148,950,532	\$388.40	148	\$57,483
Fire	\$53,398,905	\$139.24	148	\$20,607
Administration	\$20,823,160	\$54.30	148	\$8,036
Public Works	\$19,301,426	\$50.33	148	\$7,449
Community Services	\$7,761,000	\$20.24	148	\$2,996
Economic Development	\$5,348,168	\$4.78	148	\$707
Capital Improvements	\$12,100,000	\$31.55	148	\$4,669
Debt Service	\$6,953,050	-	-	\$0
Other Programs	\$8,240,530	\$21.49	148	\$3,181
Subtotal	-	-	-	\$105,128
Measure W Expenditures	\$12,845,623	\$33.50	148	\$4,957
TOTAL	-	-	-	\$110,085

II. PROJECT EXPENDITURE ANALYSIS

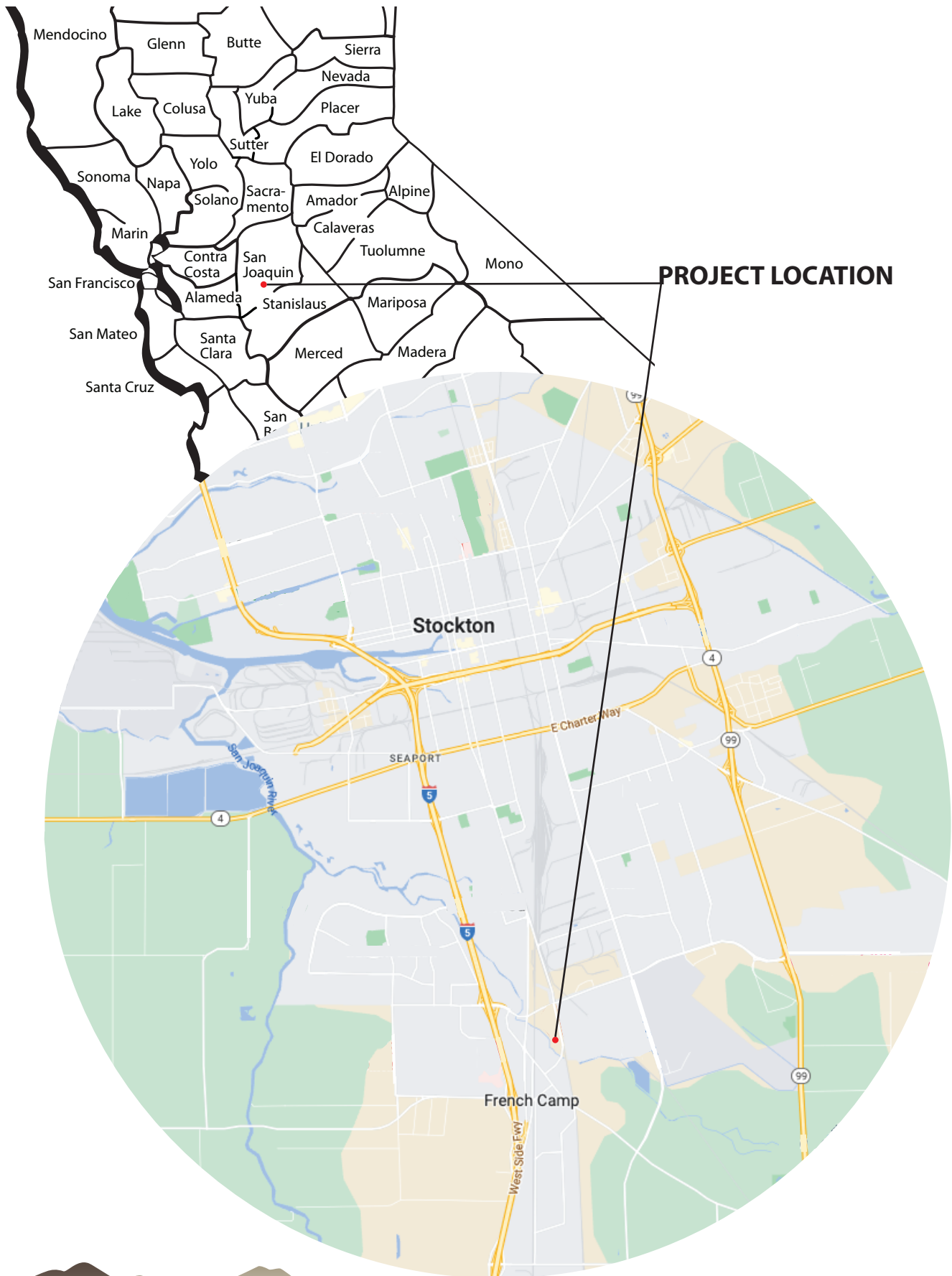
2022 City of Stockton Persons Served Population [2]: 395,125

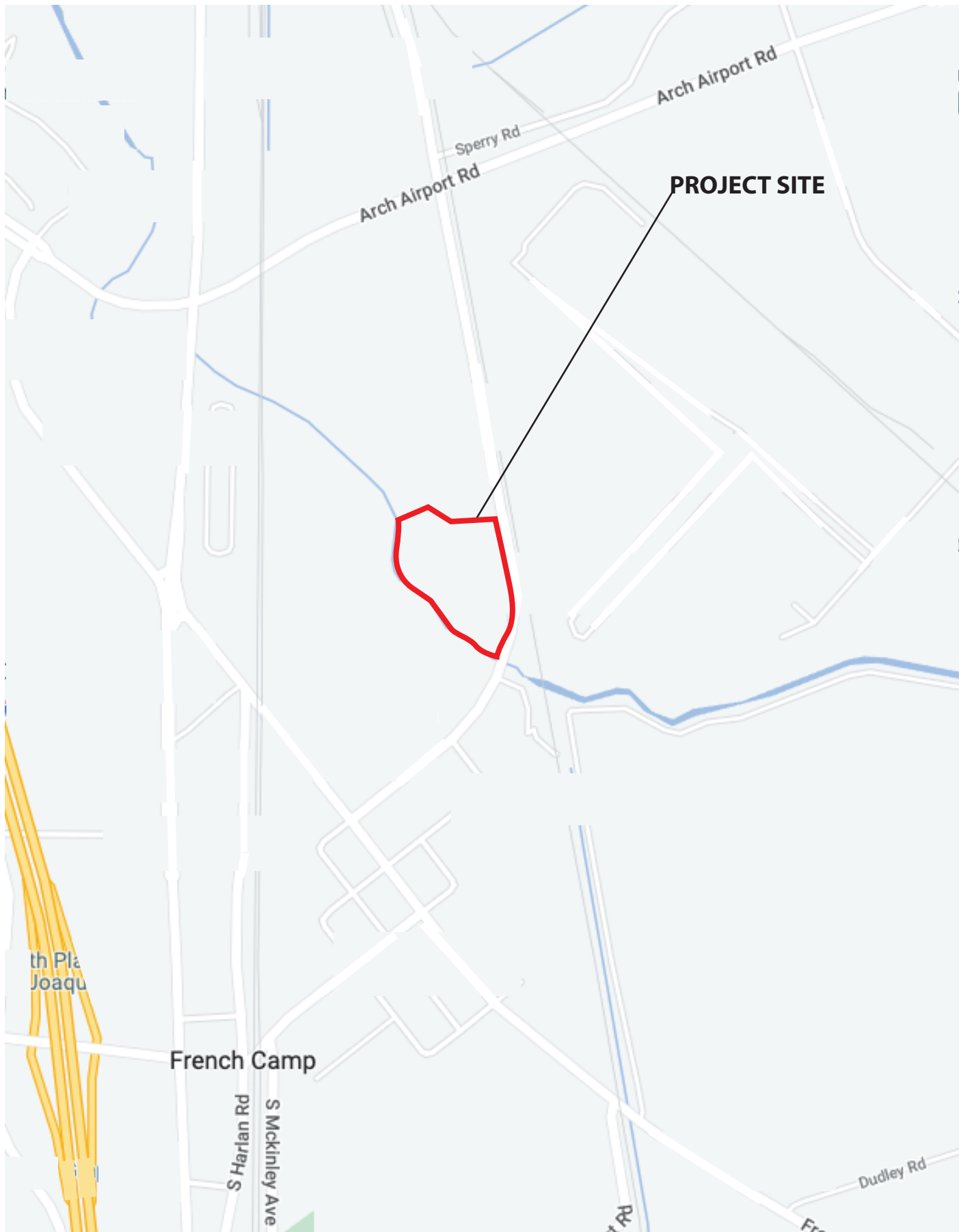
Persons Served Population on Subject Site [2]: 148

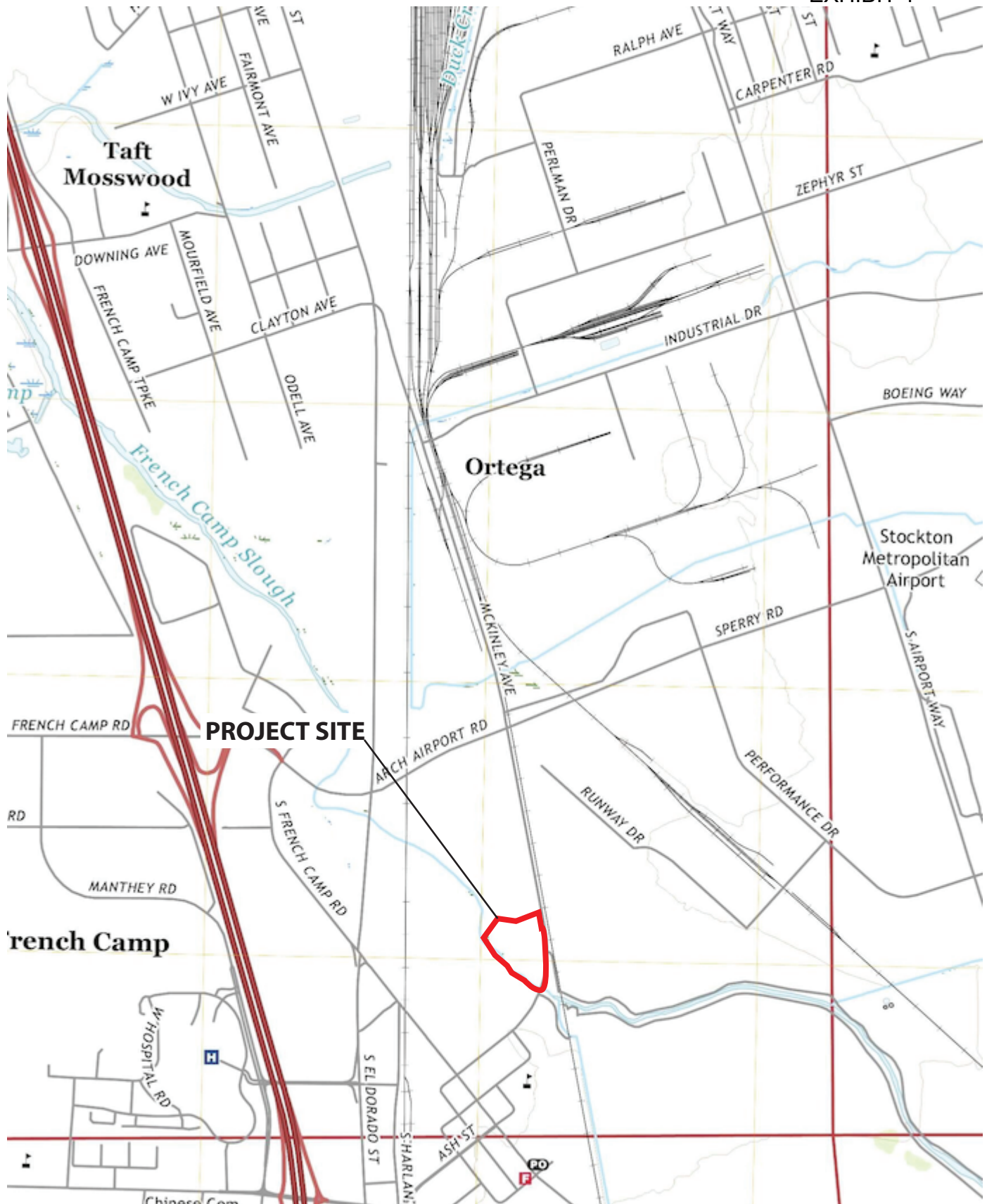
Total Subject Site Expenditures: \$110,085

[1] Source: City of Stockton Fiscal Year 2022/23 Budget

[2] See Exhibit 2.







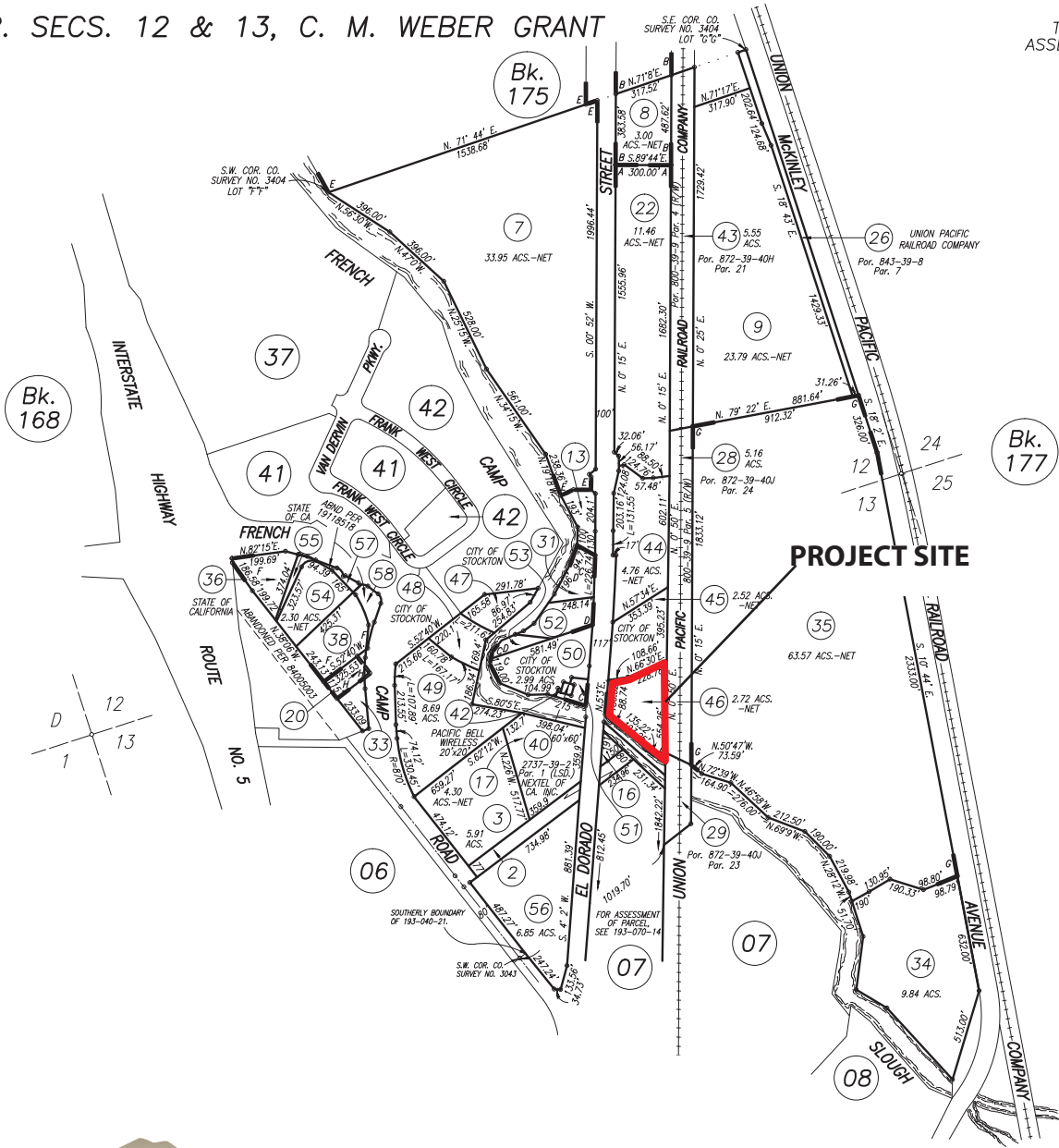


SOURCE: Google Maps

POR. SECS. 12 & 13, C. M. WEBER GRANT

THIS MAP IS FOR
ASSESSMENT USE ONLY

193-02



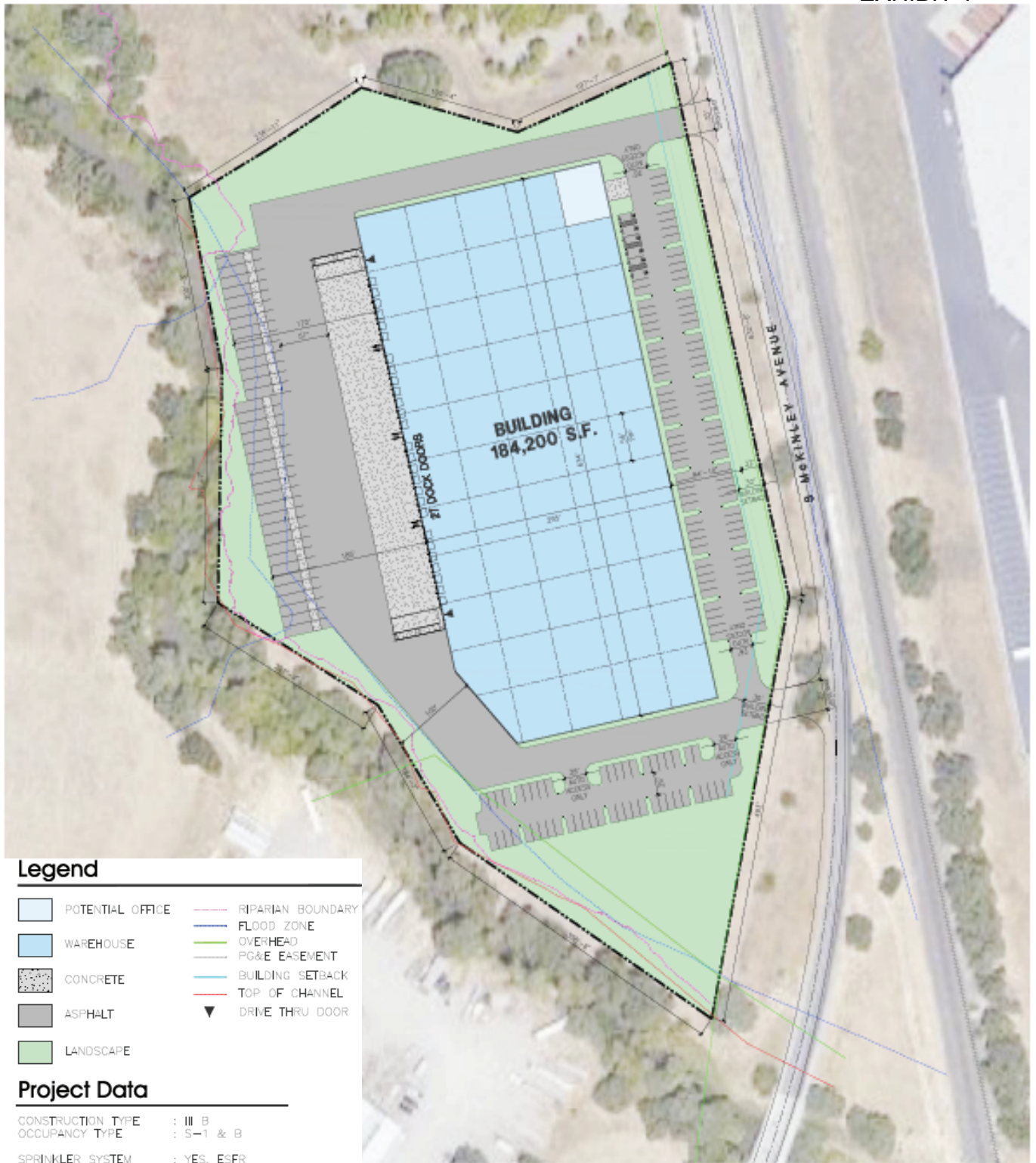
HIGHEST A.P.N. USED			
YEAR	PAR. #	PAR. #	PAR. #
94-95	35		
96-97	38		
99-00	40		
01-02	42		
06-07	43		
11-12	46	49	
12-13	51	53	
16-17	55		
20-21	56	58	

Assessor's Map Bk.193 Pg.02
County of San Joaquin, Calif.

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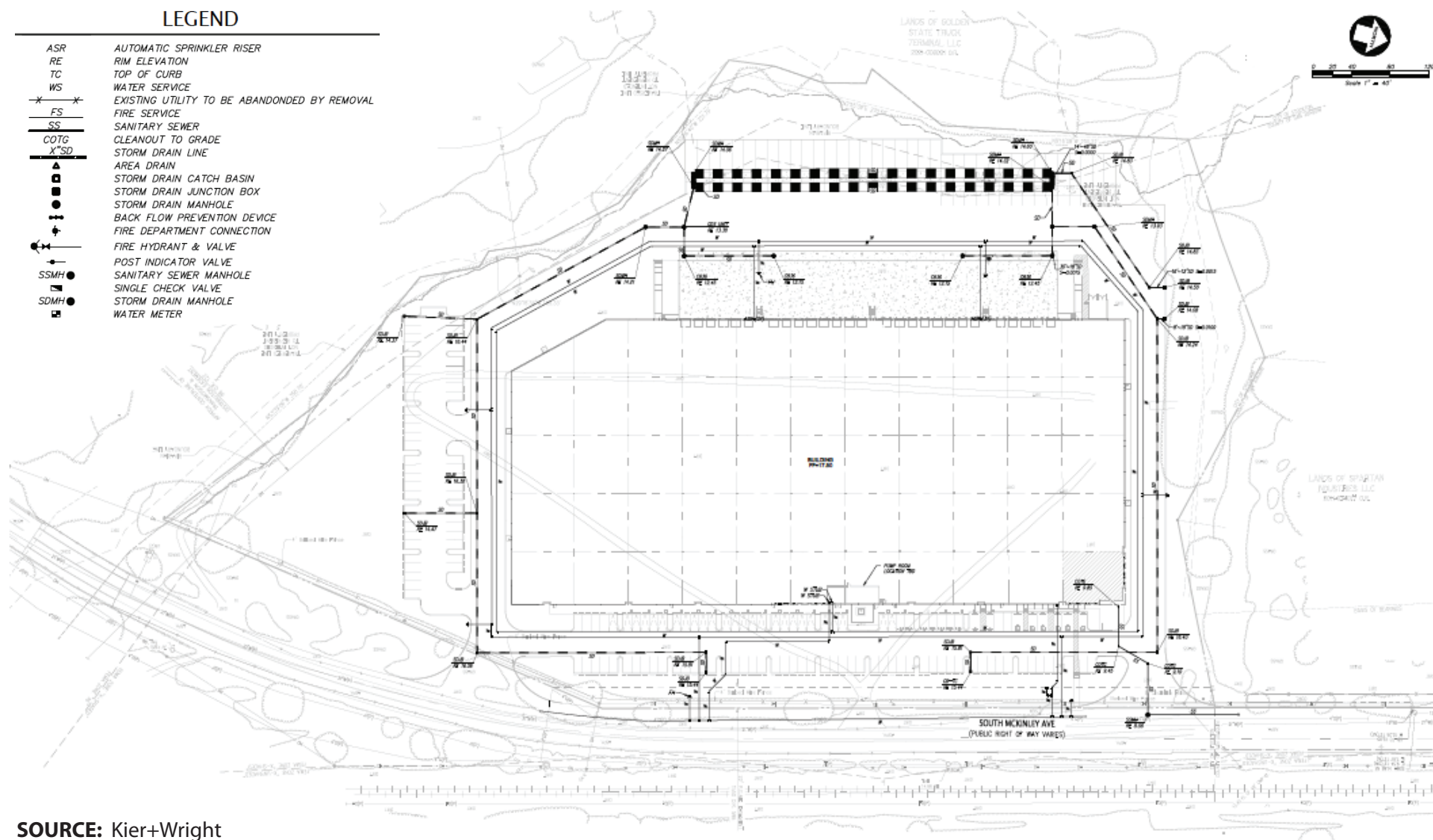
Figure 5
ASSESSOR PARCEL MAP



SOURCE: HPA Architecture



Figure 6
CONCEPTUAL SITE PLAN





SOURCE: Kier+Wright